5 steps to a unified insurance decisioning strategy

A practical guide for linking people, data and processes

sas

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01

Unified decisions for better business, happier customers and innovation

In an era of unprecedented technology-driven disruption, insurers are facing a dual challenge: Meeting rising customer expectations while navigating increasingly complex regulatory demands.

To remain competitive, insurers need to streamline operations, foster greater collaboration across departments and innovate with new technologies and approaches. Making better business decisions faster and more efficiently is key to keeping a competitive edge – and overcoming operational and divisional silos is essential for making it happen.

But that's not the end of the decisioning journey. **Studies prove** that insurers have already embarked on investments in new AI technologies, like generative AI (GenAI) and agentic AI. This is happening in parallel with their adoption of easy-to-use business solutions on sophisticated AI decisioning platforms.

The question is, can insurers effectively innovate while addressing urgent needs to streamline their operations, future-proof their services and drive growth?

If they adopt a single data and AI decisioning platform that unites people, data and processes across all functional areas of the business, the answer is yes. Breaking down traditional silos among people, data and processes can open new avenues for business innovation.

In this e-book, we'll consider:

- The challenges insurers are facing today.
- How to solve problems with insurance decisioning.
- The five steps insurers can follow to make better decisions faster, across the enterprise.

Benefits of insurance decisioning

- **Better decisions**. Integrating data from across the enterprise drives more holistic and accurate decisions.
- **Lower total cost of ownership**. Managing a single vendor and technology platform streamlines maintenance efforts, skill set requirements and training needs.
- **Improved customer journeys**. Joining decision points to reduce friction creates seamless customer journeys that promote higher customer satisfaction, reduced churn and better cross-selling potential.
- **Data democratization**. Breaking down data silos makes data more accessible to multiple areas of the organization.
- **Productivity gains**. Using a common set of tools fosters a culture of collaboration and can improve profitability across departments.
- **Higher success rates for AI and machine learning projects**. Using a common platform to build, deploy, execute and monitor analytical models creates trusted results based on repeatable processes.

02

Fragmented business decisions: Confront the challenges

Insurers have traditionally relied on different systems for different areas of the business, such as insurance risk management, claims investigation and settlement, and enterprise operations. Likewise, decision-making processes are handled uniquely within each department and system. This leads to data silos, where critical customer information is isolated in specific systems.

75%

of insurers cite outdated systems and silos as barriers.

See the infographic to learn more.

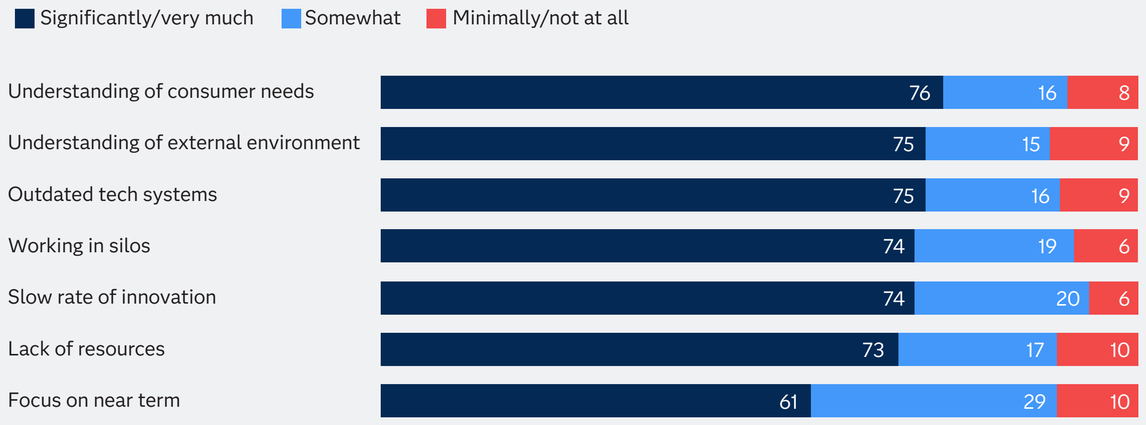
The downsides of this mix of data, systems, technologies, strategies and processes are sweeping and include:

- Disjointed customer experiences across disconnected lines of business, such as auto and home insurance.
- An incomplete, fragmented view of the customer across operations.
- High costs for specialized skills needed to run each system – and a risk of manual errors and IT resource strain.
- Delayed or inadequate decision-making – potentially based on stale, inaccurate or incomplete data.
- Inefficiencies, data inconsistencies and increased operational risks.

Insurers facing these challenges will find it hard to respond quickly and effectively to evolving economic conditions, market shifts and regulatory requirements. An integrated decisioning approach will help to overcome those barriers.

Respondents see an array of internal barriers limiting their organizations' ability to take advantage of industry trends.

Internal barriers to taking advantage of industry trends, by share of respondents.



Organizational silos and outdated systems present significant challenges for most insurers (75%), affecting their ability to seize market opportunities. These findings are from a global survey conducted by Economist Impact (sponsored by SAS).

Incorporating AI-powered decisions

AI is changing the way the insurance world does business. Consider:

- **Generative AI**, which goes beyond predicting – it generates new data as its primary output. Insurers are using these techniques to help make data-driven decisions that guide the most appropriate actions to take.
- **Agentic AI systems for insurance** that rely on one or more AI agents working together like a high-functioning team. They can autonomously handle tasks in underwriting, claims processing, fraud detection and risk assessment workflows.

In the rush to gain a competitive edge, many organizations implement new technologies without fully considering the big picture. Without a well-planned path, transformational efforts like these can and often do go awry.

About half (46%) of insurance executives surveyed by Economist Impact say minimizing underwriting and operational costs is a key outcome for taking advantage of industry trends.

How can insurers be certain their investments in digital transformation and AI technology will pay off? How can critical yet distinct departments – like actuarial practices, claims management, fraud and marketing work together across various distribution or sales channels – even though they use different and sometimes outdated technologies to make decisions?

The five-step model outlined in this e-book is a pragmatic way to speed and improve decision making across the enterprise, setting the stage for stronger ROI and profitability.

> “This project with SAS is helping PZU better and more responsibly use AI to serve customers. We want to set an example for others: generating profits ethically, with responsible use of data and artificial intelligence, is not only possible – it’s the only right way for insurers.”
>
> - **Marek Wilczewski**, Managing Director of Information, Data and Analytics Management at PZU

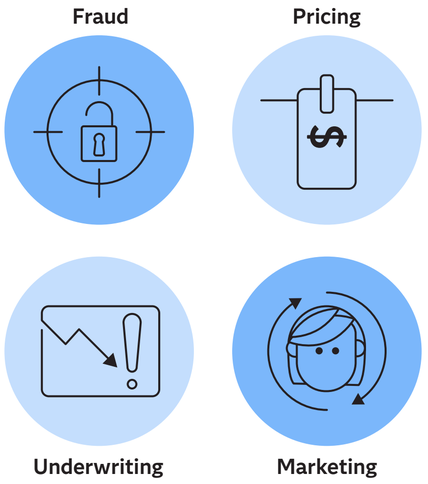
Read the press release

Fragmented business decisions: Confront the challenges

To overcome their traditional siloed approach, insurers should use a unified platform that integrates data, analytics and decision-making processes throughout the organization. This unified platform connects the dots between all customer touchpoints – from quote to claim – facilitating fast, accurate decisions. Consolidating multiple decisioning systems onto a single platform helps increase data availability and accuracy, streamline workflows and strengthen collaboration among departments. Ultimately, this approach drives greater efficiency while reducing operational risks and improving customer satisfaction.

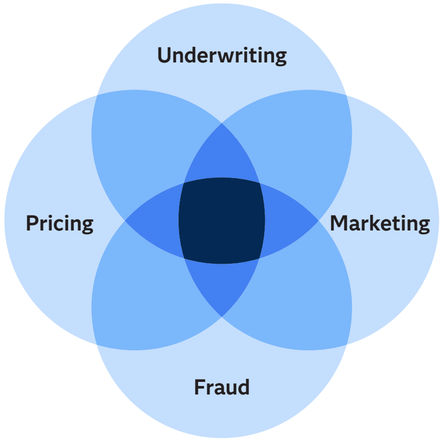
Insurers' Legacy Approach to Technology

Siloed point solutions



Typical Digital Transformation Approach

Bridging existing technologies yields limited results



A Common Decisioning Platform

The whole is greater than the sum of the individual parts

- **Lower total cost of ownership**
- **Democratize your data**
- **Productivity gains through collaboration**
- **Higher AI/ML project success rates**
- **Improved customer journey and profitability**

03

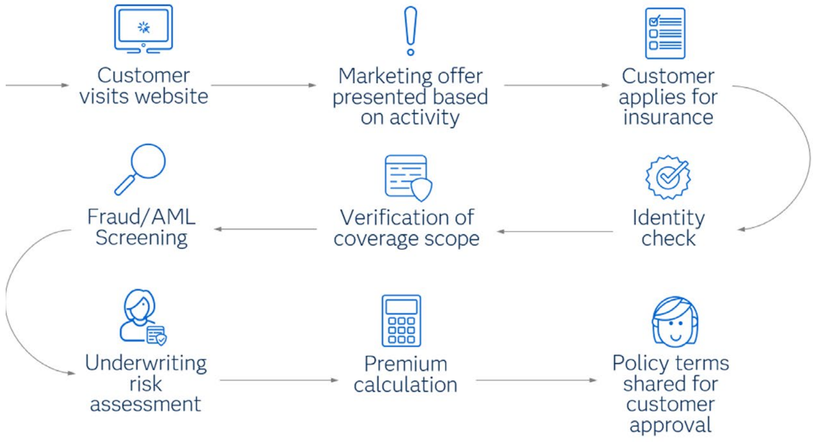
Step 1: Address challenges through the eyes of the customer

It's not unusual for each department in an organization to ponder challenges from a limited perspective. Does a broader view introduce greater complexity with limited upside?

Not when we see things through the eyes of the customer. That's when operating in silos starts to look unnecessarily complex – and more like a missed opportunity to deliver a personalized and streamlined customer experience.

Consider a customer's initial onboarding journey. It's often the first interaction they'll ever have with the insurer, so it's a crucial time to ensure the experience is smooth and pleasant.

A seamless insurance application journey



Reduced customer friction

Lower total cost of ownership

Data democratization

Technology simplification

Faster speed to market

But onboarding is more than just acquiring new customers. Onboarding entails a complex, multi-layered decision-making process that requires strong collaboration between both technical systems and various departments and functions.

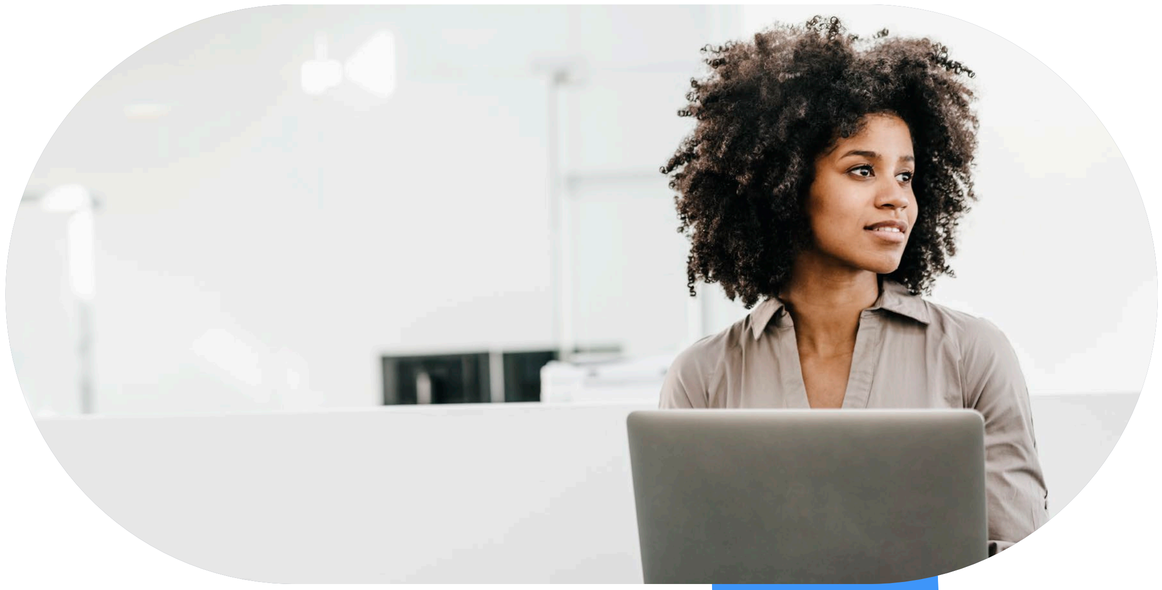
To truly understand the customer experience, insurers need to consider the series of touchpoints they have with each customer. For example, distinct functions like underwriting, fraud detection and pricing are all involved during the onboarding process. Too often, disjointed and unconnected processes create gaps that customers can fall through or that bad actors can exploit.

Integrating these functions and key decision points into a unified decisioning framework can simultaneously expedite customer onboarding, reduce friction, accelerate claims management and reduce underwriting risk.

That's insurance decisioning at work.

04

Step 2: Simplify your technology foundation



Onboarding a customer applying for insurance coverage results in a final decision that is an aggregation of many decisions. All those decisions are based on the same data the customer provided on their initial application form.

Clearly, each aspect of the onboarding process – and related set of tasks – relies on unique skills and expertise to make the approval decision. For example, the process entails:

- Providing the best offer, which requires expertise in pricing.
- Having a deep understanding of all types of insurance risks, which relies on expertise in underwriting.
- Making an evaluation of fraud risk, which requires fraud expertise.

Today, many insurers maintain dedicated solutions for marketing, underwriting, pricing and fraud detection. What they may not realize is the significant overlap in the types of data used to make decisions and the capabilities required to manage each decision touchpoint.

To gain efficiency through automated rule-based assessments, insurers can integrate these functions into a unified decisioning framework on a centralized platform. They can still maintain human oversight where necessary, without compromising accuracy.

Using a single platform that can be deployed on-premises or in the cloud helps insurers make even faster and more efficient AI-powered decisions. It’s a cohesive experience for the customer – and much simpler for those managing decision-making processes across the organization.

This is why a common platform for data exploration, machine learning and decision automation makes sense. Simple is better.

05

Step 3: Walk before you run – take an iterative approach

Clearly, it's not feasible to rip and replace all decisioning systems all at once – especially since those systems are vital to operations. Taking an iterative approach to your transformation will deliver benefits incrementally and continuously while helping reduce project complexity. It can also accelerate your return on investment.

One way to get started is by breaking down your decisioning processes by stage and function. Before implementing, be sure to identify and quantify the benefits of the integrated decisioning approach. Determine which benefits you can achieve for each part of the process, then define your priorities.

For example, the customer onboarding journey generally covers the interconnected functions of underwriting, pricing and fraud detection. If this onboarding process can be consolidated into a single technology, consider if it's important to choose one department to lead the early sprints or phases due to a particularly pressing challenge.

As you continue to roll out the solution, remember to try different things and adjust your approach as you go. All dependencies might not be clear at the beginning of the process – you will learn as you go.

But onboarding is just the starting point.

Managing each customer as they move through the insurance journey entails many other types of decisions and transactions. Being able to do it all on the same infrastructure generates more comprehensive insights about individual customers over time.

For instance, an automated underwriting model can combine rule-based decisioning with human oversight. This starts with structured policy acceptance assessments that automate routine tasks while allowing for in-depth investigations where needed. Advanced data processing techniques – like processing questionnaire responses and using predictive analytics for scoring – enhance risk evaluation and compliance.

74%

face reduced market opportunities due to organizational silos.

See the infographic to learn more.

Minimizing costs was a key focus among insurance executives to take advantage of future industry trends.

Percentage share of respondents mentioning the following outcomes as being among the three most important to stay ahead of and take advantage of industry trends.

74% of global insurers **surveyed by Economist Impact** say organizational silos reduce their market opportunities. Almost 30% said better information sharing between departments is important for staying ahead of industry trends, while almost half cited the need to minimize underwriting and operational costs as vital for this goal.

06

Step 4: Innovate continuously with real-time analysis and new data

Providing a smooth and engaging customer experience has eluded many insurers in the past. A unified decisioning platform can change that.

But it’s not time to relax once everything is up and running.

To meet ever-evolving customer demands and stay one step ahead of the competition, relentless innovation becomes mandatory. If your organization is committed to constant improvement and development, you must push boundaries and steadily explore uncharted territories. Maintaining an adaptive and responsive insurance decisioning process relies on real-time data synchronization, which requires:

- Using real-time data pipelines and API-driven integrations for dynamic, always-current updates across departments.
- Incorporating AI and machine learning to refine the approach.

Following this approach with your real-time decisioning process keeps risk assessments, pricing calculations and fraud alerts current. This interconnected ecosystem significantly enhances decision making, reduces delays and allows insurers to respond proactively to emerging risks.

AI and machine learning can analyze patterns in real time to rapidly detect fraud, assess risk more accurately, and optimize pricing strategies based on historical and emerging trends. Insurers dedicated to continuous innovation – a prerequisite to being ready for the future – will need to embed AI in their processes and prioritize testing and simulation.

By embedding AI-driven analytics into every stage of the onboarding process, insurers improve efficiency while strengthening fairness and accuracy in underwriting decisions.

Best practices for continuous innovation include:

- Automatically monitoring business rules and model performance, triggering a retraining process if monitored metrics drop below defined thresholds. This includes metrics like acceptance rates and false positive ratios. Using real-time analysis allows insurers to respond swiftly to emerging threats, minimizing the impact on operations and customers.

- Making it easy to integrate new data sources so teams responsible for assessing underwriting risk or managing fraud and financial crimes can improve their automated decisions for the entire business (rather than benefiting a single team). Transparency ensures that all stakeholders operate with consistent data, enabling more informed decision-making and a cohesive approach to risk management.

07

Step 5: Stay ahead with a platform trusted for performance and scalability

With a unified, cloud-native platform that's designed to scale on demand, insurers can achieve higher levels of productivity, performance and savings than ever. An insurance decisioning solution built on this type of platform helps insurance companies:

- Improve decision-making across all touchpoints.
- Create seamless customer journeys.
- Optimize resource efficiency and reduce total cost of ownership.
- Stay competitive in a rapidly changing market.

"We evaluated several platforms to implement this project. SAS® Dynamic Actuarial Modeling was the most comprehensive platform, allowing us to train, deploy and automatically monitor the performance of high-accuracy machine learning models. We also appreciated that SAS' solution capabilities can be extended to other critical functions such as next-best offer generation and insurance fraud detection, aiming to improve customer experience and reduce prices even further."

–**Neslihan Neciboğlu**, Neova Sigorta CEO and board member

Read the press release

08

SAS – trusted by insurers around the world

Siloed technologies – a typical insurance operating model – result in siloed strategies, approaches and processes. Disconnected lines of business then produce inconsistent and disjointed customer experiences.

The five-step process outlined here can help insurers make more informed and strategic decisions that drive greater efficiency, protect against threats and foster customer loyalty.

Insurers around the world use SAS to assess underwriting risk, manage claims, stop fraud in its tracks and create personalized customer experiences that increase engagement. Our solutions for insurance decisioning work across the entire customer life cycle (insurance risk, claims operations, fraud detection and investigation) – on a single platform.

With insurance decisioning from SAS, your business can remain competitive, compliant and prepared to meet customers' evolving needs today and in the future.

>1,400
insurance companies are using SAS worldwide

90%
of insurance companies on the Fortune Global 500 rely on SAS

47
of the top 50 largest global insurers choose SAS

Learn more about **AI solutions for insurance**.

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