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Together makes progress

State of AI in the Enterprise

A Canadian perspective to AI's untapped edge

March 2026

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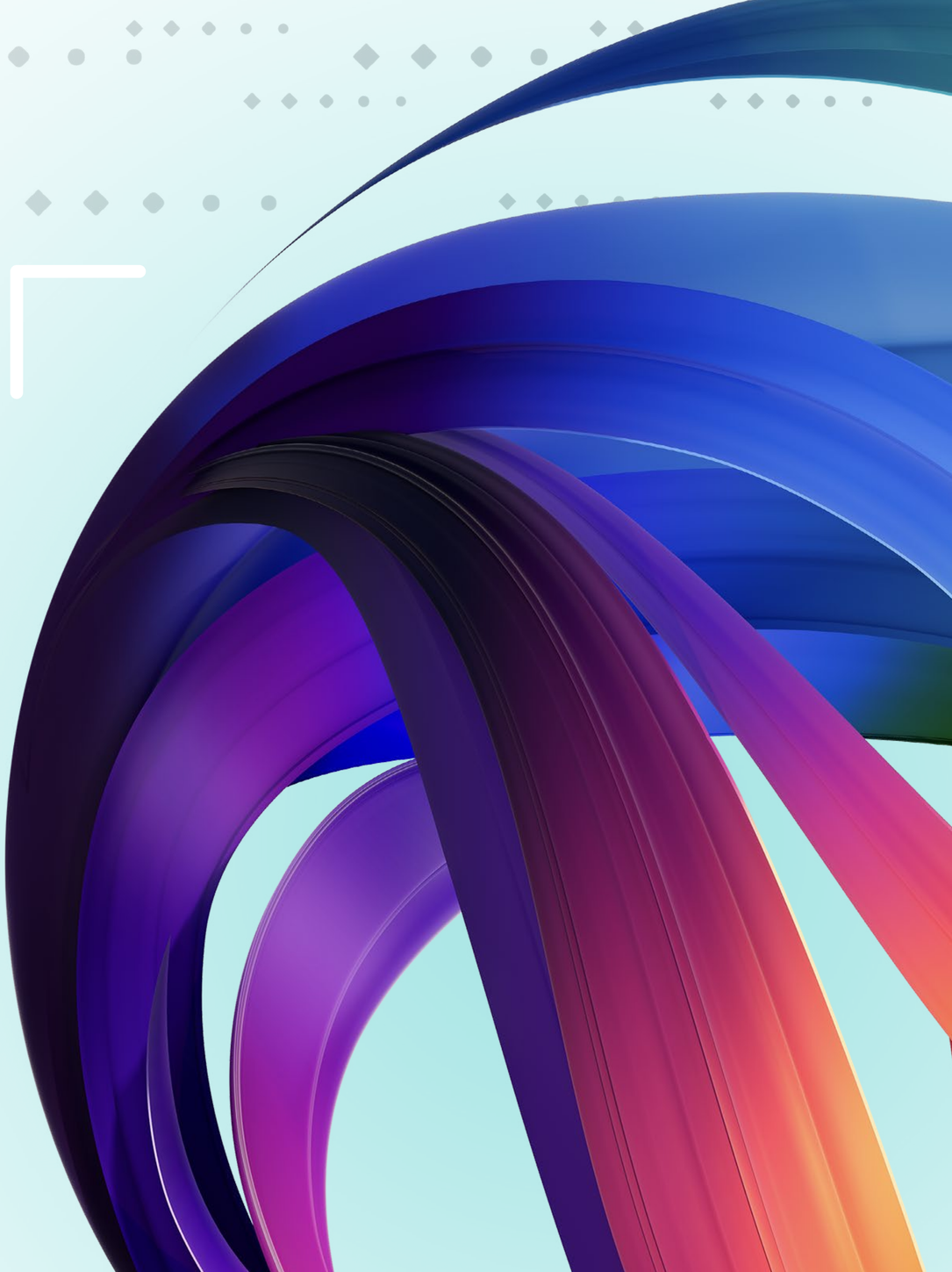


Overview

Artificial intelligence is reshaping how Canadians work and lead. As AI moves into everyday operations, workflows, roles, and decision-making are evolving to deliver outcomes at scale.

But now, it's time to level up. Canadian organizations must shift focus from experimentation to impact by redesigning work, rethinking roles, and redefining success in an AI-enabled enterprise. In this next phase, sovereignty and competitiveness hinges on how effectively AI is integrated into the way work is actually done. Drawing on insights from more than **3,200** global business and IT leaders, Deloitte's *State of AI in the Enterprise 2026 report* explores how AI is being adopted and where organizations are struggling to scale it. While global findings reveal accelerating momentum, they also surface a clear gap between experimentation and transformation.

Our Canadian analysis focuses on the perspectives of 175 Canadian business and IT leaders. This executive summary highlights how leading organizations can move AI capabilities from ambition to activation, starting with redesigning work, rethinking roles, and realigning what success looks like at scale.

3,235
Global respondents

175
Canadian respondents

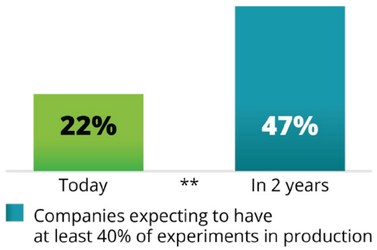
Survey conducted between August and September 2025 across several industries from all levels

Agentic AI: Autonomous software agents that take a goal, make decisions, and execute tasks across systems with human-defined guardrails.

Physical AI: AI embedded in robots/devices that sense, decide, and act in the real world to get work done.

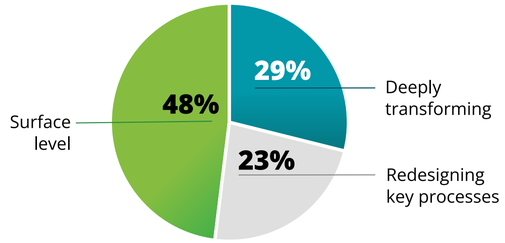
Key findings

Canadian insights overview



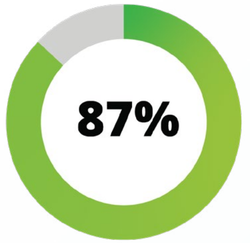
Access and scale

62% of organizations report **more than 40%** workforce access to AI, and **22%** already have at **least 40%** of AI projects in production.



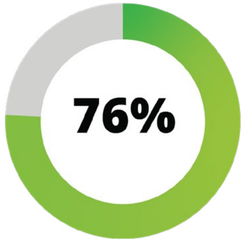
Productivity vs reimagination

86% of Canadian organizations anticipate meaningful productivity gains from AI; however, only **2/3** are using AI to fundamentally reinvent process.



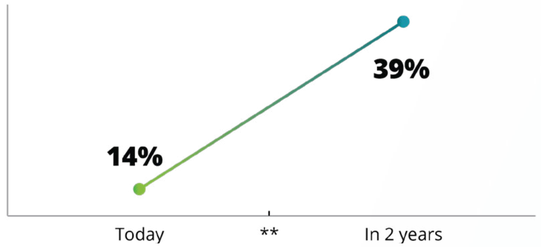
AI fluency

87% of organizations are in early stages of adapting roles for AI. Their focus is one equipping their people through AI upskilling and foundational fluency.



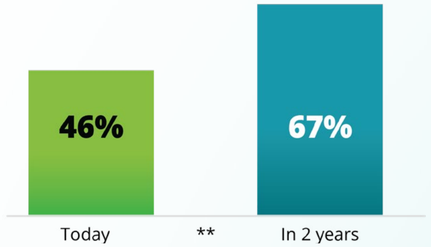
Sovereign AI

76% consider the location of AI development when selecting technologies, signalling that rise in geographic sovereignty.



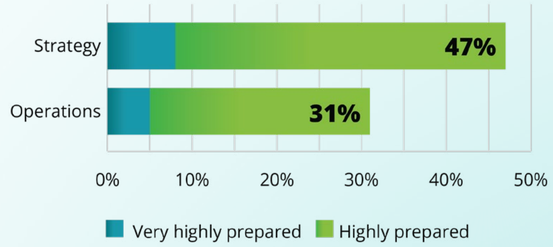
Agentic AI

Adoption is early, **only 14%** use it extensively today and **just 24%** have an advanced governance model for autonomous agents.



Physical AI

46% already use physical AI in some form, and adoption is expected to rise to **67%** within two years.



Readiness

47% of leaders say their strategy is highly prepared for adoption, but preparedness shifted down for Ops -tech infra, data and talent.

Key findings

Access is the adoption lever

AI access is expanding across Canadian organizations, with 62% reporting workforce access above 40%. But access is not adoption and adoption does not necessarily mean realized value. When organizations expect employees to self-optimize around new tools, value tends to stall.

AI ambition outpaces infrastructure readiness

Infrastructure remains a key barrier to scaling AI. While 77% of organizations operate in hybrid AI environments, **63% lack confidence that their current infrastructure can support future AI demands**, causing many initiatives to stall at the pilot stage. Strengthening foundational infrastructure is critical for moving AI into production and unlocking value at scale.

Productivity vs. reimagination

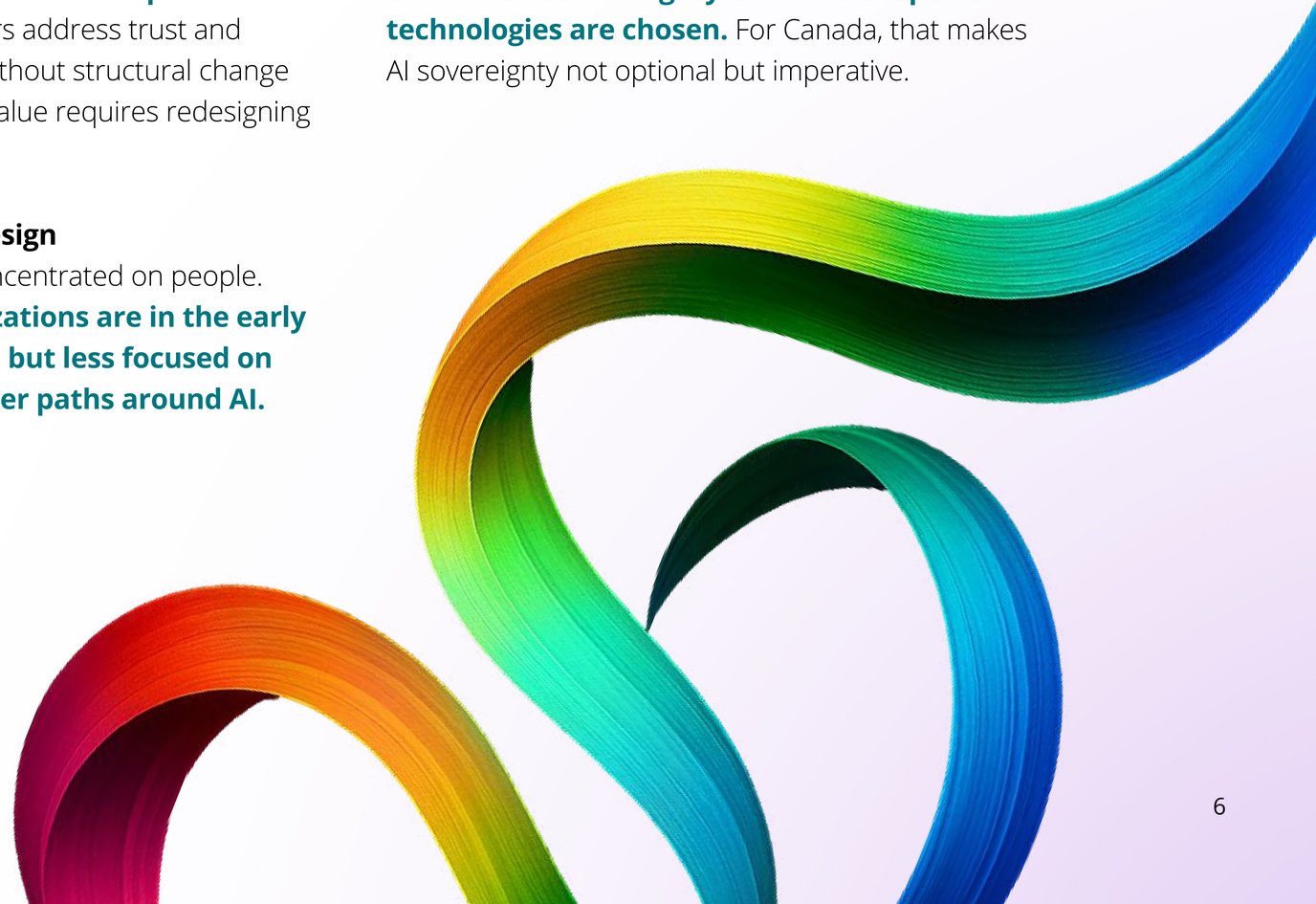
Canadian organizations are largely aligned on AI's productivity potential, but less so on reimagining work. **While 86% expect meaningful gains, only two-thirds are using AI to reinvent processes.** Upskilling is rising as leaders address trust and capability gaps, but skills without structural change won't unlock impact. Real value requires redesigning work itself.

AI fluency over role redesign

AI readiness efforts are concentrated on people. **87% of Canadian organizations are in the early stages of adapting roles, but less focused on rethinking jobs and career paths around AI.**

Sovereign AI

As AI becomes more embedded in the enterprise, where it's developed matters more. **76% of organizations factor location into their AI decisions as sovereignty concerns shape how technologies are chosen.** For Canada, that makes AI sovereignty not optional but imperative.



Key findings

Physical AI's fast-growing footprint

46% of Canadian organizations have moved beyond digital AI into systems that operate in the physical world. From intelligent sensing to autonomous delivery, physical AI is shifting from edge use case to enterprise priority. With adoption projected to reach 67% in two years, physical AI is quickly becoming a core capability.

AI agents are outpacing their guardrails

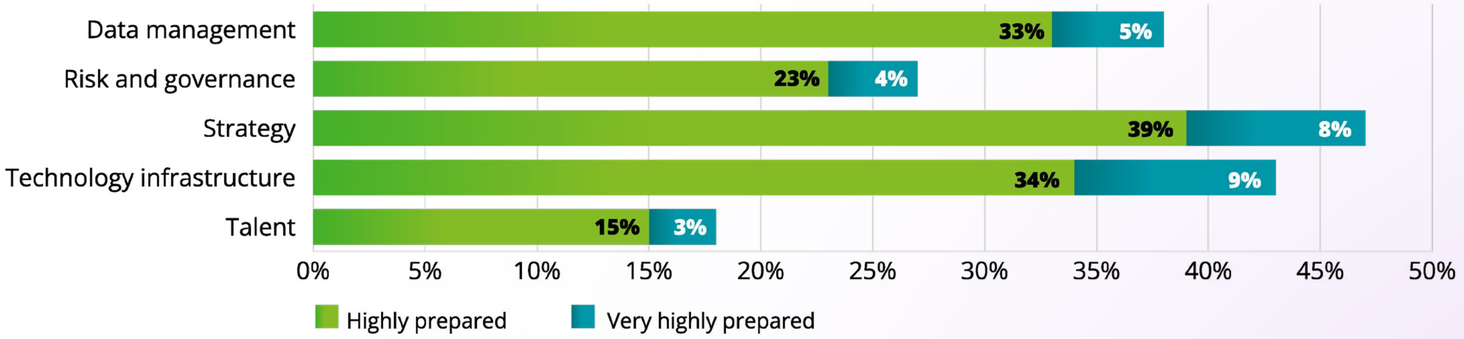
Agentic AI adoption is accelerating globally, yet governance remains underdeveloped, with one in five organizations reporting mature oversight models. In Canada, adoption remains in earlier stages. **Only 14% of Canadian organizations use agentic AI extensively, and 24% have advanced governance models to support autonomous agents.**

Strategically ready, operationally unsure

Good news: **47% of Canadian leaders feel confident in their AI strategy.** But operational readiness tells a different story. Only 43% report being highly prepared on infrastructure, 38% on data, and just 18% on talent. Strategy may be in place, but the foundations required to execute are still catching up.

47%

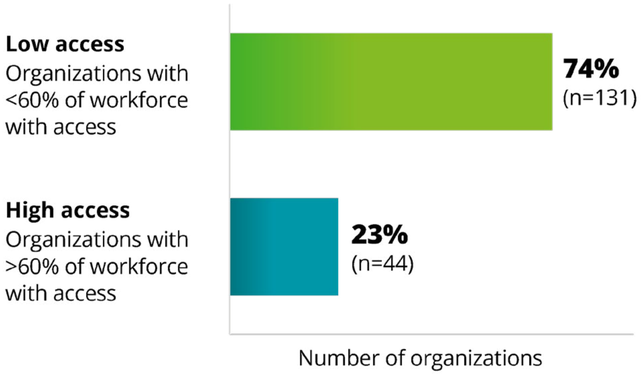
of Canadian leaders feel confident in their AI strategy



Access is the adoption lever

AI adoption is gaining momentum across Canadian organizations, but access remains uneven. While 62% report that more than 40% of their workforce has access to AI tools, nearly three-quarters (74%) say access is limited across the workplace. This gap suggests that wider availability has yet to translate into consistent, everyday use.

Organization's access to sanctioned AI tools/applications

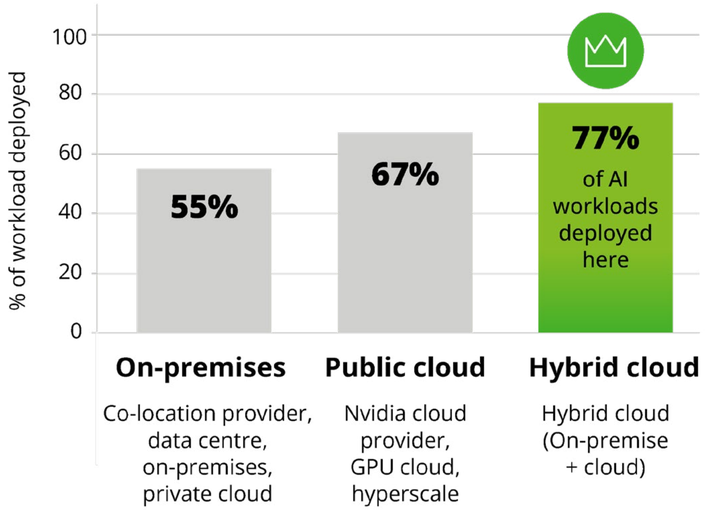


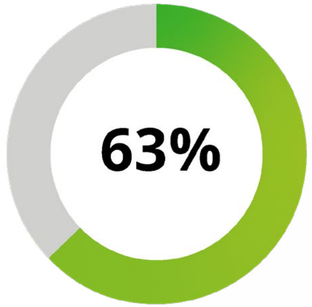
AI ambition outpaces infrastructure readiness

In many cases, infrastructure is where momentum begins to stall. Although 77% of organizations operate in hybrid AI environments, more than half (63%) lack confidence that their current infrastructure can support future AI demands. As a result, promising pilots often struggle to make the leap into production-ready solutions.

As AI becomes part of everyday operations, progress will rely on strengthening the foundations that support integration and reliability at scale. Without this shift, organizations risk remaining stuck in experimentation, capturing pockets of value while leaving much of AI's potential unrealized.

Infrastructure





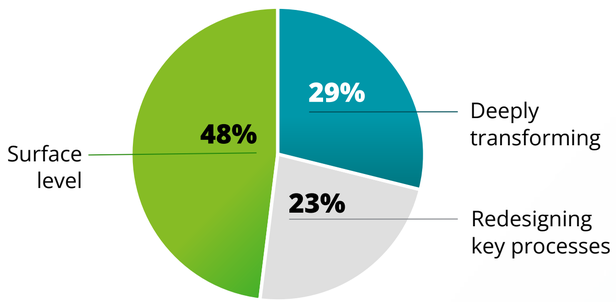
of Canadian organizations are **not confident** in their current infrastructure's ability to handle future AI demands

Productivity vs. reimagination

AI now sits at the centre of performance agendas across Canadian organizations, and confidence in its productivity impact is strong. Most leaders surveyed (86%) expect meaningful gains across the enterprise, reinforcing AI's role as a driver of efficiency and performance.

But for many organizations, that momentum stops short of deeper change. Only two thirds have fundamentally reimagined their processes with AI, leaving a gap between high expectations and realized impact. As a result, AI adoption gets stuck at improving how work gets done rather than changing what work is done.

Efficiency is only the starting point. Now, value will depend on whether organizations use AI to redesign work itself, unlocking new sources of differentiation and advantage rather than optimizing existing ways of working.

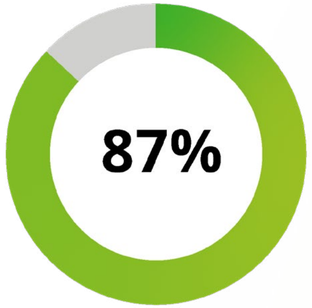


AI fluency over role redesign

Across Canada, **early AI efforts are focused** on preparing people to use new tools. 87% of Canadian organizations are in the early stages of adapting roles for AI, with most efforts directed toward education (54%) and upskilling (45%) to help teams feel more comfortable working with new technology.

But fluency alone is not enough. The same 87% report they have not redesigned jobs around AI, even as expectations for automation continue to rise. Without rethinking how roles evolve, organizations risk disrupting development pipelines and leaving employees uncertain about how skills, judgment, and progression fit in an AI-enabled workplace.

Moving from fluency to impact will require more than training. It will demand rethinking how roles are structured, how expertise is built, and how people grow as AI becomes a permanent part of how work gets done.



of Canadian organizations have **not redesigned** jobs around AI capabilities

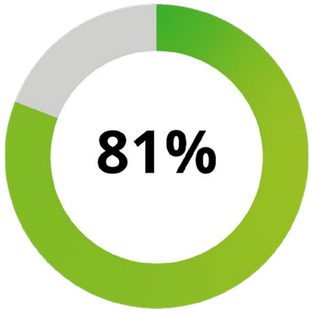
Rank	Talent strategy	% of Canadian organizations
1	**AI fluency**	**54%**
2	**Upskilling & reskilling**	**45%**
3	**Tracking worker trust**	**36%**

Sovereign AI

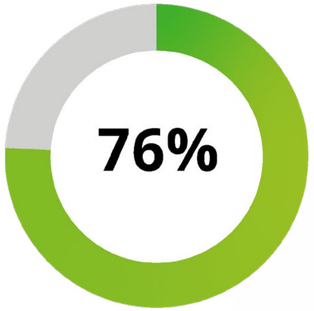
Sovereign AI is becoming a core strategic consideration for Canadian organizations. With 81% viewing sovereign AI as strategically important, leaders are reassessing not just what AI can do operationally, but where it's built, whose infrastructure it runs on, and how it's governed.

This shift is already influencing how AI decisions are made. More than 76% of Canadian organizations say the location of AI development is a key factor when choosing new technologies, reflecting growing sensitivity around data residency, regulatory alignment, and reliance on foreign vendors.

Together, these signals point to a clear change in priorities: sovereignty now carries as much weight as innovation in shaping AI adoption across Canada, reframing AI not only as a performance tool, but as a question of trust and long-term strategic independence.



view sovereign AI as at least **moderately important** to strategic planning



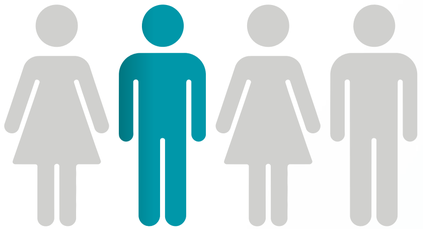
factor an AI solution's country of origin into vendor selection decisions

AI agents are outpacing their guardrails

With the **rise of agentic AI**, systems inside Canadian organizations are starting to take a more hands-on role. Rather than generating insights, these systems can now carry out tasks, coordinate workflows, and interact directly with people and other systems.

But despite the pace of adoption, the momentum behind agentic AI is outpacing oversight. Though agentic AI is expected to rise across Canada in the next two years, only one in four (25%) organizations say they have advanced governance in place for autonomous agents.

Turning agentic AI into lasting value will require pairing deployment with clear guardrails, defined accountability, and human oversight that can scale alongside the technology.



25%

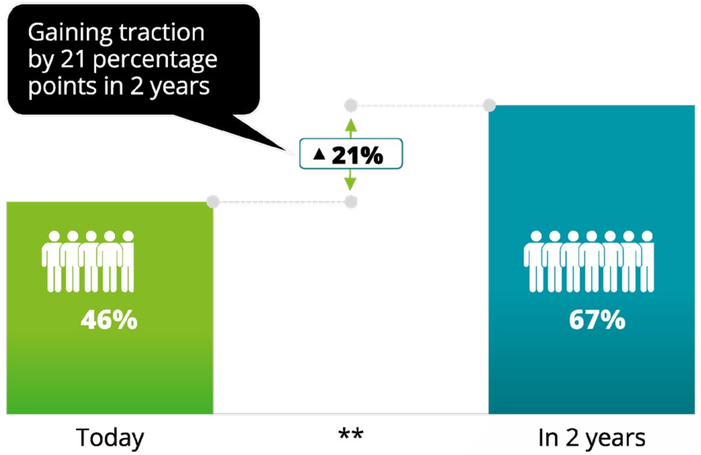
of Canadian respondents indicated they have advanced governance for autonomous AI agents

Physical AI’s fast-growing footprint

Physical AI is becoming central in operations across many Canadian organizations, particularly in environments where automation can be introduced safely and at scale. Today, 46% are already using physical AI in some form, and adoption is expected to rise to 67% within the next two years.

Now, the focus is moving from pilots to performance. Driven largely by digital twins, robotics, and smart monitoring, physical AI is gaining traction in more controlled settings, where risks can be managed and outcomes more reliably measured. As deployments mature, organizations are moving physical AI into core operational workflows that demand consistency, safety, and repeatability.

Those who integrate physical AI into the fabric of daily operations, rather than treating it as a stand-alone innovation effort, are most likely to unlock sustained returns and build confidence as adoption scales.



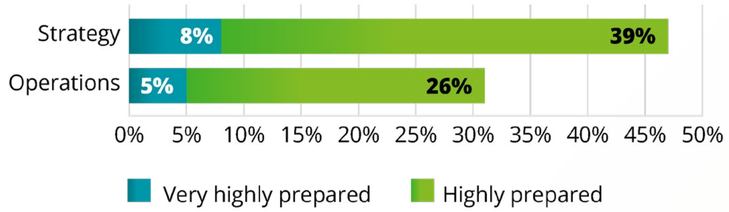
Rank	Physical AI area	% of Canadian organizations
1	Digital twins	29%
2	Robotics	20%
3	Smart monitoring	18%
4	Autonomous logistics	17%
5	IoT-driven retail	11%
6	Smart materials	3%

Strategically ready, operationally unsure

Canadian organizations are still finding their footing on **AI readiness**.

Nearly half (47%) say they are highly or very highly prepared at the strategic level, reflecting growing clarity on where AI fits, what it should deliver, and how it aligns with broader business goals. However, though confidence is strong at the strategy table, it's much harder to sustain in practice. Less than one in three organizations say they are operationally ready, making the gap between intent and impact hard to ignore.

As AI moves deeper into day-to-day operations, progress will depend less on vision and more on strengthening infrastructure, data, and talent.



Tapping into AI’s full potential

Tapping into AI's full potential

AI is no longer optional, but value isn't always automatic. For Canadian organizations, capturing AI's full potential will come from embedding AI into how work gets done, how value is created, and how organizations compete over the long term.

The following six focus areas outline where Canadian leaders can focus now to turn momentum into impact:

1. Close the gap between access and activation

Most Canadian organizations now have AI tools in place, but usage has yet to catch up. To see results, organizations should focus on bringing AI into everyday workflows, designing pilots with scale in mind, and supporting adoption through practical training and leadership support.

2. Unlock human advantage by redesigning work around AI

AI adoption in Canada has largely centred on productivity, with fewer organizations rethinking jobs and workflows around new capabilities. Lasting value will come from redesigning work so human judgment, creativity, and oversight complement what AI can automate.

3. Build governance before scaling

Governance is becoming essential to scaling enterprise AI with confidence. Canadian organizations that establish clear accountability and boundaries early are better positioned to deploy AI responsibly as autonomy increases.

Tapping into AI's full potential

4. Address sovereign AI with discipline

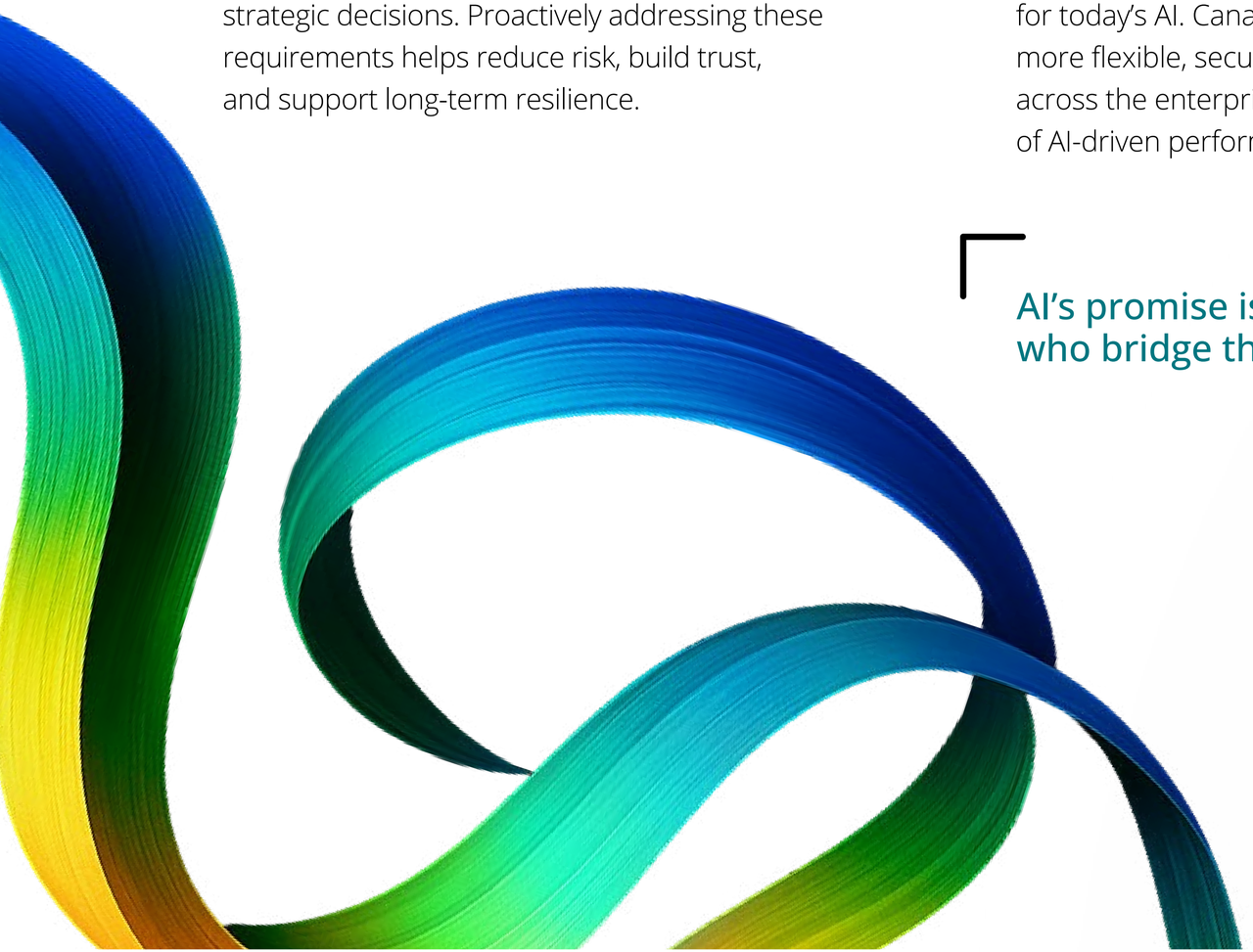
For Canadian organizations, where AI is developed and plays an increasing role across strategic decisions. Proactively addressing these requirements helps reduce risk, build trust, and support long-term resilience.

5. Modernize infrastructure for the next wave of AI

Many organizations are constrained by legacy data and technology environments not designed for today's AI. Canadian leaders who invest in more flexible, secure platforms that scale AI across the enterprise will unlock the next wave of AI-driven performance.

6. Aim for reinvention, not incremental gains

The biggest gains from AI won't come from efficiency alone. Canadian organizations pulling ahead are using AI to rethink how they operate, compete, and grow. Treating AI as a core strategic capability, rather than a cost-saving tool, will be key in leading the future of work.



AI's promise is clear. The advantage will belong to those who bridge the gap from tool access to meaningful adoption.

Access the full global report here to learn more.

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Access the full global report here to learn more.

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