



Informing Progress - Shaping the Future

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Most insurers have yet to scale AI beyond the pilot

AI continues to occupy discussions across the UK insurance sector, yet while many pilots have been commissioned, recent research from Accenture suggests the issue for most insurers is not proving it works, but making it work at scale. Despite the opportunities available, Accenture's report suggests only 23% of insurers, less than one in four, have successfully achieved enterprise-wide integration of AI.

The interest for legal professionals working with insurers goes beyond AI itself to the pace and extent to which it becomes embedded in core underwriting, claims and customer service functions. This will shape the risks client businesses carry, and the subsequent disputes and regulatory expectations they will be exposed to.

What the research tells us

The report, *How Insurers Drive Revenue by Deploying AI with Intent*, draws on the responses of 263 senior insurance executives with direct accountability for AI, data, technology and transformation across the Americas, Europe and Asia-Pacific. It is supplemented by interviews with 15 executives from major global insurers and by Accenture's separate *Pulse of Change* research, which gathers perspectives on key drivers of change, including AI, across a wider spread of industries and countries.

The headline findings show that 81% of respondents report an improvement of at least 5% in gross written premiums from AI and data initiatives. In the 2026 *Pulse of Change*

research, 86% of insurance employees report increased productivity through use of AI tools, and 83% of insurers have reduced underwriting cycle times by at least 5%. More than half of employees, 57%, now work regularly with AI agents, which puts insurance well above the cross-sector average.

It would therefore seem that AI is delivering on an individual level, but there remains a gap between this and successfully scaling across organisations. Accenture refers to it as insurers “*leaving value on the table*” by enjoying small-scale successes without realising the greater benefits of wider integration.

Barriers to Progress

- **Legacy systems** - Legacy system integration was cited by half of respondents as their principal obstacle to scaling AI. Many insurers carry platforms, bespoke integrations and policy administration systems accumulated over decades that were never designed or intended to connect with modern systems. Pilots testing new technology in a ‘sandbox’ can demonstrate it works with a limited sample size and controlled data, but a production deployment across live corporate environments requires real-time read and write capabilities that older data formats may not be able to support across thousands of employees.
- **Data quality and accessibility** - The second most common barrier, cited by 45%, relates to the quality and quantity of available data. The resource needed to prepare information fragmented across business units and held in inconsistent formats can be disproportionate to the effort needed to build a new AI application. A pilot can use a carefully curated dataset, which is a luxury an enterprise-wide solution does not have.
- **AI Skills Remain Concentrated** - Around 70% of insurers operate skills initiatives focused on AI, but only 14% have scaled these company-wide. This leaves capability within specialist groups, with limited upskilling across underwriting, claims, actuarial and operations. Accenture also identifies gaps in ‘translation’ skills, which connect what AI can do with what the business needs and where the real value in AI lies.
- **Ownership without alignment** - Business leaders typically set the ambition around AI, but specialist teams often lead the delivery. This can create a disconnect between strategy and execution, characterised by differences in pressure to meet delivery or commercial metrics. This may also explain why only 32% of C-suite executives place revenue growth and business expansion among their top three drivers of AI and data investment, despite 81% of insurers achieving at least a 5% increase in gross written premiums from AI and data initiatives.
- **A measured approach to investment** – The approach adopted by most insurers is to increase AI spend at a steady pace, which most plan to continue and is perhaps prudent when operating in a heavily regulated sector. Accenture’s, however, assert

that playing it safe with AI will only produce incremental benefits, whereas bolder, transformational moves will deliver lasting strategic advantages.

- **Governance continues to evolve** – Over half (56%) of respondents have implemented formal AI governance frameworks, signalling a shift away from reactive compliance towards embedding governance into organisational design. This highlights a change in approach to AI and a critical one for a sector operating with sensitive personal data and consequential decisions about cover and claims. Of the remaining firms, 43% claim to have a framework in development, and they need to ensure these come to fruition.

Moving towards enterprise-wide integration

Accenture's report suggests insurers should move away from an "*AI everywhere*" approach with widespread experimentation towards "*AI with intent*", where AI deployment aligns with areas representing the greatest potential for value-add. It sets out five interrelated actions that can help firms achieve this, which, collectively, focus on building the organisational conditions in which AI can succeed:

- **Tie AI deployment to strategic priorities**, with AI as a business capability that carries commercial accountability at all levels of the organisation. Focus on use cases where AI can improve competitive positioning, rather than across every possible application.
- **Expand AI skills** across teams that will use AI tools in daily work to align deployment with proactive use. Capturing AI's value relies on educating and supporting staff to use AI, reshaping work and changing mindsets to help drive value creation.
- **Integrate AI agents into core workflows** to manage labour-intensive tasks, while retaining human oversight. Staff can then focus on high-value service delivery and decision-making, and organisations move towards greater automation and connectivity.
- **Modernise legacy technology while delivering near-term value** by executing short-term AI projects that deliver quick wins alongside strategic changes to core data and technology infrastructure that enable consistent scaling of AI.
- **Proactively introduce responsible, transparent and accountable governance** that reflects the risk and impact of AI processes rather than introduce reactionary controls once deployment has started.

Future considerations

AI moving into core decision-making raises questions of explainability, fairness, data protection and accountability, requiring insurers to consider how AI-assisted decisions fit with their data protection obligations and the FCA's expectations on fair outcomes for

consumers and senior management accountability. Cross-border exposure must also consider the EU's evolving AI requirements under the EU AI Act.

Greater AI integration across underwriting, pricing and claims opens insurers to emerging risks connected to contract wording, disclosure, liability for model errors and the use of third-party technology providers. Technically literate lawyers with a deep understanding of how AI systems are being embedded and operated will be able to advise on these risks, and to defend clients if they are challenged.

Accenture suggests that governance frameworks work best when legal, compliance and risk teams converge to shape them at the design stage. As AI increasingly requires insurance lawyers to understand the technical aspects in order to effectively manage the associated liabilities, this is an area where they can add considerable value.

The research indicates that insurers are already producing measurable benefits in revenue, productivity and speed of decision-making through the use of AI. The issue, however, is that those benefits are unevenly distributed, and that the obstacles to wider adoption are organisational and cannot be solved by technology alone. A pathway for successfully scaling AI requires disciplined deployment where it will yield the greatest value, investment in people to make it work, and building trust into the foundations from the start.

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