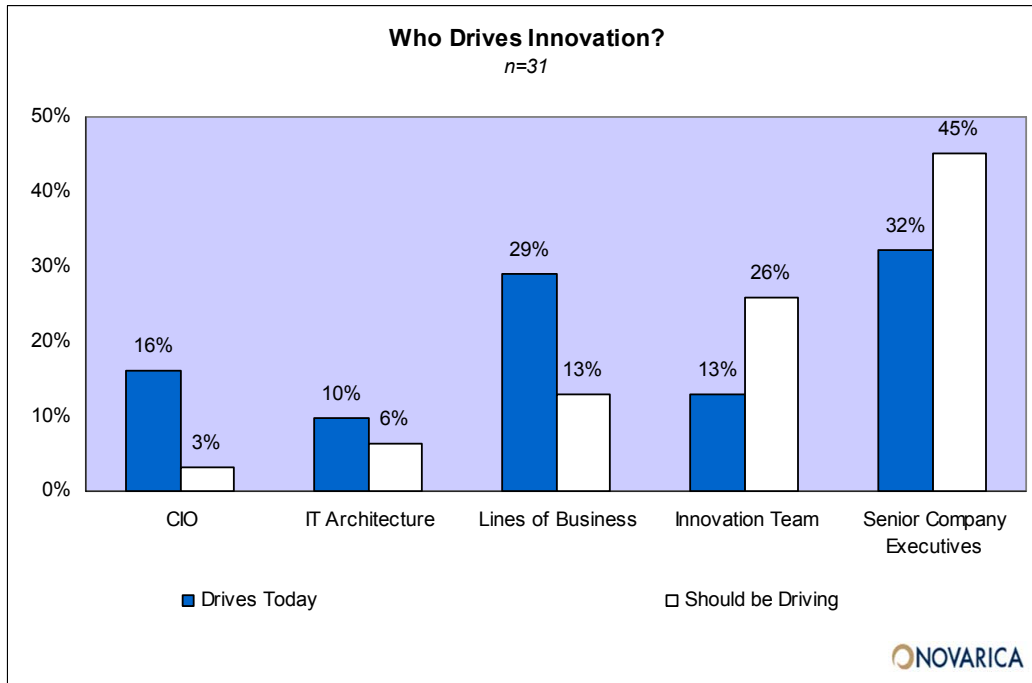




INNOVATION AND AGILITY IN INSURANCE IT Research Report January 2009



SUMMARY

Agility and innovation are important goals for insurers and for their IT organizations. This report addresses these topics based on direct experience with leading insurers, reviews of public information source, and a survey of 31 insurer IT executives conducted in December 2008 through the Novarica Insurance Technology Research Council.

The report finds that insurers are actively engaged in enhancing their agility through investments in modern applications, flexible infrastructures, and improved development methodologies. They are measuring their agility primarily with regard to improvements in speed to market for new products

Few companies have formal innovation groups today, but interest in and expectations for them is high. Lack of incentives for risk taking and fear of change by the business staff are perceived as the biggest challenges to innovation.

The report concludes with recommendations for insurers in both areas.

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