Title

Operationalizing Responsible AI in the Insurance Industry

Speaker/Company

Dr Jordan Ko / Anthony Nelson, SAS Institute

Abstract

Artificial Intelligence is increasingly being used in every part of the insurance value chain, from product design & development, pricing & underwriting, sales & distribution, customer service, loss prevention to claims management. Actuaries, data scientists and their citizen data scientist counterparts are playing an increasingly important role applying advanced analytics and AI throughout the value chain and integrating data management, analytics and AI into their company's core operations. As a result, regulatory bodies across the globe are busily preparing new rules and regulations to govern the use of AI systems in an attempt to ensure these systems will be used in a fair, equitable and transparent fashion.

There has been a lot of discussion about regulatory frameworks such as EIOPA's AI Governance Principles and what these will mean for the future of the insurance industry. Instead of discussing these frameworks at a theoretical level, we will leverage our more than 50 years of experience at the forefront of driving the adoption of advanced analytics and AI at insurance companies world-wide to discuss the specific steps an organization needs to take to prepare for and to benefit from the upcoming requirements for the responsible use of AI.

We will present an approach that conforms to the proposed frameworks while remaining flexible and customizable to the individualorganizational and technical needs of each of our 1400 insurance customers in more than 75 countries which include 47 of the top 50 largest global insurers.

Our experience implementing advanced analytics and AI systems has shown us that these systems will not only transform the business of insurance, they are in themselves transformational for the companies implementing them. As with all transformation projects, we have learned that successfully implementing AI requires an holistic effort including not just the technology, but, perhaps more importantly, the people who will design, develop, implement, use and monitor AI systems, and the business processes they will use which will need to be designed to ensure that the AI systems implemented are used in a responsible manner.

We will leverage specific examples from our customers in the insurance industry to share a detailed roadmap complete with practical best practices and pitfalls to avoid to ensure the successful implementation of responsible AI that the conference participants can take back to their companies to help inform and guide their own AI implementation journeys.

Biography

Dr Jordan Ko is an actuary working at the SAS Institute, an analytics company with its headquarters in Cary, North Carolina, USA and has more than 15 years of experience with risk and advanced analytics. Prior to joining the insurance industry, Jordan had an international academic career having most recently served as a visiting fellow at London School of Economics. Jordan worked as a reserving actuary at an international reinsurer and is keenly interested in applying advanced analytics to insurance applications. He is passionate about insurance and volunteers for actuarial, microinsurance and sustainability related topics.

Anthony Nelson is a Senior Engagement Manager at the SAS Institute in Munich focused on the insurance industry with over 15 years of experience working with large multinational financial services organizations across Europe and in the United States. Anthony has focused on using technology to improve business operations, including leading large business process optimization, digitization and automation efforts. Anthony's passion for technology and the use of technology to solve complex business challenges led him to do advanced studies at MIT in Boston, MA where he focused on the application of analytics and artificial intelligence, skills he is now able to share with his clients in the insurance industry in Germany.