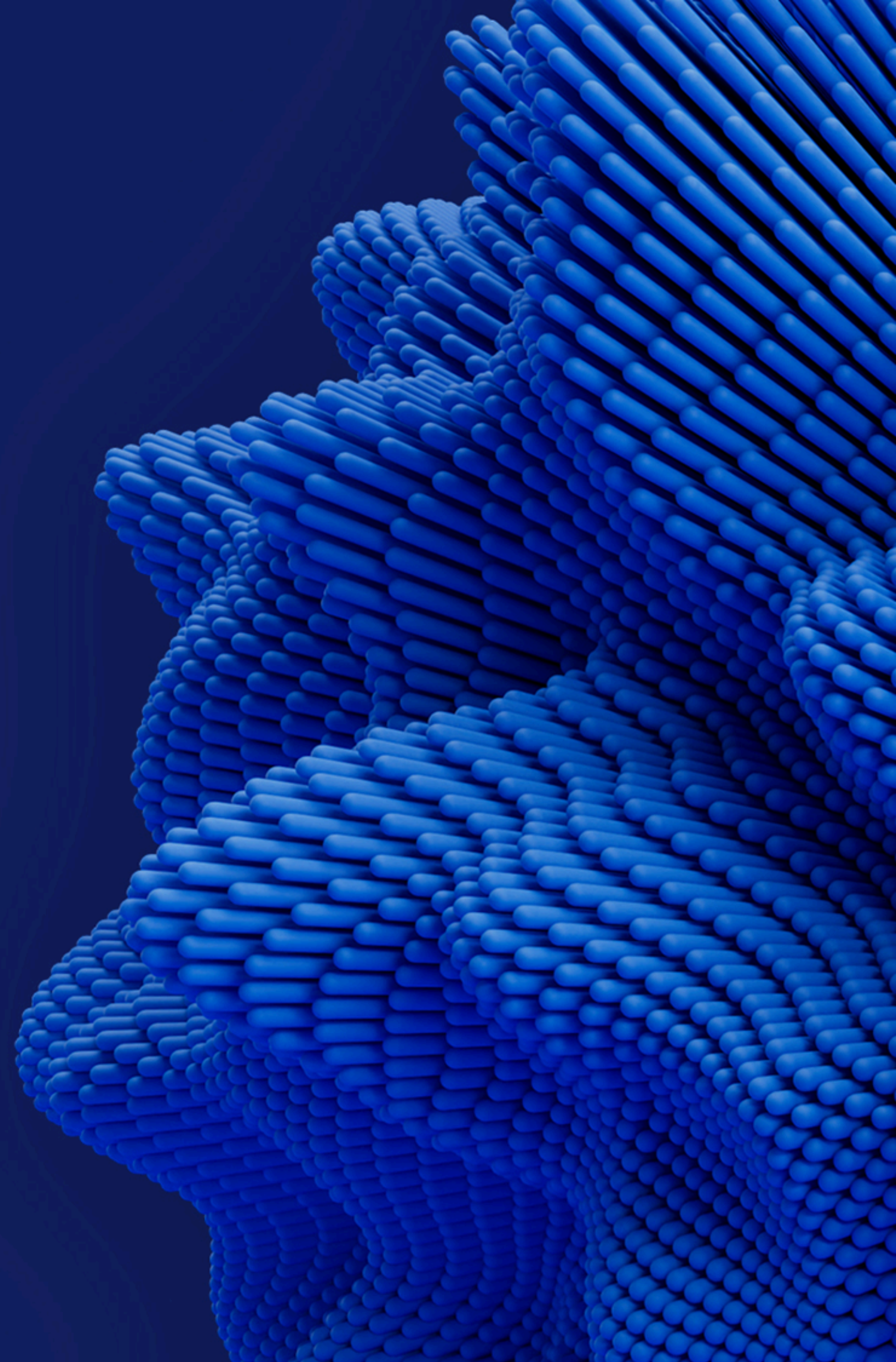




Evolving actuarial models for sharper underwriting decisions

How pricing professionals are modernising models to support faster, smarter underwriting decisions

ENTER



Underwriting expectations are rising fast

From technical premiums to decision-ready insights at the point of risk selection

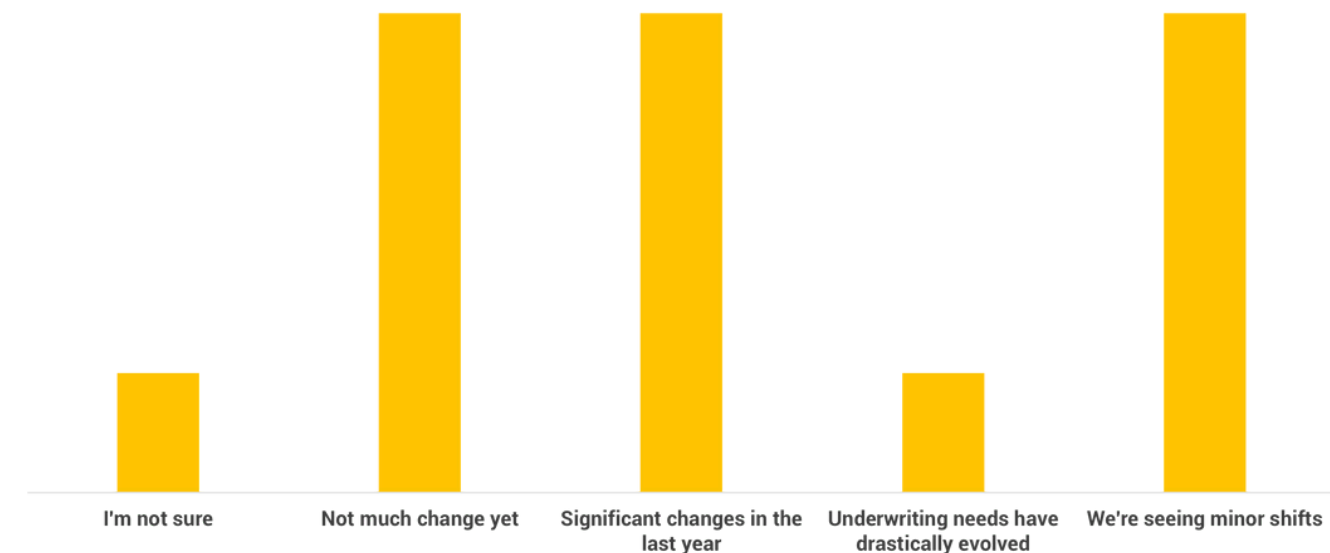
The underwriting cycle in specialty insurance has become faster and less predictable. At the same time, actuarial models have evolved from deterministic approaches to data-rich frameworks, enabling underwriters to use outputs more effectively and turn actuarial insight into a genuine advantage.

A clear signal of this shift is in underwriting needs. Our June 2025 survey of pricing professionals showed most respondents reporting notable changes in expectations, with underwriters now seeking actionable insight at the point of risk selection, not just technical premiums.

“Underwriters want data presented clearly and efficiently, ideally on-screen rather than via email, so they can make quicker, more informed decisions.”

Andrew Gray, AVP & Actuary, Pricing, CNA Hardy

How are underwriting needs evolving?



Source: Data from our June 2025 survey of pricing professionals

At our London pricing roundtable, participants echoed this sentiment, noting that younger underwriters in particular are more comfortable with technology and expect richer, more granular data. The emphasis is no longer on handing over a number; it is on providing context, portfolio insights, and clarity that supports sharper risk decisions.



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Actuaries at the front line of underwriting

Collaboration is deepening - but legacy systems and skills gaps are slowing progress

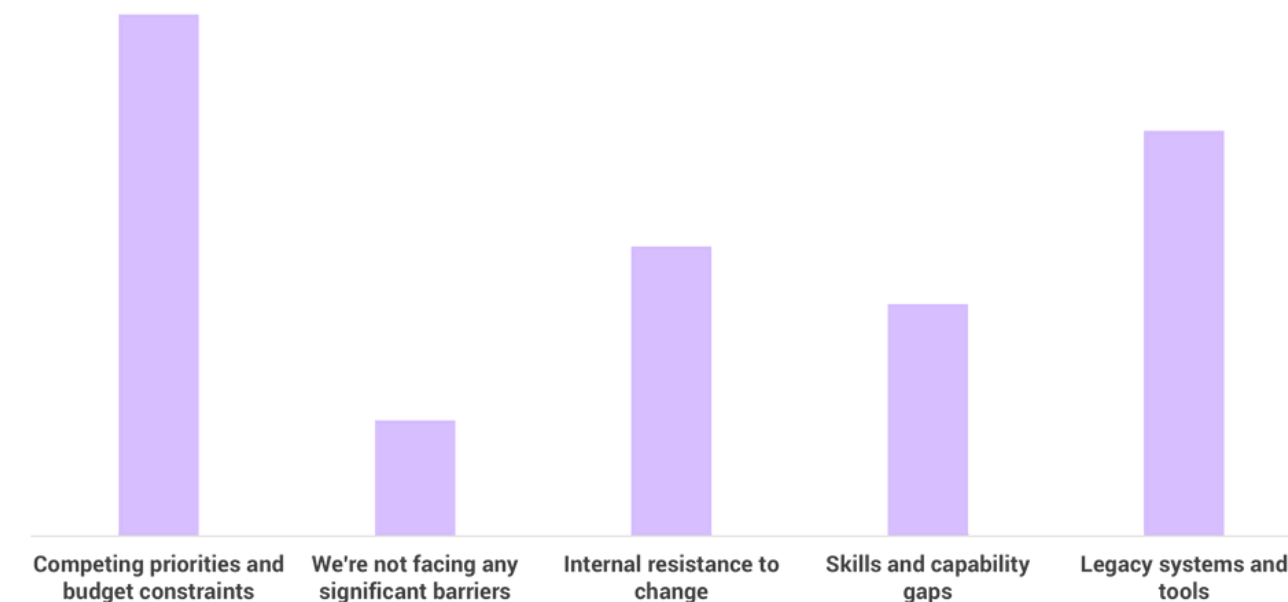
Actuaries are no longer just technical specialists. Their role is expanding into visible partnership with underwriting, where commercial judgement and modelling expertise combine to support sharper risk decisions. Their outputs are increasingly expected to be accessible, decision-ready, and quick to apply at the point of selection.

“Actuaries should provide not just data, but insight, acting as true partners to underwriters in selecting the best risks.”

Helen Cahill, Head of Pricing, Sirius Point International

But progress is uneven. While the ambition for smarter pricing is clear, many organisations are still grappling with entrenched systems, fragmented processes, and the practical realities of change.

What is holding back wider adoption of pricing transformation?



Source: Data from our June 2025 survey of pricing professionals

Our data shows legacy systems are the biggest barrier to smarter pricing, followed by skills gaps and competing priorities. Roundtable participants pointed to outdated tools, inconsistent data capture, and broker reluctance to share information, highlighting that persistence and partnership are just as critical as technology upgrades. Overcoming these challenges is key to turning actuarial insight into a competitive edge.



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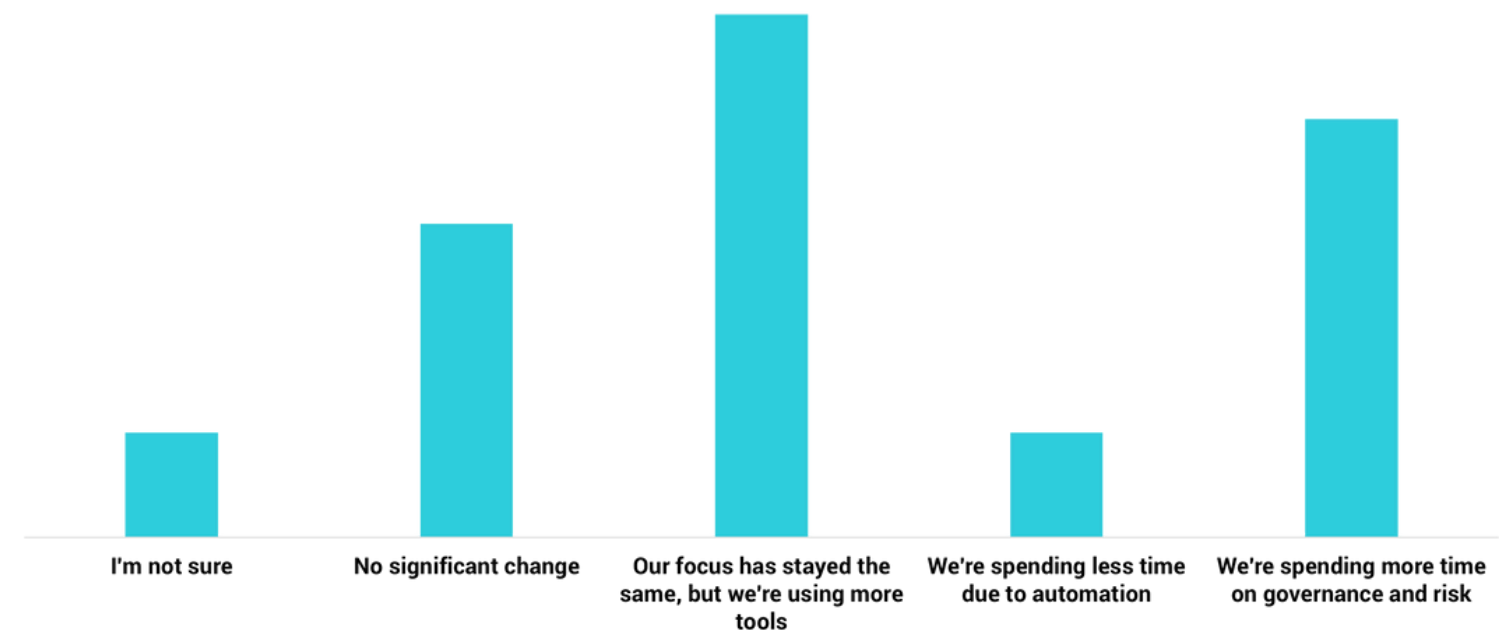
Governance under the spotlight

Oversight is becoming both a safeguard and an enabler

Pricing teams are rethinking how they approach governance and risk. Oversight is no longer viewed purely as a compliance requirement; it is becoming part of how organisations enable innovation responsibly, with tighter controls on data, clearer documentation of model use, and closer alignment between pricing and risk functions. Rising expectations around transparency and accountability are also creating pressure for governance to be embedded in processes rather than added at the end.

Our recent survey shows teams taking a range of approaches, though the overall trend is clearly towards stronger governance. Some are dedicating more time to oversight activities, while others are adopting new tools to better manage complexity and keep pace with evolving models. Governance is increasingly recognised as a core part of pricing work, rather than merely an external check or box-ticking exercise.

How has your approach to governance and risk changed in the past year?



Source: Data from our June 2025 survey of pricing professionals

Roundtable participants reflected this shift, noting that governance is now expected to run in parallel with innovation, not follow behind it. Several described it as a source of confidence, enabling organisations to test new approaches while staying within defined guardrails. As pricing teams push ahead with transformation, embedding governance into the process will be what separates cautious pilots from scalable success.

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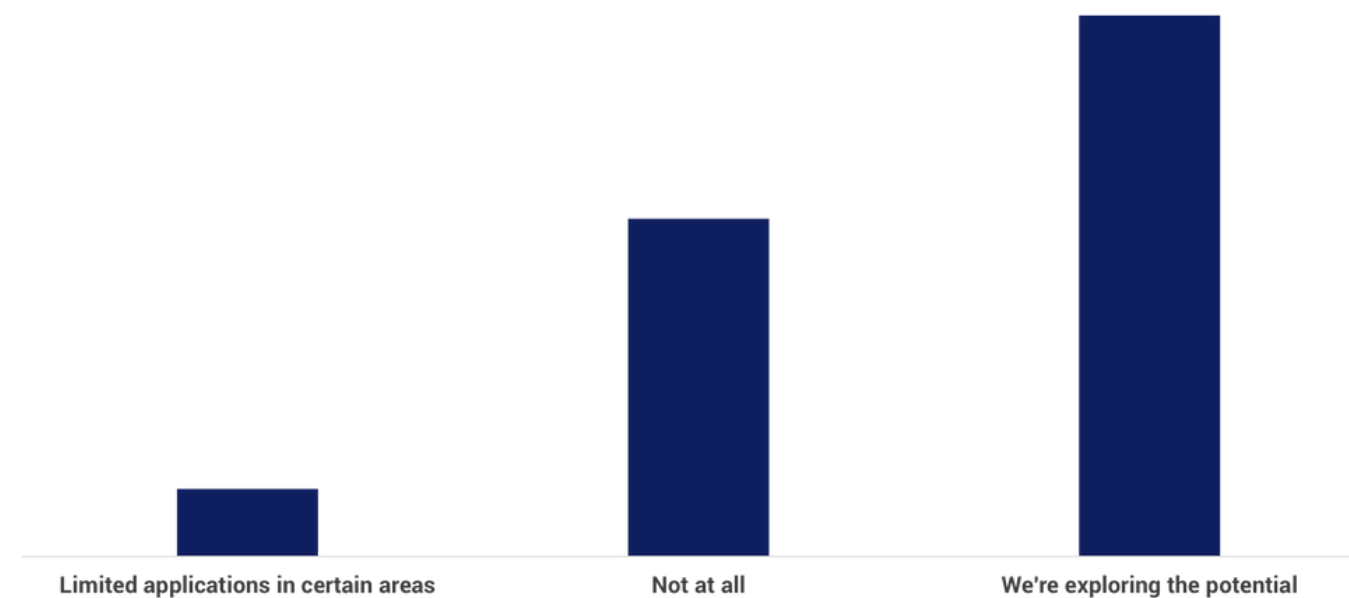
AI adoption: cautious but growing

Practical augmentation, not replacement of judgement

Artificial intelligence continues to attract attention in insurance, but its role in pricing remains limited. Across the market, it's seen less as a disruptive force and more as a practical tool to improve efficiency. Typical use cases include submission intake, extracting data from documents, and automating repetitive analysis - areas where speed matters, but judgement is still critical.

The survey shows most pricing professionals are either not using AI in pricing or are only beginning to explore its potential, with just a handful reporting limited applications. Roundtable participants echoed this cautious stance. Several stressed that there is still "low-hanging fruit" in simply providing clearer portfolio insights, and that underwriters expect data to support decisions, not dictate them. Concerns about data ownership, reliability, and IP were also raised as reasons why adoption remains measured.

How much are you currently leveraging AI in pricing?



Source: Data from our June 2025 survey of pricing professionals

“Even if data is not immediately useful for pricing or underwriting, it is valuable to capture it for other functions within the business.”

Krish Kistnassamy, Head of General Insurance, Hymans Robertson

Insurers that treat AI as an augmentation tool, not a replacement for actuarial expertise, will be best placed to capture efficiency gains while maintaining trust in their models.

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The next 12 months: key priorities

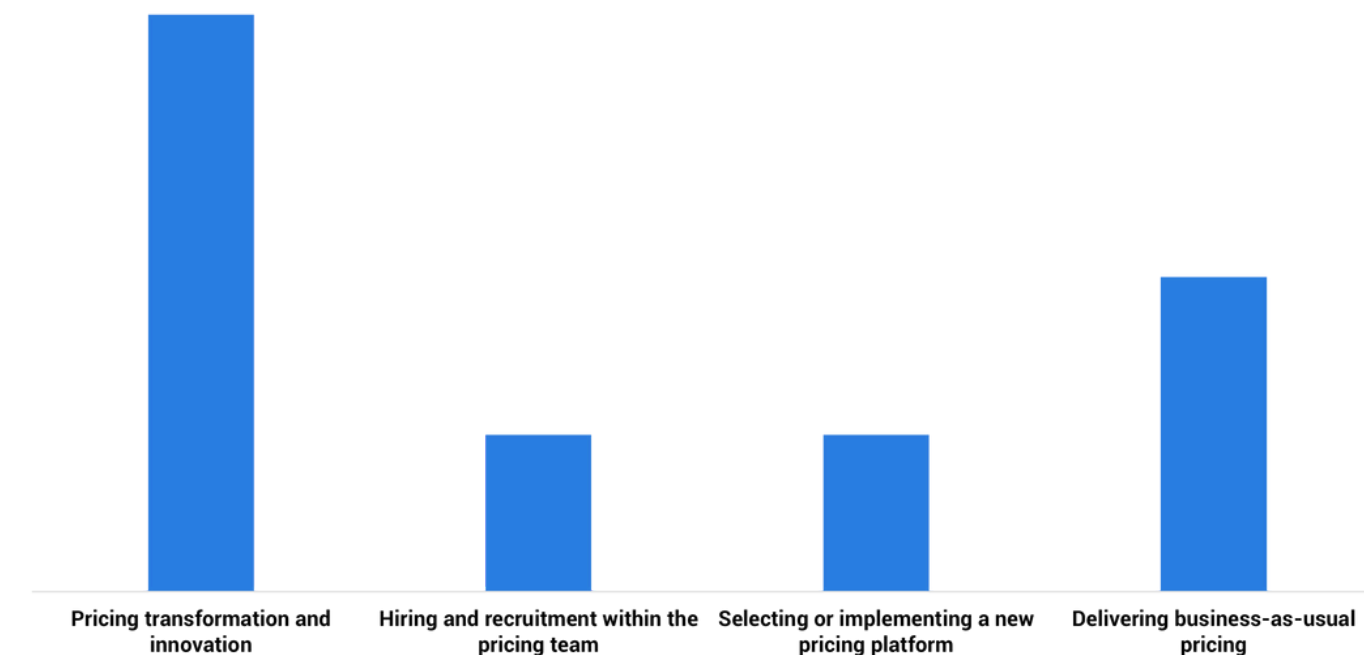
Pricing teams are balancing today's delivery with tomorrow's ambition

Looking ahead, pricing teams face the challenge of delivering today while preparing for tomorrow. Transformation is no longer optional, but it must be managed alongside business-as-usual pricing. That means choosing where to focus resources, how to sequence change, and how to maintain momentum without disrupting operations or compromising core delivery.

The survey shows transformation and innovation as the top priorities for the next 12 months, followed by maintaining BAU pricing and selective adoption of new tools.

Roundtable participants described this balance in practice: some are investing in data science talent, others in modernising systems, or embedding actuarial insight more deeply into underwriting workflows, all while keeping pricing accurate, responsive, and aligned with business needs.

What are your team's top priorities in the next 12 months?



Source: Data from our June 2025 survey of pricing professionals

The message was clear - progress is happening, but teams must weigh ambition against capacity. The challenge for the year ahead will be driving transformation at pace, without losing sight of the fundamentals that keep pricing teams effective, consistent, and trusted today. Success will depend on prioritising the right innovations, embedding them sustainably, and ensuring that pricing continues to deliver value across underwriting and portfolio decisions.



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Integration is the common thread

The firms that embed actuarial insight into workflows will unlock the advantage

Across both the survey and roundtable, one theme stood out: integration. Smarter pricing is no longer just about model sophistication; it is about embedding outputs into underwriting workflows, aligning definitions across teams, and ensuring insights flow back into portfolios.

This convergence of smart pricing and sharp underwriting is reshaping how decisions are made. In today's compressed cycle, actuarial models must do more than calculate — they must give underwriters clarity and confidence to act quickly and with discipline.

The insurers that break through legacy barriers, strengthen governance, and embrace technology in the right way will be the ones to unlock the actuarial advantage.



Actuarial outputs must be decision-ready

Not just technical premiums, but insight underwriters can act on.



Legacy barriers still block progress

System upgrades, consistent data capture, and cultural change are prerequisites for transformation.



Governance is shifting role

From compliance afterthought to enabler of innovation and AI adoption.



AI will augment, not replace

Efficiency gains come from targeted automation while judgement stays with experts.



Transformation needs balance

Teams must deliver day-to-day pricing while driving innovation and portfolio-level insight.



Verisk Specialty Business Solutions

For over 25 years, Verisk Specialty Business Solutions has delivered pricing, underwriting, and portfolio management solutions for specialty insurance. Our Rulebook platform helps actuaries and underwriters price with precision, embed models into workflows, and drive better decisions at speed.

Speak to an expert

Get in touch with Taha Ahmad, Director of Pricing Solutions, for practical insight on tackling your pricing and underwriting challenges.



See Rulebook in action

Explore how smarter pricing and underwriting can be embedded into your workflows.



Request a tailored demo

Get a walkthrough designed around your team's pricing and underwriting needs.



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Discover how Verisk SBS is helping specialty insurers modernise pricing and portfolio management.