

The Complexity Gap in Commercial Insurance Technology



Entsia

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Introduction

Technology plays a strategic role in commercial insurance. It does more than automate processes or speed up product launches; it shapes what products insurers can bring to market, how they are distributed, and how confidently they can evolve underwriting strategy over time.

“For insurers operating in complex commercial and specialty lines, technology decisions directly influence competitiveness, governance, and long-term growth.”

- Alistair McElligott, CEO and Founder at Entsia

Do platform promises meet commercial reality?

Many technology platforms say they are “built for any type of insurance.” For insurers, that promise matters. Platforms can become a long-term enabler, or constraint, impacting portfolio strategy, distribution capability and underwriting control.

In practice, many platforms are optimised for relatively linear products with limited interdependencies. They can perform well at launch, but the ‘promise vs performance’ gap appears later, when a portfolio grows, change frequency increases or when edge cases become the rule, rather than the exception.

As questionnaires expand and rating logic becomes more interdependent, platforms that lack deep product modelling and disciplined rule governance, struggle to support change safely. As a result, straight-through processing becomes selective, manual workarounds increase, and critical underwriting decisions are pushed outside the system where they are harder to control.

“Over time, insurers are forced into a trade off: simplify products to fit platform constraints, or accept higher operating costs, missed market opportunities and increased risk because change cannot be delivered fast enough.”

- Alistair McElligott, CEO and Founder at Entsia

Entsia combines deep commercial insurance expertise with configurable technology and proven integrations to deliver a platform built for complexity. Our approach enables insurers, MGAs and underwriting agencies to move faster, adapt easily, and scale with confidence.

The complex reality of commercial insurance

Across Australia and New Zealand, insurers face increasing pressure to move faster, support digital distribution, and reduce manual effort. At the same time, the products that drive differentiation and margin are rarely simple. They are characterised by bespoke underwriting, interdependent coverages, layered deductibles, endorsement-driven rules, and frequent change as appetites, markets, and risks evolve. This complexity is not incidental; it is fundamental to how commercial insurance operates.

This paper examines the growing gap between what insurance platforms promise at go-live, and how they perform as commercial portfolios scale, change and accumulate complexity. It explores what complexity means in practice and why the requirements of commercial lines are different. By understanding where and why many “one-size-fits-all” platforms fall short, insurers can make more informed technology decisions that support their long-term objectives.

The Complexity of Commercial Insurance Products

In contrast with simple retail products, commercial insurers' ability to meet customer needs and get new products to market quickly, depends on technology that can manage structured complexity, not oversimplify it.

Here are five areas where platforms not built for commercial insurance have the potential to fall short:

1

Multi-risk policies: Commercial insurance often means combining multiple risks into a single policy, so platforms must manage interdependent pricing and coverage logic. When they can't, referrals increase, STP declines and underwriting consistency erodes.

2

Interdependencies: When limits, deductibles and coverage conditions interact, like in many commercial products, platforms must manage cause-and-effect accurately. If they can't, small changes have unintended consequences such as inconsistency and a reduction in control.

3

Dynamic data inputs: Commercial risks change over time seasonally (harvest periods), geographically (soil type, bushfire zones), and operationally, requiring platforms to reassess risk continuously. Systems that rely on static assumptions or bolt-on data, can cause insurers to lose responsiveness and weaken oversight.

4

Endorsement-driven nuances: Endorsements introduce conditional logic that can alter coverage and pricing. When platforms cannot enforce this logic reliably, mis-issued policies increase, remediation efforts grow and confidence in governance declines.

5

Underwriting governance: Commercial underwriting rules change frequently as loss, appetites and market conditions shift. When platforms make the ability to change rules difficult, or risky, insurers reduce change frequency, appetite narrows, and competitiveness is constrained.

Technology as a True Enabler

To truly enable, not dictate, real business outcomes, complex commercial products need technology to be flexible and grounded in an understanding of how to manage their specific needs, including underwriting requirements and path to market.

Systems need to:

Automate complexity

Platforms must support sophisticated underwriting rules, nested conditions, dynamic questionnaires that consider risk appetite, and flexible rating models, while supporting straight-through processing.

Accelerate market entry

Pre-built integrations with major broker channels ensure insurers can realise return on investment faster. Broker portals that are user friendly and facilitate real-time quoting also support this outcome.

Make policy administration easy

Features like automated invoicing, premium funding integrations, and support for mid-term adjustments reduce manual effort and improve operational oversight.

Provide full-lifecycle capability

Integrating product management, underwriting, policy administration, claims and credit control within a single system makes it easier to manage changes.

Ensure compliance

Remaining in line with industry best practices and regulatory requirements including ISO 27001, and ensuring readiness for CPS 230 and CPS 234, is critical.

Enhance agility

Providing configuration tools that allow fast product variations without rebuilds or redeployment lets insurers flex as markets and conditions change.

The Gap Between Promise and Performance

Commercial insurers are looking to Insurtech providers to enable flexibility, future proof operations and reduce cost-to-serve. Many Insurtech's promise to meet these goals and, for well-defined, relatively linear products, often deliver. The challenge arises when these same platforms are expected to support the full reality of more specialised products.

In these environments, the gap between promise and performance is rarely obvious at go-live. It appears over time as additional products are added, distribution expands, regulatory expectations harden and underwriting strategy evolves.

Initial configuration may be fast, but when complexity accumulates (questionnaires, new products, interdependent deductibles, rating factors, data enrichment sources), many platforms hit limits that affect commercial outcomes.

For example:

If rules are configurable but not versioned, testable, and releasable with rollback, change becomes risky. Fewer appetite and pricing updates can be made, leading to a slower response to market movement and loss trends.

If the product model can't represent dependencies cleanly, edge cases expand, leading to more referrals and rework, and ultimately higher costs and slower broker turnaround.

If the platform assumes quote-and-bind rather than lifecycle collaboration, servicing and mid-term adjustments spill offline leading to leakage, inconsistent decisions, and governance issues.

Why this gap matters

When technology is not well aligned to reality, consequences tend to accumulate rather than fail loudly. When operational effort increases, underwriters and operations teams compensate for system limitations and experience a loss of control. Cost to serve goes up, product strategy narrows to what the platform can safely support and governance and auditability becomes harder to defend, as decision logic is fragmented across tools and teams.

The practical question to ask then is not “can this platform launch a product quickly?”. It is “Can it sustain portfolio change safely, repeatedly and with control, without increasing cost and risk each time we adjust appetite, rating, wording or distribution?”.

Enabling Distribution Beyond Quote & Bind

For many commercial insurance products, the limitations described above are further exaggerated when it comes to distribution as quote and bind doesn't present a full picture in commercial insurance. Brokers and underwriters collaborate across the entire customer lifecycle and distribution strategy is where commercial business is won and lost. For some vendors, distribution is an afterthought, not a core part of the platform strategy. For customers, this results in a fragmented approach that limits how and where capacity can be placed as it requires products to be rebuilt every time a new distribution channel is added.

Distribution as a workflow

In commercial insurance, distribution typically involves ongoing information gathering to understand risks in context, and collaboration between brokers and underwriters as appetite, pricing, and structure are refined.

Mid-term adjustments can be driven by operational changes or external market forces, and renewal journeys are completed or abandoned on the broker experience, not just price.

Technology designed primarily for quote and bind struggles in these environments. When systems assume a single pass from submission to policy, complexity is pushed outside the platform into manual processes, reducing visibility and control.

While re-keying data across multiple systems remains a reality of broking today, any additional friction in this process increases abandonment rates even further.

What enabling distribution really requires

Supporting distribution beyond quote and bind does not mean removing underwriting judgement. Designing for controlled collaboration means supporting how commercial insurance operates. Platforms must enable insurers to 'build once and deploy anywhere'. Changes to limits, deductibles, endorsements, and wordings should be handled within defined rules, not pushed offline, and endorsements, mid-term adjustments, and renewals must reflect the original risk structure.

Across the lifecycle, brokers and insurers need shared visibility into status, required information, expected turnaround, and next steps to reduce friction and rework.

Strategic Considerations for Insurers

When planning new products or technology transformations, technology choices must align closely with business goals.

Platforms that are purpose-built for commercial insurance take a different approach:

They assume complexity and focus on enabling controlled automation rather than universal straight-through processing.

Aligning technology to desired outcomes

Technology should adapt to your underwriting edge and distribution strategy, not constrain it. It needs to enable efficient scaling across a product portfolio and distribution channels and should support consistent reuse wherever possible. Below are some things to consider when evaluating technology platforms.

1

Product modelling depth: Does it support multi-class, multi-location policies with shared and per-risk deductibles, aggregate limits, and conditional endorsements?

2

Ability to scale: Does it support scaling from one to multiple products, with each product deployable across different distribution channels?

3

Rules and rating configurability: Does it enable easy rule changes, with rules that are clearly structured, readable, testable, and fully version-controlled?

“Our platform was built for commercial insurers to configure once and distribute everywhere. It’s simple to use, but purpose-built for complexity.”

Lew Lawson, Platform Engineering Lead at Entsia

4

Appetite and referral: Does it make underwriting appetite explicit, define authority levels, and guarantee referral routing with auditable decisions?

5

Integration capability: Does it provide native support and extensibility for data sources such as GIS, catastrophe zones, company registries, and payments/funding?

6

Performance and UX: Does it support execution of complex broker and underwriting workflows at scale, with an intuitive and efficient user experience?

7

Governance: Does it support structured release workflows, including sandbox testing, canary rollouts, rollback, and audit trails for pricing and wording changes?

8

Total cost of ownership: Does it provide a sustainable cost model, including clear licensing, change costs, vendor dependencies, and internal resourcing requirements?

Platforms that are purpose-built for commercial assume complexity, prioritise controlled automation over universal straight-through processing, and provide the tools needed to manage change safely across the full product lifecycle.

Conclusion

Technology decisions in commercial insurance are not neutral. They shape product strategy, underwriting discipline, distribution capability, and an insurer's ability to adapt as markets and risks change. For those operating in complex commercial and specialty lines, the question is not whether technology can accelerate launch or automate defined workflows, but whether it can continue to support complexity as products evolve.

Many platforms promise to be flexible enough to support any type of insurance. In practice, that promise often masks assumptions about linear journeys, limited dependencies, and static rule sets. These assumptions may not be obvious at the outset. Initial implementations can appear successful, particularly when products are tightly scoped or simplified to fit the platform. Over time, however, the realities of commercial insurance assert themselves. Interdependent risks, endorsement-driven logic, dynamic data inputs, and frequent underwriting change expose the limits of platforms not designed for these conditions.

When technology is misaligned with commercial reality, the consequences are cumulative rather than immediate. Automation becomes selective, manual intervention increases, and critical decisions move outside the system. Governance and auditability become harder to sustain, and product strategy is gradually constrained by what the platform can safely support. In these situations, insurers are forced to trade long-term flexibility for short-term speed.

This paper has outlined how complexity in commercial insurance cannot be treated as a problem to be simplified away but needs to be viewed as a structural characteristic to be deliberately supported.

Proof. Not Promises

Entsia is a full-lifecycle insurance administration platform built for commercial complexity

Many insurance platforms perform well at launch, particularly when products are tightly scoped or simplified to fit platform assumptions. The real test emerges over time, as portfolios expand and underwriting strategy must evolve without increasing cost, risk or friction. Entsia's proof lies in our ability to perform under these conditions. For 15 years we have supported ongoing growth for our customers, enabling change and ensuring governance in live commercial environments where complexity is the norm, not the exception.

Proven at Scale

Entsia is an Australia Insurtech redefining how complex commercial and specialty products are designed and delivered to market. As the core system of record for our customers, our platform is in use in environments where insurers operate multiple complex products concurrently, distribute them across broker and partner channels and continue to evolve appetite, pricing and wordings post launch.

Rather than optimising for a single product or moment in time, the Entsia platform was built to support repeatable configuration, reuse and controlled change across a growing portfolio. Unlike generic or no-code systems designed for simple personal lines, Entsia supports the full spectrum of insurance operations, playing a critical role across product design and underwriting through to distribution, credit control, and claims.

By keeping underwriting logic, endorsements and lifecycle transactions within the platform, Entsia can preserve audit trails and decision integrity even as rules and structures change. This prevents risks from being pushed into spreadsheets and email as complexity accumulates.

Closing the promise-performance gap

Where some platforms promise speed at a fixed price or low cost at launch, many struggle when growth plans or underwriting strategy change. Entsia's performance has been tried and tested to help insurers maintain control and ensure ongoing governance as products evolve and strategy changes. This is the difference between technology that promises speed to market and technology that continues to perform as commercial reality comes into play.

The Entsia Difference

Entsia's technology powers some of the most recognised insurance brands across Australia and New Zealand. Our experience extends from enterprise insurers to emerging underwriting agencies, all united by a need for speed, accuracy, and control.

Ready to unlock your blueprint for growth?

Learn more at entsia.com or contact us at
contact@entsia.com



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