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# From Steward to Strategist

## The future for finance is changing. Are CFOs and finance organisations prepared?

**Insurance**




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# Finance is changing.
## Are you ready for what the future needs?

**Modern insurance CFOs face a stark but critical choice – stick with their worthy role as stewards, or become strategists, transformers and architects of what comes next.**

The decision they make could well define their futures and the success of their businesses. Deloitte's view is that bold, leading CFOs will embrace a dual role – leading the reinvention of their finance teams while shaping business strategies and enabling the acceleration of effective enterprise decision making.

**This is much more than another opportunity for AI**

Insurers are battling headwinds on many fronts, including rising claims costs, climate and cyber risks, geopolitical uncertainty, reinsurance complexity and the rising impact of our nation's mental health crisis to name a few. Yet alongside these profound challenges lies a future filled with seemingly endless AI opportunities (at a cost, of course).

**The questions therefore are:**

- How do insurance CFO's and their finance teams reset to become leading?
- How do we better serve our enterprise to make better decisions in an ever increasing complex business envornment?

Such a prospect should be exciting for the most ambitious finance leaders.

**The finance function of the future will be a strategic nerve centre for insurers. AI, modern data platforms and new operating models can reduce manual effort, but the bigger prize is better enterprise decision-making. For Australian insurers, that means using finance to improve affordability, sharpen capital allocation, strengthen resilience, govern AI responsibly and build trust with customers, regulators and markets."**

To do this CFOs will require a new mindset and an elevated view of the impact of the finance function. The human dimension of finance will give enterprises their best chance of winning in a dynamic, AI-influenced world. Even as technology reshapes finance, people will determine how it is used and its ultimate impact.

### Leading finance functions must evolve to:

- Drive business value creation
- Become an architect of strategic decision-making
- Leverage technology better and more effectively
- Develop and promote finance talent
- Enable business innovation.

Such a reality puts a compelling platform for change on Insurance CFOs, many of whom have been content to keep crunching the numbers and managing compliance and risk issues.

The aim should be to influence where insurers compete, how they price risk, where they invest and how they demonstrate value to customers, regulators and markets. The status quo will not cut it in a modern finance function. Everyone is stepping into a new context and those who embrace change, rather than fight it, are more likely to prevail. This will require harnessing the power of their ecosystem to execute change. This will also mean leading finance teams with vision, empathy and compassion.

### A new human-centred leadership paradigm

The hard part for CFOs will be making strategic choices and executing them while managing a complex set of human dynamics. Their ability to lead with empathy and ambition will become a defining competitive advantage – with finance not simply supporting a business, but enabling it to win in its chosen markets.

This report is the first in a series from our financial services partners and specialists as we contemplate the AI age and outline what is possible for your future finance function. That future will include a focus on automation, augmentation and human + data + machine collaboration, as well as maintaining trust.

We view this as a time of opportunity and excitement for insurance CFOs and other finance leaders, and we look forward to sharing our perspectives with you as we shape the future of finance for insurance CFO's together.



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# Setting the scene

## Navigating an increasingly complex world



### Insurers are operating in a highly complex and dramatically changing market.

A rise in chronic conditions is increasing healthcare needs and expenses, changing climate patterns are causing more catastrophic weather-related events, and geopolitical crises are testing the resilience of operating models and driving inflation.

Compounding these challenges, insurers face product affordability pressures and rapid technological change, with AI and connected ecosystems reshaping how services are designed and delivered and the rise of the agentic customer changing how insurers and customers interact. These factors put significant pressure and expectations on insurers' finance functions.

## Expanding the mandate

This means CFOs' jobs are getting bigger and more complex. Deloitte's Finance Trends 2027 report, based on a survey of 1434 finance leaders across 26 countries, underlines this widening scope. It reveals that CFOs are playing an increasingly active role in AI and technology investment, governance and capital allocation. As the finance function evolves into a hub of trusted intelligence, human oversight remains critical. At the same time, the rapid adoption of AI is prompting finance leaders to develop new approaches to measuring and governing technology spending, while prioritising tech sovereignty in response to growing cyber, AI, economic and geopolitical risks.

### Deloitte's Finance Trends 2027 report

**54%** cite cross-enterprise **AI and technology** capital allocation.

**46%** point to **'AI trust'**, including ensuring reliable, accurate and explainable AI outputs and reliability.

**57%** cite AI-technology spending and cost controls.[1]

Rather than fearing such changes, smart CFOs will embrace upheaval and view it as a chance to make a real difference to their businesses. CFOs should be asking the following questions:

- Am I making the right investment decisions and prioritising these appropriately?
- Am I focused on the most important elements of the business?
- Do I have the confidence of my CEO and board?
- Do peers understand my priorities?
- How can I provide financial or functional leadership across the organisation?
- Am I looking forward as much as I am counting what has happened in the past?
- What staff changes could make a big difference to the institution?

By adopting a proactive and measured approach, that integrates human skills and modern platforms with intelligent automation are likely to thrive in how they tackle the opportunity and risks which they currently operate. Imagine a finance world where:

- Data is real-time, predictive, personalised and actionable
- Finance applications are engaging, conversational and proactive
- Talent is influential, impactful, trusted and equipped with new skills
- Finance leaders enable strategic business decisions to be made at pace and with certainty.

[1] Deloitte Finance Trends 2027: Shaping the next era of stakeholder value, September 2026.

# Navigating change
## Reinvent, rethink, reshape



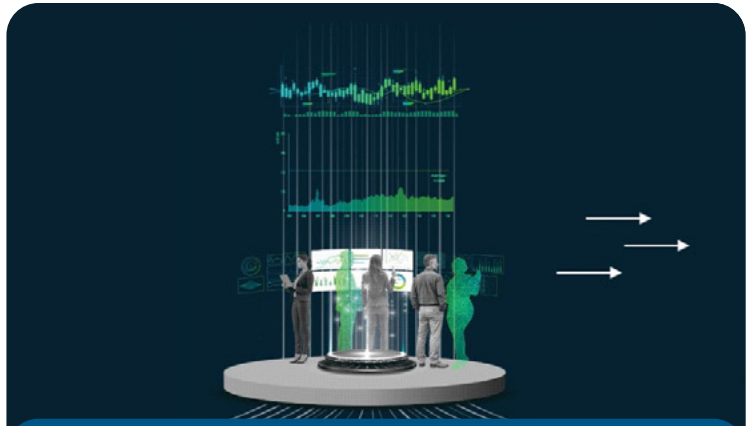
### Why is such an evolution imperative for insurers and their finance teams?

Organisations are responding to changes in the global economy, technology and society, which in turn is creating the opportunity to reinvent, rethink and reshape their businesses. This presents a chance for finance leaders to step up and drive value while accelerating avenues for growth and bottom-line gains.

# The roles of finance

**In this new world, finance teams will expand beyond traditional functions to serve as strategic partners, operational co-pilots and market influencers on business and market strategies amid uncertainty and volatility.**

This will play out in three key ways:



### Finance for finance

Optimising the traditional finance operation, automating routine activities and focusing on real-time insights and value creation.



### Finance for the enterprise

Collaborating with teams across the organisation, acting as a strategic adviser, and leveraging predictive analytics and AI for growth and risk management.



### Finance for the market

Increasing business-value impact for all stakeholders, and driving trust, transparency and market value through real-time data, predictive modelling and stakeholder engagement.

# Four key enablers

**Forward-thinking insurance finance leaders should focus on four key areas to support CFO innovation and unlock the future of finance while building next-generation finance teams.**

## 1. Intelligent tech and data

AI will become all-pervasive in the finance technology stack. Orchestrating AI across technologies will be essential to realise finance's potential.

### Core and edge tech

Technologies such as enterprise resource planning (ERP) and purpose-built solutions will converge with AI, automation and data analytics as vendors continue to embed advanced capabilities. These platforms will serve as the foundation upon which AI innovations are built.

### AI models

Finance domain-trained AI models will work alongside humans to execute processes and tasks. 'There's an agent for that' will become a common refrain.

### Data

Investment in developing and maintaining clean, governed data sets will help ensure the foundation for integrity, consistency and security. Data will remain the foundation of future tech, AI, insights and operations, but there is no silver bullet. Garbage in, garbage out.

### The lessons?

- Insurance Finance Leaders should identify what systems and data-trained AI models they will need to access to learn, adapt and grow, while they must also establish governance protocols to build trust and mitigate risk.
- They should take an action-oriented approach to AI – think big, start small and pilot AI models where risk is low and regulation is less open to interpretation.
- Insurance Finance Leaders who invest in data readiness now can capture tomorrow's AI benefits.

## 2. Adaptive workforce

Human teams supported by an agentic workforce will provide the flexibility to adapt to changing market needs. AI-savvy domain experts will pair with domain-savvy AI agents.

### Human potential

The core human competencies of critical thinking, curiosity and ethics should be balanced with new technologies. Digital and AI skills – from prompt engineering to data science – will become the norm. Enduring human capabilities such as problem-solving, curiosity, influence, empathy and imagination will differentiate the insurance finance talent of the future.

### Agentic workforce

Human and agentic workforces will work in tandem to execute financial tasks. Digital AI teammates will perform tasks powered by domain-trained models. insurance finance agents will handle processes such as reporting, analysing and recommending, with humans retaining ownership in the loop for direction, validation and corrective actions.

### The lesson?

Insurance Leaders should understand how agentic AI will reshape the human-machine-data relationship, delivering personalised experiences and elevating insights to drive informed enterprise decisions.

## 3. Agile operating models

Flexible structures will deliver insurance finance capabilities while balancing cost efficiency and business value.

### Organisational structures

Scalable, cross-functional teams will work across functional silos, flex to meet demand and deliver value to the business. Real-time decisions at the point of work will be enhanced by agentic AI and automation.

### Service delivery

Agility will be an important consideration to effectively manage costs, skill accessibility and technology capability. Flexible configurations can scale up or down and pivot quickly in response to market shifts and autonomous operations.

### The lessons?

- Consider aligning finance closer to the business through mission-based teams tied to strategic outcomes.
- Explore flexible delivery options that adapt to market changes, volatility and disruption.



## 4. Dynamic assurance

Increasing complexity will call for stronger governance, risk management and compliance to boost transparency and trust. Algorithmic and AI model assurance will be essential.

### AI model assurance

Finance will play a critical role in AI model management and assurance with continuous monitoring, reassessment and recalibration. Versioning, training, evaluation, deployment and monitoring will require governance.

### Blind-spot risk management

Advanced analytics, continuous monitoring, cross-functional collaboration, scenario planning and external insights will strengthen enterprise risk management. Teams should develop capabilities to detect hidden patterns, anticipate risks and ensure broad risk coverage.

### Governance

Governance frameworks should build trust among stakeholders to enable risk-based decision-making that helps balance asset creation and protection.

### The lessons?

- Build capabilities to manage an agentic workforce, with humans validating outputs in the workflow while working alongside algorithmic and AI model assurance to manage risks.
- Create structured yet flexible governance models that analyse financial and operational information to detect deviations from regulatory guidelines as regulations evolve.

Breakout

# The new insurance finance function

## Humans, AI agents and stronger controls

**We know that the finance function is changing, but what will it really look like? Deloitte research and the views of our partners provide an insight into the new era.**

1. **Smaller but smarter**
   The insurance finance function is likely to become smaller in terms of its traditional transactional roles, but significantly broader in its strategic influence. Finance will become a technology-enabled strategic function that focuses on scenario planning, decision-making, cost management and enterprise value, rather than simply reporting historical performance.

2. **AI-driven, human led**
   Capability centres will focus on insights that drive real-time actions and create financial value for companies. In that guise, insurance finance teams will apply technological and AI-driven solutions to help manage their broader scope of responsibilities, while at the same time enabling them to become strategic partners that leverage data and technology.

3. **Skills rethink**
   As the scope of finance expands, new skills and mindsets will be required. Expect greater blending of the skills of finance, business acumen, technology and, crucially, the more human-orientated skills of curiosity and critical thinking.



4. **A hybrid workforce**
   The insurance finance function will feature a mix of AI agents who work for smaller, streamlined, highly skilled human teams. Routine activities such as reconciliations, invoice processing, reporting and anomaly detection will increasingly be handled by automation and an agentic workforce. Humans, on the other hand, will provide direction, validation and corrective intervention.



5. **Talent shift**
   Finance teams are also likely to include a greater mix of accountants, data scientists, AI specialists, technology professionals and business partners. Technology and finance talent should operate as a powerful team, not opposing forces.

6. **Change-management imperative**
   Leaders within insurance the finance function will have to redesign processes and jobs, not just automate existing ones. Employees will need continuous reskilling in AI, data literacy and technology, alongside renewed emphasis on human capabilities.

7. **Regulatory oversight**
   Regulation will become more explicit and embedded in the new operating model. AI agents will become so powerful and ubiquitous that they cannot be treated as just another software tool. Organisations will need inventories of AI systems, clear ownership, risk assessments, audit trails, model monitoring, data governance and meaningful human oversight. In this vein, regulators will expect finance teams to strengthen AI governance, lifecycle accountability, assurance, supplier-risk management and human oversight of high-risk decisions.

**The result is that the future insurance finance function is unlikely to be human versus machine – it will feature human judgment that is amplified by machines, with regulation increasingly determining where that autonomy can safely stop.**

# 2030 and beyond

## Reimagining insurance finance – or risk being left behind



**An insurance affordability crisis in Australia is set to become one of the key drivers of change within the finance function.**

Many cash-strapped consumers and businesses are reconsidering their cover, including for life and health insurance, as affordability issues bite.

As insurers respond to such pressures, they should be leaning more heavily on their finance teams to drive insights and implement reforms in a way that has not been possible until now because of an intense focus on regulatory and accounting standards reforms.



With those issues largely under control, CFOs are turning their attention to better budgeting, planning, forecasting and overall business performance. Heightened scenario planning is essential given global volatility and its business impacts, alongside a renewed focus within finance on operational resilience.

## AI and the operating model

As insurers rethink operations in this complex market, embedding AI and modern platforms at the heart of their enterprises is a sensible strategic response, especially as they seek to bring down cost bases.

Inevitably, there will be discussions about costs, but any cuts should not come at the expense of keeping critical-thinking humans in the loop, particularly where accountability for AI-driven decisions remains unclear. An intelligent view of AI deployment is required, with the aim being to connect data, digital and technology into an ecosystem in which integrated capabilities – from underwriting to claims – work together to deliver speed and efficiency at scale. Key parts of the value chain can become fundamentally re-engineered as traditional services face challenges, such as the rise of agentic brokerage and underwriting.

Looking ahead, the onus will be on CFOs to upskill their teams for a new digital era and increase efficiencies through the rollout of AI.

## Guardians of trust

Finance executives have an opportunity to bring their established expertise in governance, controls and assurance to this challenging new environment and ensure that greater access to data and AI-driven insights does not come at the expense of accountability or trust.

CFOs and their teams have traditionally been the guardians of financial control and governance, including through reporting to regulators. In an increasingly AI-driven environment, where there is understandable uncertainty around how information is generated and used, finance has an important role in ensuring clear controls, assurance processes and accountability around the delivery of information.

In the event of potential struggles with a tech overload, CFOs will inevitably also need to surround themselves with people who can help them.

Breakout

# What do leading insurance CFOs do next?

**The Deloitte Finance Trends 2027 report identifies how finance leaders are orchestrating change while ensuring stakeholder value remains at the centre of strategic discussions.**

Survey respondents' priorities to help drive their organisation's success include embedding AI and advanced technology to automate operations (43%), driving enterprise cost efficiency (34%), optimising capital allocation and investment decisions (33%), and strengthening finance's strategic influence across the enterprise (32%).

In considering how leading CFO's actions these prioritise the Deloitte Four Faces of the CFO framework can help. This is designed to help executives navigate crucial challenges, covering above-the-line Catalyst and Strategist actions that are 'value creative', and below-the-line Steward and Operator actions that assist with 'value preservation'. This is a framework to support getting the right balance – strategic and tactical and short term and long term.

Steward priorities remain important as CFOs advise on elements such as financial reporting, business continuity, risk and governance. Similarly, operator priorities related to strategy and vision, recruitment and development, performance reporting and value maximisation are critical.



Breakout

# As stewards and operators

What are the questions leading insurance CFOs should be asking?

### Finance function

- Is finance playing the right role in the organisation?
- Are we getting our financial reporting right?
- How do we align operational strategy with overall business goals?
- How can we improve access to capital?
- How do we instil a proactive mindset to drive transformation?
- How can we further enable or lift business performance?
- How can we catalyse behavioural and cultural change across teams?
- Do we have the right talent and capabilities for now and later?

### Macroeconomic trends

- Are we accounting for social, geopolitical and technological trends?
- Are we prepared for geopolitical changes and conflicts?

### Risks versus returns

- In which areas are we taking too much risk?
- In which areas are we not taking enough risk?
- Are we getting returns from the risks we are taking?
- What risk-return trade-offs do our stakeholders expect?
- How can we better understand emerging threats and opportunities?

### Alignment and integration

- Are our incentive systems aligned with our goals?
- Is our money and effort focused on the right elements?
- Which parts of the business are not on the same page?
- Where can we change models to improve quality and cost?

Breakout

# As catalysts and strategists

What are the questions leading insurance CFOs should be asking?

**Catalyst priorities**

- How do we drive a timely feedback loop of reporting, analysis, interpretation and recommendations with stakeholders?
- How do we partner with the business to create accountability for performance and execution of strategy?
- How can we streamline and enhance the use of data to support better decision-making?
- How can we strengthen a culture of execution and delivery?

**Strategist priorities**

- How do we proactively shape and challenge business strategy to identify opportunities to drive incremental value?
- How do we identify and assess merger, acquisition and strategic transformation opportunities?
- How do we plan, forecast and model scenarios to support business decision-making?
- How do we challenge business thinking and assumptions?



Breakout

# The modern CFO's playbook

As businesses evolve in the age of AI, CFOs will have to change too.



### Be different

The best CFOs are already thinking differently and hiring differently as they navigate new markets and contend with a complex growth environment. As they recruit, upskill and motivate their teams, CFOs should be focusing on developing the executive capabilities to potentially lead the business overall, not just the finance function.

### Be decisive

Sound judgment will also be a non-negotiable skillset as CFOs weigh up everything from capital allocations and mergers and acquisitions to people issues. While good data can provide a great fact base for decision-making, CFOs will ultimately need to be able to make reliable and forward-thinking judgments, including whether their institution is garnering sufficient value from its AI and technology investments. They must also be able to demonstrate this value to financial markets and explain how such value will be realised in coming years because such reassurances will be critical to build continued trust.

### Be flexible

There will be discussion about a CFOs 'orientation' as finance roles shift quickly towards AI fluency and strategic foresight. Technology decisions cannot always be left to the chief information officer.

**Are you ready to discuss what the future of finance can look like for your organisation?**

Learn more here

# Contact us

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