



## The State of Generative AI in the Enterprise

A Canadian perspective  
to scaling GenAI solutions





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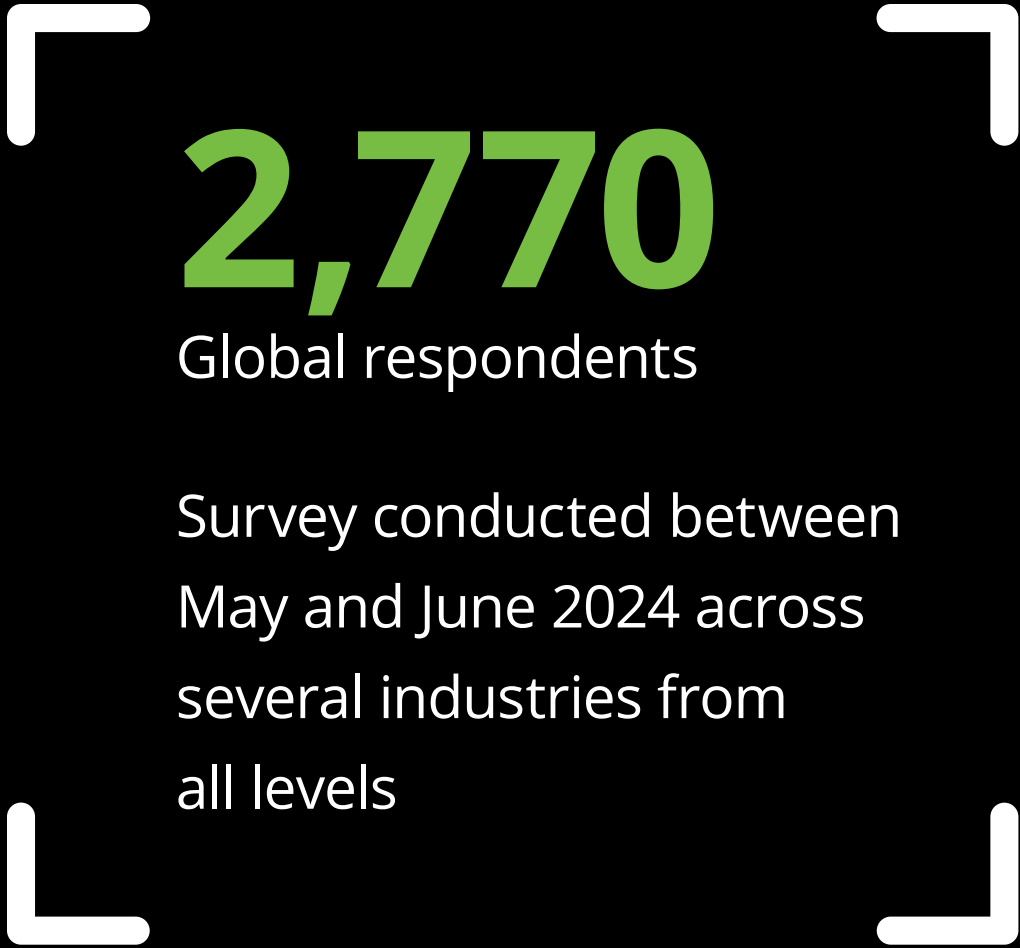


2024 has been a pivotal year for Generative AI (GenAI). GenAI experimentation has shown promising results, which has led to growing investments, soaring expectations, and emerging challenges. C-suites and boards are beginning to ask for measurable returns on investment – but can GenAI deliver? If projected returns are not met, interest in GenAI will fold as quickly as it has emerged.

Our quarterly survey series, *The State of Generative AI in the Enterprise*, tracks global trends in decisions and actions by leading organizations who are deploying GenAI solutions. In Wave 3 of this report, Deloitte

surveyed 2,770 global respondents between May and June 2024 across several industries from all levels, including board and C-suite members, as well as those at the president, vice president and director levels. In this wave of the series, the focus was on AI governance, risk and compliance, data foundations, and identifying how organizations are measuring and communicating value.

This article examines how Canadian businesses are adopting GenAI to boost productivity, build trust, capture value quickly, and measure impact effectively.



# + Closing the productivity gap

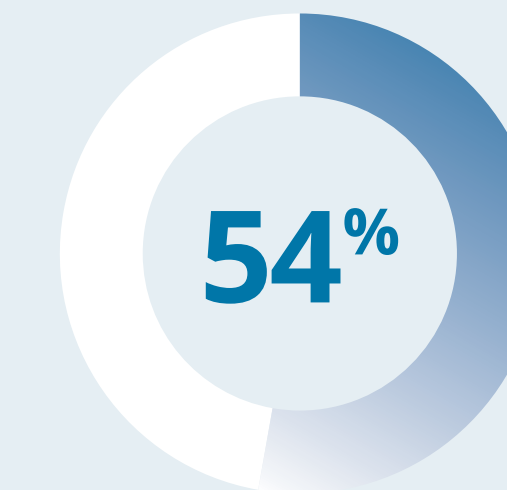
## Canadian organizations are seeking clear measures of productivity & efficiency

Survey respondents expressed that productivity is still the number one most sought-after benefit for organizations looking to realize the full potential of GenAI globally (54%) and in Canada (53%). Of the Canadian organizations that have implemented AI solutions, 29% of respondents have noted improved productivity and efficiency as the most important benefit realized.

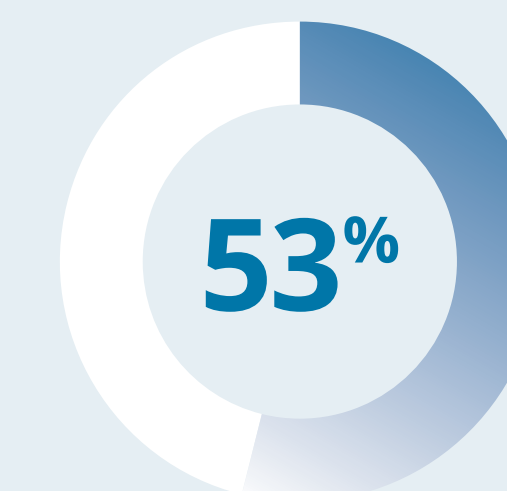
While productivity remains the top priority for organizations adopting GenAI, Canada's stagnant productivity performance has become front-page news, with an annual average rate increase of just 0.9%.<sup>1</sup> Canada now stands as the second least productive country in the G7.<sup>2</sup> The downward trend was amplified following the 2020 pandemic leading policymakers, like Bank of Canada Senior Deputy Governor Carolyn Rogers, to label it a "productivity emergency".<sup>3</sup>

Improving Canada's productivity has become an urgent priority. Though there is no consensus regarding the cause for Canada's limited productivity growth, there have been signs that the downturn has been linked to the structure of the business sector, regulatory bottlenecks like interprovincial trade barriers, slow permitting processes to a lack of business investment. Globally, Canadian companies are investing significantly less than their peers – the CD Howe Institute estimates that for each dollar a US company invests per worker, a Canadian counterpart invests just 52 cents.<sup>4</sup> It is no wonder that Canada's productivity is running 30% below the US.<sup>5</sup> There is scope for Canada to take advantage of its fast-growing AI ecosystem to reset. With rapid growth in AI talent, the breadth of venture capital funding, and large-scale increase in patent filings, Canadian organizations have a unique opportunity to leverage GenAI technologies to close the productivity gap and meet their efficiency goals.<sup>6</sup>

## Productivity is the most sought after benefit to realize the full potential of GenAI



Global



Canada

**29%** of Canadian respondents have noted improved productivity and efficiency as the most important benefit realized

# + Adopting a balanced approach that considers trust

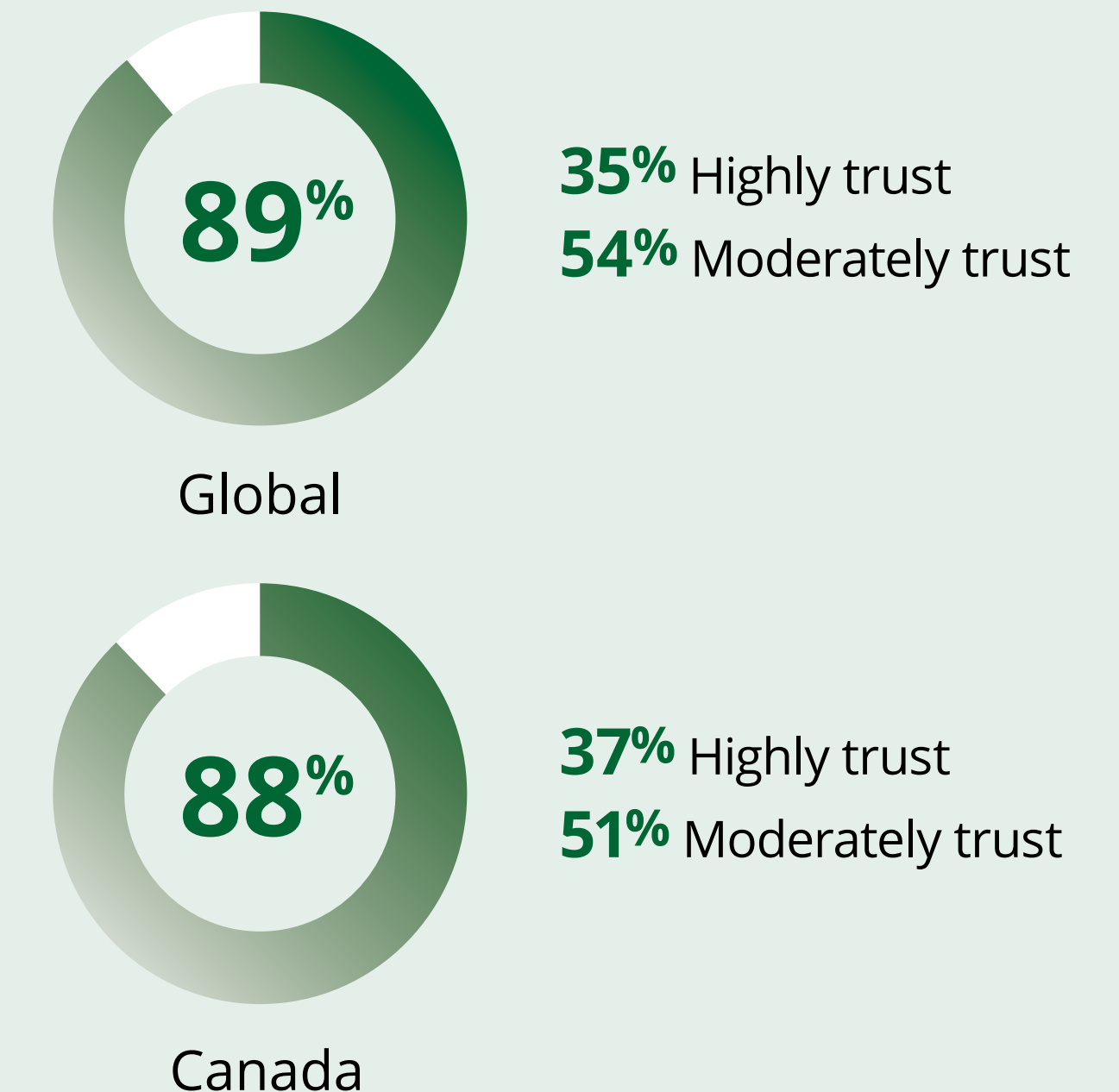
**While trust is improving, it is still a concern for Canadian organizations**

Globally, trust in GenAI is on the rise. Based on our survey, 89% of respondents indicate that they moderately trust (54%) or highly trust (35%) GenAI. In Canada, those numbers resemble global metrics where 88% say they moderately trust (51%) or highly trust (37%) GenAI.

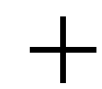
This growing confidence underscores a critical responsibility for Canadian enterprises: to ensure that trust is not taken for granted but actively nurtured through transparency and collaboration. It is essential that all parties are engaged, and that governance is embedded into the design, development, and implementation of AI solutions.

Exercising caution must not be an excuse to delay innovation. Rather, organizations should leverage this opportunity to role model how to effectively balance risk management while encouraging innovation. To achieve this balance, it is crucial to establish guardrails for the responsible deployment of Generative AI solutions while prioritizing upskilling to ensure that people understand the technology and know how to use it effectively.

## Trust in GenAI







# Prioritizing key actions to derive value from GenAI

**Canadian organizations are focusing on embedding GenAI into functions and processes and managing risk**

Respondents both globally and in Canada believe that embedding GenAI into organizational functions and processes is the primary mechanism to extract maximal value from GenAI solutions. From our survey, 23% of Canadian respondents agree that learning to infuse GenAI into the DNA of the organization is essential.

What does this look like? Consider accountants that can leverage GenAI to convert PDF invoices into excel spreadsheets, lawyers using Generative AI for lease abstraction, case workers leveraging intelligent AI query chatbots to gain access to the most relevant information across an enterprise. Across all these roles, GenAI embedded into day-to-day processes fundamentally transforms roles and responsibilities, automates tedious work and allows humans to focus more on human-centered tasks.

To fully realize these benefits, the identification, prioritization, and design of specific use cases must be a collaborative effort between business functions and IT teams, ensuring alignment with broader organizational goals. This approach ensures that GenAI initiatives are not managed as isolated projects by the CIO, but are integrated into the core business strategy, and championed by business leaders. This helps to ensure that the GenAI tool or process is not only effective at its intended purpose, but also sustainable and ideally, scalable.

Among Canadian survey respondents, 18% identified effective risk management as the second most important factor for successfully scaling GenAI solutions, just behind integrating GenAI into organizational functions and processes. But with the technology evolving so rapidly, how can risk management be effectively implemented?

Many organizations are now assigning dedicated individuals or teams to oversee AI implementation and establish responsible AI practices.

Having accountable teams in place ensures that protective measures are thorough and transparent, which in turn builds trust within the organization. As more companies commit to ethical practices and strong risk management principles, trust in GenAI will continue to grow.

23%

Of Canadian respondents agree that learning to infuse GenAI into the DNA of the organization is essential

# + Measuring value with specific KPIs

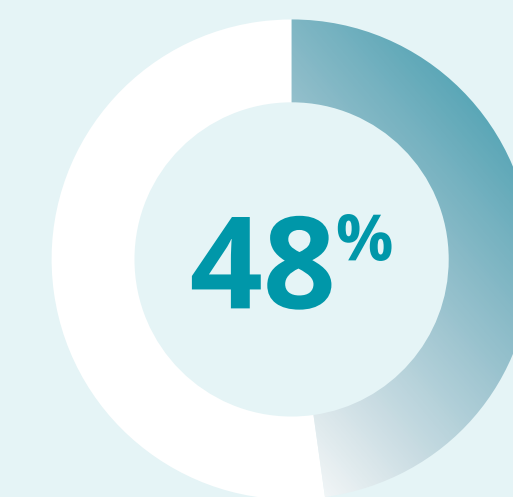
## Canadian organizations are using specific KPIs to measure and communicate the value of GenAI

To fully unlock the benefits of GenAI, organizations must effectively measure the productivity and efficiency gains from new implementations. In our global report, we asked how respondents are tracking and communicating the value created by GenAI. Globally, 48% reported using GenAI-specific key performance indicators (KPIs) to evaluate the success of their investments. In Canada, that number was even higher, with 57% of participants leveraging specific KPIs.

These targeted KPIs not only offer a clear, quantifiable view of how GenAI is impacting business processes but also serve as a strategic guide for further investments in

the technology. By tracking and analyzing these metrics, organizations can demonstrate the tangible value of GenAI and make data-driven decisions to optimize future investments. Measuring productivity gains accurately is critical to maximizing GenAI's value and ensuring its long-term integration into business operations.

## Participants using GenAI-specific key performance indicators (KPIs) to evaluate the success of their investments



Global



Canada



+ Measuring value with specific KPIs (cont'd)



KPIs can be measured in two ways: as direct or indirect indicators (i.e., primary and secondary impacts).  
Sample KPI metrics:

KPI	Direct/ indirect	Description
Response time	Direct	Measures the time to coherent and accurate natural language response
User satisfaction	Indirect	Analyzes quality of user experience
Resource utilization	Direct	Evaluates worker utilization and machine downtime
Cost reduction	Direct	Measures the reduction in operational costs achieved through GenAI implementation (e.g., reduced human labor hours, lower processing costs)
Inventory optimization	Indirect	Measures throughput of inventory
Error rate	Direct	Tracks the frequency of incorrect or nonsensical outputs, providing insights into the reliability of GenAI outputs
Adoption rate	Indirect	The percentage of employees or users regularly utilizing GenAI in their day-to-day tasks after implementation





# □ Conclusion

## **Approach to scaling Generative AI successfully across your enterprise**

To maximize the effective implementation of GenAI, Canadian organizations must prioritize education, strengthen data foundations, create an environment that champions robust AI governance and continuously monitor for risk and compliance. As many organizations are seeking tangible benefits from GenAI, understanding how to communicate and measure value regarding these solutions will be vital in the coming months. Organizations should consider the following approaches:

## □ Conclusion (cont'd)

1

### **Closing the productivity gap**

GenAI offers a crucial opportunity to close the productivity gap, especially for small and medium-sized enterprises, which dominate Canada's business landscape. By integrating GenAI into their operations, SMEs can boost efficiency, accelerate growth, and contribute to improving national productivity.

2

### **Adopting a balanced approach that considers trust**

Balancing risk management with the encouragement of innovation can enhance public trust. AI governance must be embedded in the design, development, and implementation of AI solutions to ensure transparency and build confidence. There is inherent risk in adopting GenAI solutions, but it's worth noting that there is also risk of complacency—trying to be too risk averse is a risk in and of itself.



## □ Conclusion (cont'd)

### 3

#### **Prioritizing key actions to drive value from GenAI**

To maximize the value of GenAI, it is crucial to deeply embed it into various functions and processes. Collaborating with business functions and IT teams to identify, prioritize, and design use cases will ensure that GenAI becomes a core component of the business strategy. Don't feel you need to solve every problem yourself, leverage ecosystem partners and alliances to realize solutions.

### 4

#### **Measuring value from specific KPIs**

Accurately measuring productivity gains (direct or indirect) through specific KPIs is essential for maximizing the value of GenAI. By identifying and tracking these metrics, organizations can demonstrate the tangible benefits of GenAI and make informed decisions about their investments.

**Leaders must champion these initiatives to ensure Canada remains competitive globally as we embrace the potential of AI.**

┌ Access the Q3  
report [here](#). ┐  
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# Endnotes

- 1 Prompting Productivity: Generative AI Adoption by Canadian Businesses; Canadian Chamber of Commerce (2024) ) [https://bdl-lde.ca/wp-content/uploads/2024/05/Prompting\\_Productivity\\_Report\\_May\\_2024.pdf](https://bdl-lde.ca/wp-content/uploads/2024/05/Prompting_Productivity_Report_May_2024.pdf)
- 2 Ibid
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- 4 Opinion: The Budget got one thing right-living standards are slipping. Then it made things worse. Financial post: <https://financialpost.com/opinion/budget-admits-living-standards-slipping-makes-things-worse>
- 5 Canada's Growth Challenge: Why the economy is stuck in neutral. RBC: [Canada's Growth Challenge: Why the economy is stuck in neutral - RBC Thought Leadership](#)
- 6 Impact and opportunities: Canada's AI Ecosystem – 2023. Deloitte: <https://www2.deloitte.com/content/dam/Deloitte/ca/Documents/press-releases/ca-national-ai-report-2023-aoda-en.pdf>



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