

FROM THE IDMA DESK



TOM NOWAK
BOARD OF DIRECTORS
IDMA

As we gear up to enhance AI education in 2024, with a series of webinars and our annual conference centered around the theme, we wanted to kick off this initiative at the year's end by delving into the critical topic of AI Ethics. Join us in this exploration as Tom Nowak, our Chair of the Board of Directors, navigates the complexities of AI Ethics.

AI Ethics – Where's the Compass?

KPMG reports in its 2023 CEO Survey that according to CEO's, ethical challenges are the top obstacle to successfully implementing generative AI, followed by costs and technical skills. Moreover, seventy-two percent placed AI as a top investment priority, but eighty-one percent expressed concerns that a lack of regulation for generative AI in their industry will hinder their organization's success.

Clearly AI is top of mind for business leaders, and a simple search produces a plethora of frameworks, roadmaps and risk assessment tools for navigating this brave new world.

But the key here is navigation, and like voyagers of every age a good compass is necessary to successfully employ the most detailed roadmap, the most eloquent framework, the most precise risk assessment. What is the "North Star" of AI Ethics?

Like previous discussion about "Trusted Data" the foundations of "Trusted AI" are often characterized as "pillars," which express the conceptual structure that supports the AI effort. KPMG enumerates ten such pillars: Fairness, Transparency, Explainability, Accountability, Data Integrity, Reliability, Security, Safety Privacy, and Sustainability. Each of these could merit an entire essay, but while each expresses conceptual depth to the task at hand, there remains the fundamental question: "where are we going?"

At its 2023 Fall Meeting, the NAIC too addressed the use of AI in the insurance ecology. Its Model Bulletin is intended to establish clarity for regulators as they struggle with carriers and other partners to the insurance ecology with respect to AI.'

FROM THE IDMA DESK (CONTINUED...)

The Model references its previously published Principles of Artificial Intelligence (2020) which emphasized the importance of the fairness and ethical use of AI, and provides a useful compendium of existing regulations as they apply to the use of AI in the insurance ecology, and places an emphasis on the avoidance of Adverse Consumer Outcomes which it defines as a business decision by the insurer that is subject to an enforceable regulatory standard that adversely impacts the consumer in a manner that violates those standards. The comprehensiveness of the Model Bulletin, and its attempt to specify regulatory intent in AI supervision is indeed praiseworthy. But still: “where are we going?”

“AI ethics is about technological change and its impact on individual lives, but also about transformations in society and in the economy,” writes Mark Coeckelberg (AI Ethics, MIT Press, 2020).

He suggests that in the way forward, the navigation towards which our intellectual tools of frameworks, and pillars, “We need smart people and intelligent machines, but we also need intuitions and know-how that cannot be made entirely explicit, and we need to develop practical wisdom and virtue in response to concrete problems and situations and in order to decide our priorities.’ Virtues inform wisdom with values and a sense of accountability to that which is beyond our individual self. He concludes: “In whatever direction the further development of AI goes, the challenge to develop the latter kind of knowledge and learning is ours. Humans have to do it. AI is good at recognizing patterns, but wisdom cannot be delegated to machines.’

Tom Nowak



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BUILDING A COMMUNITY TO ACCELERATE DATA CULTURE

BY KT
SENIOR PRODUCT MARKETING AND EVANGELIST, SNOWFLAKE

Have you ever thought about building your own data community? It will take a lot of effort, but the results can be transformative: for your colleagues, your peers and their companies, even your career. In my own case, I was working at Tableau in Japan in 2017 when I felt the inspiration to create something. Existing sessions for Tableau employees, customers, and users were helpful, but were mostly restricted to tips and advice on how to use the platform. There was little content on building a data culture, so the mission and vision of what we were trying to do were missing.

Starting a movement

Like most movements, our move toward building a data community started small. Some colleagues thought we should shoot high right away and recruit many members, but I felt strongly that our focus should be fewer than a dozen people, and that these people needed to show potential as future advocates or evangelists of data culture.



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SIX CDO HEADWINDS AND FIVE STRATEGIES FOR SUCCESS

BY RANDY BEAN
INNOVATION FELLOW, DATA STRATEGY, WAVESTONE

Let's clear up two common misconceptions right away:

- You do not have to have a CDO or Chief Data and Analytics Officer (CDAO) in your organization to become data-driven
- The most digitally native companies don't have CDOs or the equivalent because their existence is predicated on the idea that being data-driven already is in everyone's DNA. Those that do have CDOs are primarily legacy organizations, which constitute about 90 percent of the Fortune 500.

So why is a CDO still a vital necessity?

Because if you're part of that 90 percent of legacy companies, you aren't likely to be competing with Amazon or Apple, but rather with the other 90 percent.

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WHY DATA QUALITY SHOULD BE IN EVERYONE'S OBJECTIVES

BY GLENN EXTON
HEAD OF CUSTOMER BUSINESS ANALYTICS, NATWEST GROUP

In 2022, RBS International undertook three key approaches to boost data quality across the organization:

- We added data quality improvement targets into everyone's job goals.
- We instituted a company-wide Managing Our Performance (MOP) exercise, putting a spotlight on improving data quality.
- We introduced a new data quality framework consisting of six pillars, providing a holistic approach to tackle and improve data.

If you have a hard time imagining doing one of these things and developing data quality best practices in your organization, it's more achievable than you may think.



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Happy Holidays

Dear Members and Supporters,

This holiday season, we've got something special just for you – an exclusive webinar presentation that you won't want to miss!

May this festive season bring joy, peace, and happiness to you and your loved ones. Let's cherish the spirit of togetherness and spread kindness wherever we go.

The IDMA Team



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ANSWER TO NOVEMBER 2023 TRIVIA

You drank equal amounts of each – 1 cup of coffee and 1 cup of milk.

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DECEMBER 2023 TRIVIA / WIN \$25

If you flip a fair coin 4 times, what is the probability that it will have at least one head?

Submit your answer to team@idma.org.

A \$25 Amazon.com gift card prize will be awarded to the randomly-drawn person among the first five who solve the question correctly. You may only guess one time. The correct answer and winner's name will be published in next journal issue – January 2024 issue.



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Everybody's ready for AI except your data.

GET READY

Where data & AI come to



CALENDAR OF EVENTS

PARTNER EVENTS

January 30 - February 1, 2024, Boca Raton, FL – Data Now Program 2024 - NCCI
[Registration Open](#)

IDMA EVENTS

January 25, 2024, Webinar – Data Observability: What it is and Its Value in Insurance
(Registration Coming Soon)

ANNUAL CONFERENCE

September 14-17, 2024 – Philadelphia, PA – Driving Data Literacy, Culture and Governance
(Call for Sessions Out in February)



Is your data culture a catalyst to drive better business outcomes?

Discover where you are on your journey to becoming data-guided and how you compare to industry peers through our Insurance Industry Benchmark Report.

Take the Insurance Data Culture Scorecard

Complete the scorecard to get the Insurance Data Culture Benchmark Report.



Using the CLEAR™ approach to building a data-guided culture, this scorecard highlights the strengths of your data culture and where to focus your actions to gain further improvement.

How CLEAR™ is your data culture?



Communicate

Changing the culture takes continuous communication of the right message, at the right time, to the right people, in the right way.



Lead

Establish the foundation, cultivate a strong network, magnify your influence, and champion the data vision.



Educate

A genuine learning organization provides diverse avenues for teams to interact, ensuring they comprehend their crucial role in maintaining data's trustworthiness.



Act

Acknowledge the range of contributions from the diverse approaches and recognize their value, empowering your teams and propelling your data culture.



Relate

Foster a data community with business colleagues and find innovative ways of working together to achieve shared results.



Leverage the power of data to achieve your business goals of tomorrow, today.

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