

The AI resilience challenge

Keeping AI-related risks manageable

Artificial intelligence (AI) is rapidly becoming part of the infrastructure of modern economies. Its potential to raise productivity and create new sources of value is considerable. But the deeper AI becomes embedded in businesses and society, the more important it becomes to understand not only what the technology can do, but how to manage it when it does not perform as intended.

That makes resilience fundamental to successful AI transformation. Progress will depend on our ability to pursue innovation while maintaining confidence that disruption can be anticipated and contained. The challenge is not to eliminate uncertainty, but to become better at navigating it.

The insurance industry has a distinctive contribution to make. Insurers work at the intersection of risk, prevention, and recovery. They see losses across companies and sectors and have a long experience of turning uncertainty into practical choices that help organizations prevent losses and manage what remains.

This makes insurance relevant to the AI debate well beyond the provision of cover. Insurability can serve as a practical test of resilience. It forces practical questions about the quality of evidence, the allocation of responsibility, the scale and interconnectedness of potential losses, and the capacity to recover. Where those questions are difficult to answer, that can be an important signal that resilience has not kept pace with innovation.

It is this perspective that the collaboration between Zurich Insurance Group and the University of St. Gallen seeks to advance. Through the Zurich AI Lab, it combines Zurich's experience in understanding and managing risk with academic research into how AI is changing organizations and society. The work underlying this report draws on perspectives from insurance practitioners and external experts spanning technology, risk, underwriting, claims, legal, cyber and resilience.

Neither research nor industry experience has all the answers to a transformation moving this quickly. However, their combination can help ask better questions, identify emerging vulnerabilities earlier and translate an evolving debate into insights that businesses and policymakers can use.

The ambition is to help society capture the benefits of AI with confidence. By bringing together research and real-world risk expertise, Zurich Insurance Group and the University of St. Gallen aim to contribute to an AI transformation in which innovation and resilience advance together.

Mario Greco
Group CEO
Zurich Insurance Group

Prof. Dr. Karolin Frankenberger
Professor of Strategic Management and Innovation, University of St.Gallen (HSG)

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University of St.Gallen

Zurich **AI** Lab