

Insurance's AI Future Depends on Solving Yesterday's Workflow Problems



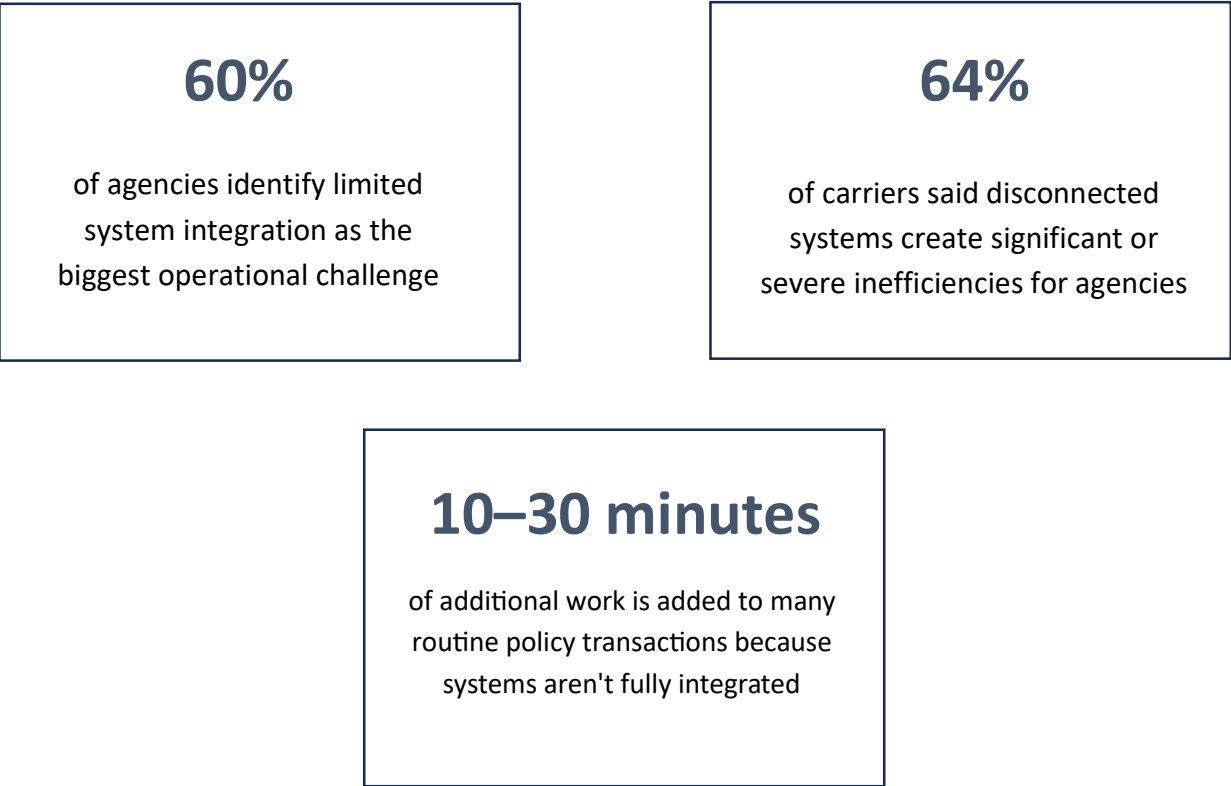
Insurance's AI Future Depends on Solving Yesterday's Workflow Problems

There is no shortage of innovation in the insurance industry. Artificial intelligence is rapidly becoming part of daily operations, digital capabilities continue to expand, and new technologies enter the market every day. Yet despite this progress, agencies continue to face a challenge that has persisted for decades: disconnected systems that fail to work together.

The result is valuable time lost re-entering information, navigating multiple carrier portals, switching between systems, and completing manual workflows that should be seamless. These inefficiencies reduce productivity, slow customer service, and prevent organizations from realizing the full value of emerging technologies.

AI adoption is accelerating. Nearly 79% of agencies report using AI today, with customer communication, marketing, policy review, and document processing emerging as the most common applications. With an increased usage of AI, solving these longstanding workflow issues becomes even more important. The next phase of digital transformation will depend not only on adopting new technologies, but on building the connected foundation that allows them to deliver their full value.

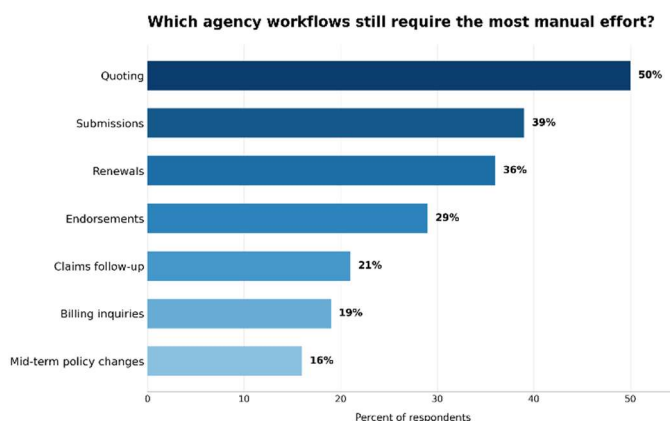
To better understand these challenges, AUGIE surveyed 615 insurance professionals—including agency leaders, carriers, and solution providers—to examine the operational barriers, technology priorities, and collaboration opportunities shaping the future of insurance connectivity. The findings reveal broad agreement across the industry that workflow integration and system connectivity remain among the biggest obstacles to improving productivity.



The Hidden Cost of Disconnected Systems

Workflow friction remains insurance's biggest productivity challenge

While AI and automation promise to streamline agency operations, many agencies continue to lose valuable time to routine tasks that can already be seamless. The survey found that disconnected systems require employees to repeatedly re-enter information, move between carrier portals, and manually complete workflows that technology was intended to simplify. These inefficiencies don't just slow individual transactions, they accumulate throughout the day, reducing productivity, delaying customer service, and limiting agencies' ability to do more with existing staff.



Manual work remains deeply embedded in many of the agency's most important workflows. Half of respondents (50%) identified quoting as the most manual process in their organizations, while more than one-third pointed to submissions (39%) and renewals (36%). These findings reinforce the ways that workflow friction affects the activities agencies perform every day, creating inefficiencies that accumulate across the customer lifecycle.

Those inefficiencies include re-entering information into multiple systems, switching between carrier portals, manually retrieving documents, and navigating inconsistent workflows. More than 60% of agencies report frequently or almost always entering the same information into multiple carrier systems. Time spent on these labor intensive tasks that could otherwise be spent advising clients, growing the business, or delivering faster service.

These manual processes quickly add up. Nearly three-quarters of agencies report that disconnected systems add at least 10 extra minutes to a typical policy transaction, and more than one in five say those inefficiencies add 30 minutes or more. Multiplied across dozens of policies each day, these issues represent a substantial drain on agency productivity.

"We should spend 20 percent of our time in systems and 80 percent with clients. Right now, the reverse is happening." –Survey respondent

A Shared Challenge Across the Industry

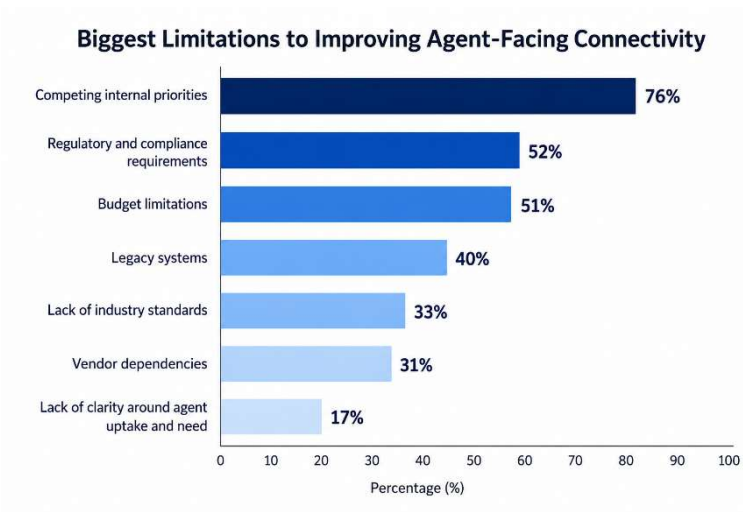
Agencies and carriers agree that connectivity is the key to greater productivity

Agencies are not alone in recognizing the need for better connectivity. While disconnected systems have long been a source of frustration for agency employees, the survey shows that carriers share many of the same concerns. More than half of agencies (54%), and an even greater percentage of carriers (60%), identified workflow integration as the industry's greatest opportunity for improvement. In fact, nearly two-thirds of carriers (64%) acknowledged that disconnected systems create significant or severe inefficiencies for agencies. The challenge isn't convincing the industry that a problem exists, it's working together to solve it.

Agents	Carriers
54% rank workflow integration as the greatest opportunity for improvement	60% rank workflow integration as the industry's top opportunity
57% say improved connectivity would have the greatest impact on productivity	64% acknowledge disconnected systems create significant or severe inefficiencies for agencies

However, while carriers recognize the need for better connectivity, they face competing priorities that can make change difficult. When asked about the biggest barriers to improving agent-facing connectivity, carriers identified competing internal priorities (76%), regulatory and compliance requirements (52%), and budget limitations (51%) as the top three hurdles.

Carriers are balancing workflow improvements with competing business priorities, regulatory obligations, technology modernization efforts, and resource constraints. At the same time, agencies are eager for faster progress.

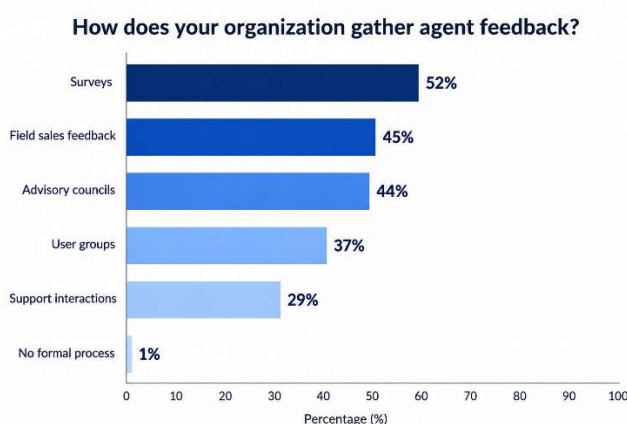


Closing the Communication Gap

Collaboration begins with better feedback loops

Improving connectivity requires collaboration. Yet many agencies say they have limited ability to influence the technology decisions that shape their daily workflows, according to the survey. At the same time, carriers report actively seeking agency input and using that feedback to guide product development. There's clearly a communication gap across the insurance ecosystem, highlighting opportunities to strengthen engagement between agencies, carriers, and technology providers.

Carriers report significant efforts to understand agency needs. More than three-quarters say agent feedback is highly or moderately influential in shaping technology roadmaps, with surveys, advisory councils, field sales teams, and user groups serving as their primary sources of input.



Agencies also report limited opportunities to influence the technology vendors responsible for many of the systems they use every day. Only 23% say they have a formal process for influencing their agency management system's product roadmap, while 37% cite the lack of formal feedback channels as one of the biggest barriers to influencing vendor priorities.

"The next breakthrough in insurance technology won't come from one new technology tool. It'll come from removing the friction that prevents great technology from working together. That means stronger data standards, better governance and closer collaboration among agencies, carriers and solution providers. Those aren't side conversations anymore; they're the foundation for what's next. Standards don't slow innovation but make innovation scalable."

- Keith Savino, AUGIE Chair

Moving the Industry Forward

Collaboration starts with active participation

Improving connectivity won't happen through technology alone. It will require agencies, carriers, and vendors working together to identify workflow challenges, prioritize improvements, and support common standards. While many technology decisions ultimately rest with carriers and vendors, agencies have an important role to play in helping shape the future of insurance connectivity.

How Agencies Can Advocate for Greater Connectivity

Make technology part of carrier conversations: Carrier field representative meetings are a perfect time to raise issues with a carrier's technology or request changes. Agencies should make workflow efficiency, connectivity challenges, and technology priorities a regular part of discussions. Sharing the day-to-day friction employees experience can help carriers better understand where improvements will have the greatest impact.

Support feedback with operational data: General frustrations are easy to dismiss. Data is much harder to ignore. Document the time employees spend re-entering information, navigating multiple systems, or completing manual workarounds. Quantifying the operational impact helps carriers and vendors better understand the business case for improving workflows and connectivity.

Participate in industry and technology communities: Individual agencies—particularly smaller ones—may find it difficult to get the attention of carriers or technology providers on their own. But when agencies come together through technology user groups, advisory councils, industry associations, and working groups, those individual voices become a much louder collective voice. By sharing common workflow challenges and advocating for practical solutions, agencies can help influence future priorities and accelerate improvements that benefit the entire industry.

How AUGIE is Helping

AUGIE was created to bring agencies, carriers, and technology providers together to solve the workflow and connectivity challenges that no single organization can address alone. Through collaborative working groups, AUGIE helps the industry identify shared priorities, advance common standards, and develop practical solutions that improve the flow of information across the insurance ecosystem.

Current initiatives include:

- Expanding SignOn Once in partnership with the ID Federation, allowing agents to securely access participating carrier systems using a single set of credentials
- Advancing Real-time capabilities that reduce duplicate data entry and eliminate unnecessary manual processing.
- Making widely available Agribusiness Download so agents can more efficiently quote and write these policies and eliminate the need to rely on commercial package downloads, carrier portals or manual entry.

Get Involved

To learn more about AUGIE's current initiatives visit: www.augiegroupp.org/our-focus/. AUGIE welcomes participation from agencies, carriers, solution providers, and other stakeholders interested in improving insurance connectivity.

Interested in helping to improve connectivity throughout the agency distribution channel? Join an AUGIE working group and help shape the future of insurance workflows.

About the Survey

This report is based a survey of 615 insurance professionals conducted online via SurveyMonkey in March and April of 2026. Respondents include 364 agency professionals, 90 carrier professionals, and 137 solution providers. The survey examined the technology priorities across the independent insurance ecosystem.