LEMAC
Land and Energy Management Association of Canada

HOW CO-PILOT & CHATGPT ARE CHANGING THE WAY YOU WORK

PRESENTATION

MR. SAG BARUSS

Introduction

Session Overview

This session will examine how AI is **disrupting** your day-to-day operations and discuss the **5 things** every organization needs to know as they adopt AI technologies like Copilot and ChatGPT.

It will explore the **AI adoption journey**, walk through a **case study** of an organization in the middle of their AI adoption journey, and conclude with a set of **recommendations** and practical **next steps** to help your organization as you move forward with AI.

Who Am I

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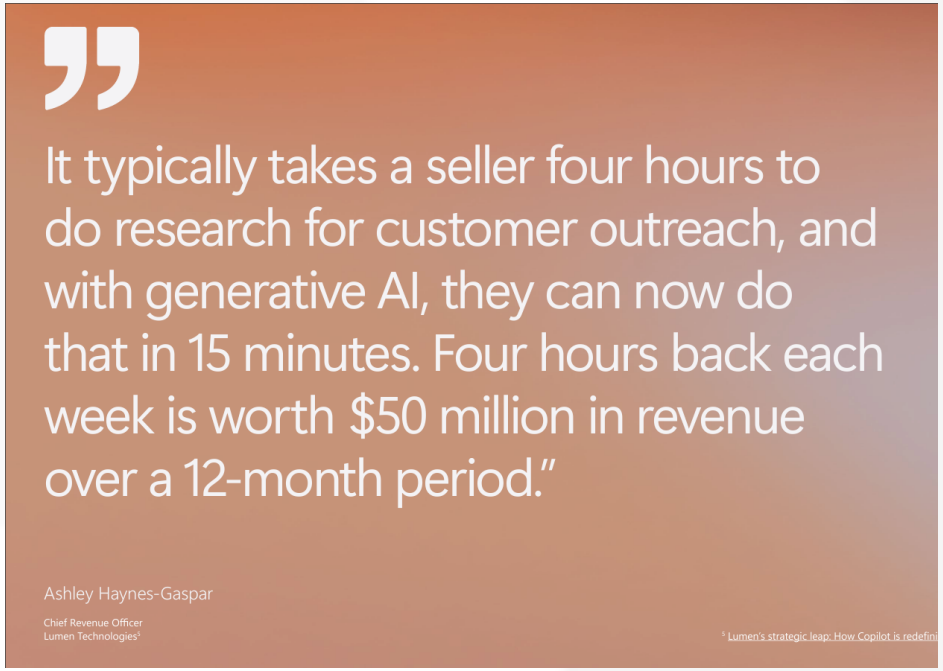
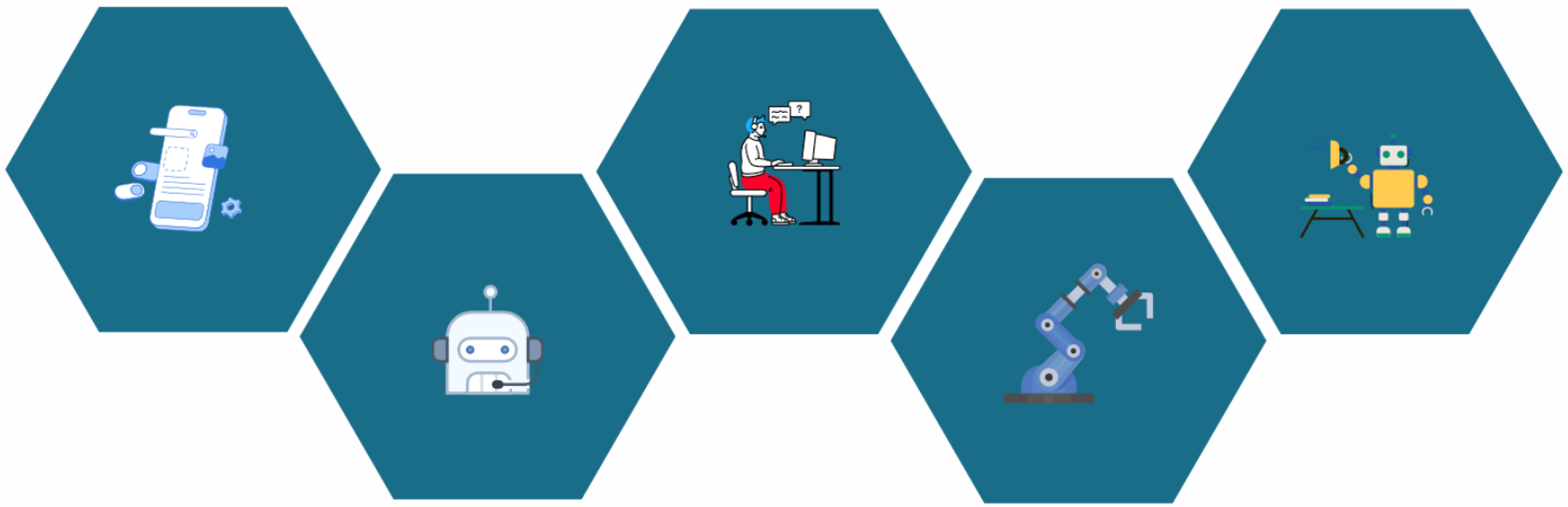
Understanding the Disruption



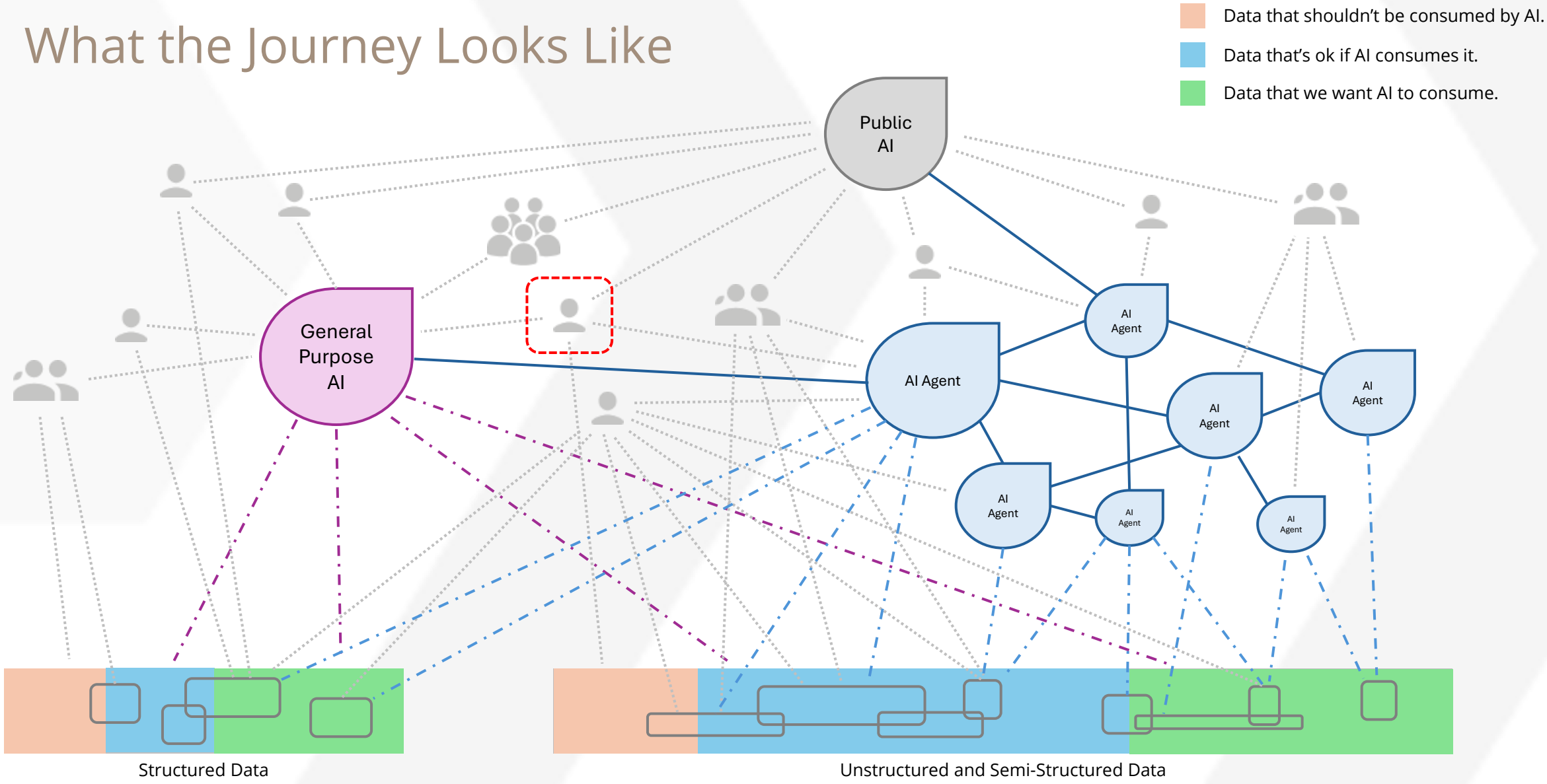
There's a set of things AI can do at a speed and capacity that humans can't.

Reference: Microsoft 365 Copilot Adoption Playbook https://marketingassets.microsoft.com/gdc/gdcgAAgHK/original?culture=en-us&country=us

An AI Maturity Model



What the Journey Looks Like



What We're Seeing

EDITORS' PICK | LEADERSHIP > CMO NETWORK

MIT Finds 95% Of GenAI Pilots Fail Because Companies Avoid Friction

By Jason Snyder, Contributor. ⊙ Jason Alan Snyder is a technologist covering ... Follow Author

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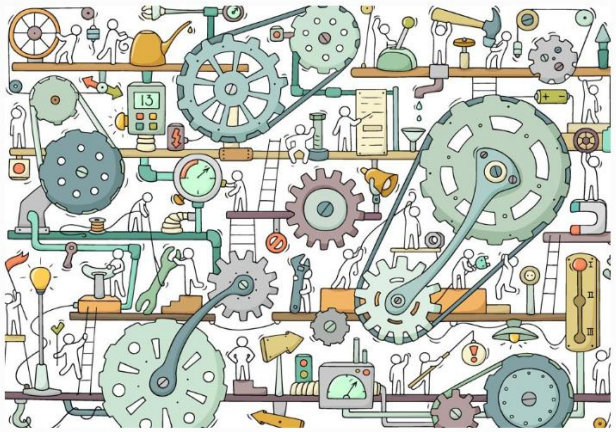

Friction keeps the system moving. MIT's research shows that 5% of GenAI pilots succeed by embracing resistance, both human and organizational, as well as technical, as the crucible of adaptation and ROI.
GETTY

billions of dollars invested in enterprise GenAI pilots are yielding no results.

Friction isn't failure. It's what keeps your tires on the road, what makes a live experience memorable, and, according to MIT, what separates the 5% of GenAI pilots that succeed from the 95% that don't.

A new MIT study, *State of AI in Business 2025*, reveals that billions of dollars invested in enterprise GenAI pilots are yielding no results. But the lesson isn't that GenAI is broken. It's that companies are trying to erase the very drag that creates value.

The 95% lean on generic tools, slick enough for demos, brittle in workflows.

MIT calls it the GenAI Divide.

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- **The 95%** lean on generic tools, slick enough for demos, brittle in workflows. They're stuck in high-adoption, low-transformation mode.
- **The 5%** design for friction. They embed GenAI into high-value workflows, integrating deeply and shipping tools with memory and learning loops. That's where ROI lives.

The data is stark: Only 5% of custom GenAI tools survive the pilot-to-production cliff, while generic chatbots hit 83% adoption for trivial tasks but stall the moment workflows demand context and customization.

Only 5% of custom GenAI tools survive the pilot-to-production cliff,

Why GenAI Needs Friction To Succeed

I've long argued that humans need friction to stay human. Resistance is what gives life meaning, effort, constraint, the drag that ma

The MIT report shows the same law applies to GenAI. Without friction, GenAI is theater: smooth demos impress, but without governance, memory, and workflow redesign, they deliver no value. The companies that succeed are those that engineer for friction, calibrating it rather than eliminating it.

What GenAI Friction Really Means

By friction, I don't mean inefficiency for its own sake. I mean the resistance that forces adaptation. In physics, friction is what prevents your car from spinning out of control.

In business, GenAI friction is the constraint that drives evolution: new protocols, conflicting incentives, the uncomfortable need to redesign workflows instead of layering another tool on top.

MIT's data proves the point: pilots that glide frictionless from demo to deployment never build the muscle to scale. They collapse the moment they hit real organizational texture, compliance, politics, data quality, and human judgment. By contrast, 5% of winners lean into friction: they accept resistance as the price of learning and design

Reference: https://www.forbes.com/sites/jasonsnyder/2025/08/26/mit-finds-95-of-genai-pilots-fail-because-companies-avoid-friction/

Case Study: Overview

Company Bio

Industry:	Renewable energy.
Employees:	500-600.
Operations:	North America, Europe, Africa, and Asia.

AI Strategy

Business Challenges:

Operational efficiency and regulatory compliance.

Current Maturity Level:

Some intentional AI use with no corporate guidelines or controls in place.

Desired Maturity Level:

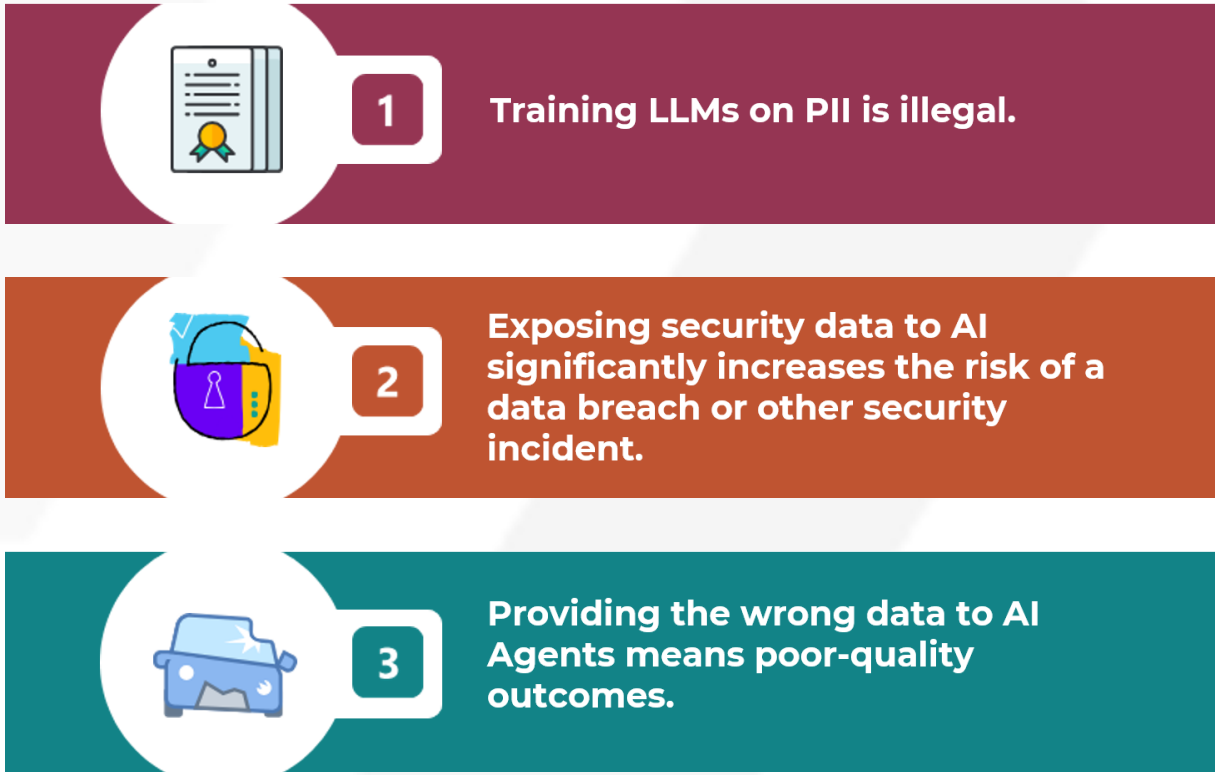
Augmented intelligence to increase productivity (short-term).

Orchestrated AI for project delivery and facility management (mid-term).

Strategy:

Focus on data readiness and user enablement.

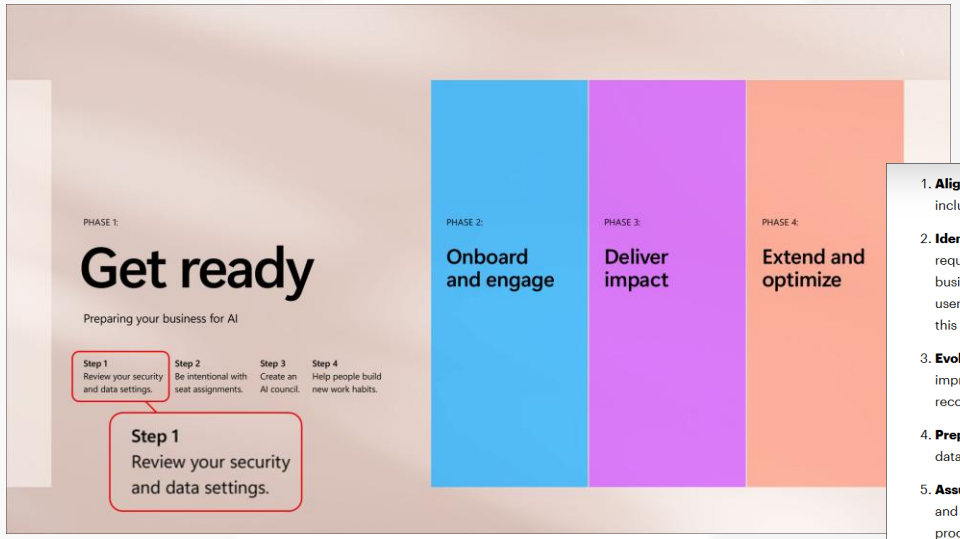
Compliance & Responsible AI Adoption



Key Point

Under-estimating the importance of regulatory compliance makes your AI project considerably more expensive.

Getting Data AI-Ready



1. **Align data to AI use cases:** CDAOs should consider various data sources for AI use cases, including internal or external data sources.
2. **Identify data governance requirements for AI** to prevent or mitigate the risks of violating legal requirements and the unethical use of AI products. CDAOs should work closely with legal and business leaders to answer questions such as whether the data will be interoperable across many user communities and applications, how sensitive data can be automatically detected, and how this data should be protected when being fed into AI models.
3. **Evolve metadata from passive to active** to build intelligence and provide continuous iterative improvement and automation. CDAOs should discover, enrich and analyze metadata and infer a recommendation from the results.
4. **Prepare data pipelines** to build an AI model dataset for training purposes as well as for a live data feed to AI production systems based on the requirements gathered.
5. **Assure and enhance data:** Once the data is available for AI model training, CDAOs should test and monitor it to optimize the models. They can implement DataOps and data observability processes to track data patterns and changes, adjusting data requirements as needed.

Above all, if the data has issues, then the data is not ready for AI.

> "Gartner predicts that through 2026, organizations will abandon 60% of AI projects unsupported by AI-ready data."

Q: How do organizations govern AI-ready data?

A: As organizations move from AI pilots to fully operational AI, using collaborative and cross-domain strategies to manage and govern AI across the company becomes crucial for continued success.

Key Point

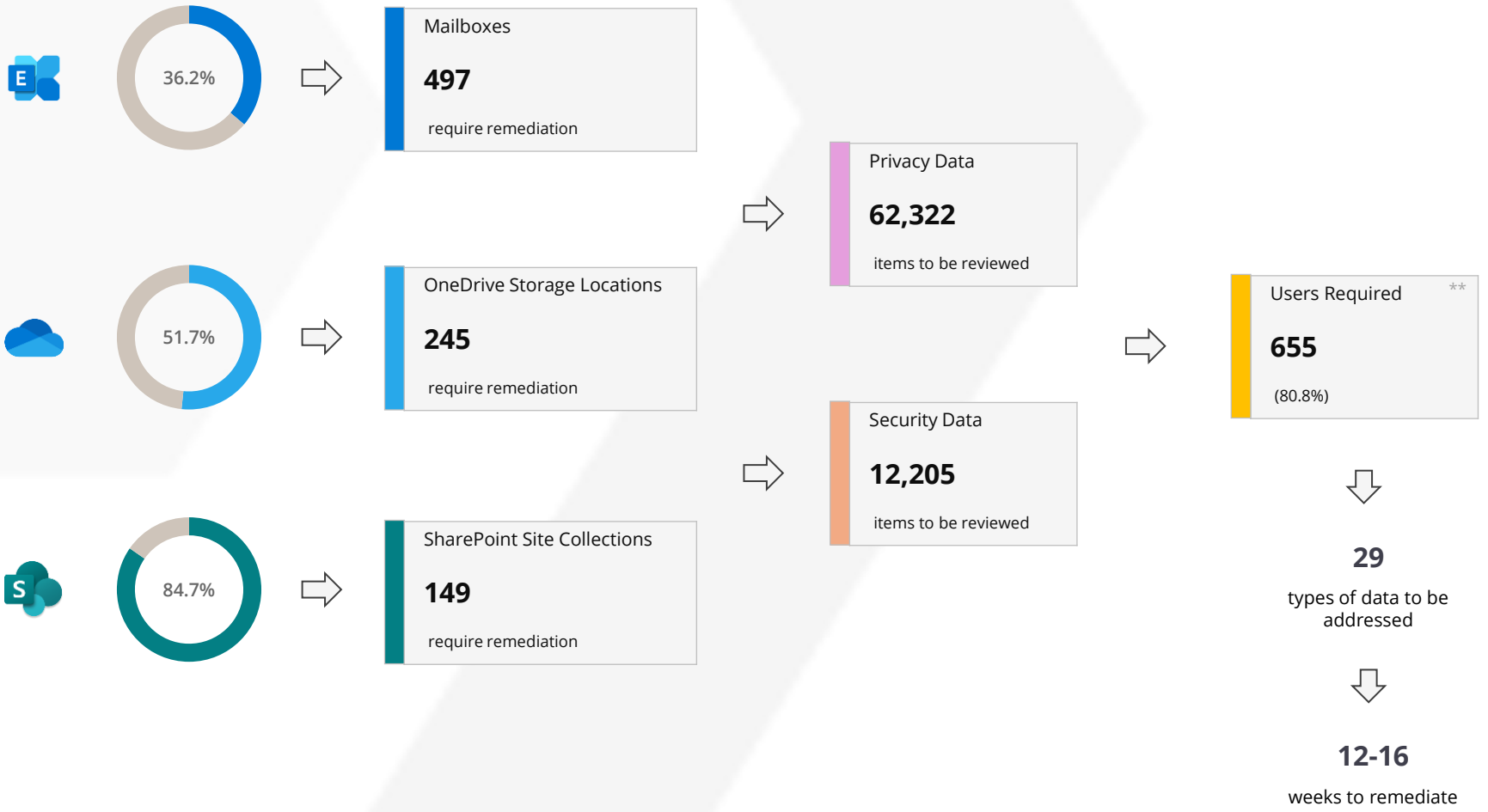
The foundation of AI is data.

It doesn't matter how well AI is implemented if the underlying data can't support it.

Conversely, good data will make an average AI implementation great.

Reference: Microsoft 365 Copilot Adoption Playbook https://marketingassets.microsoft.com/gdc/gdcgAAgHK/original?culture=en-us&country=us
https://www.gartner.com/en/newsroom/press-releases/2025-02-26-lack-of-ai-ready-data-puts-ai-projects-at-risk

What AI Data Readiness Looks Like



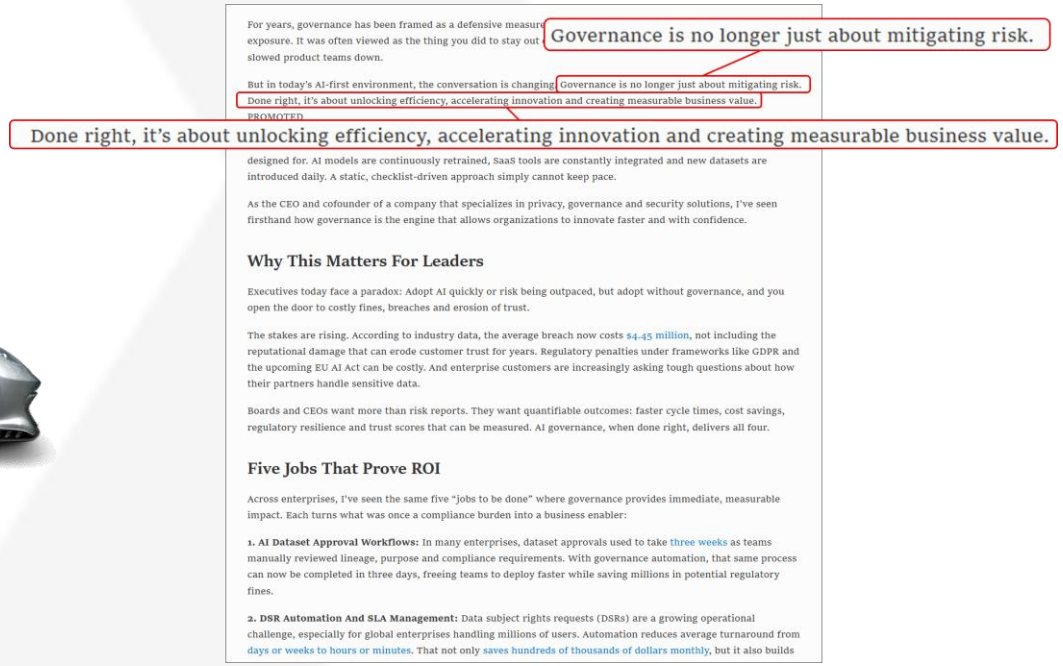
Key Point

Implementing AI doesn't need to be all-or-nothing.

Many organizations choose a phased implementation, starting with the portion of the business that's ready now and expanding the implementation over time.

The timeline includes reviewing all data that requires business user input, then deleting what isn't needed and either moving or labelling everything that's left.

Adding Governance



For years, governance has been framed as a defensive measure exposure. It was often viewed as the thing you did to stay out slowed product teams down.

But in today's AI-first environment, the conversation is changing. Governance is no longer just about mitigating risk. Done right, it's about unlocking efficiency, accelerating innovation and creating measurable business value.

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designed for. AI models are continuously retrained, SaaS tools are constantly integrated and new datasets are introduced daily. A static, checklist-driven approach simply cannot keep pace.

As the CEO and cofounder of a company that specializes in privacy, governance and security solutions, I've seen firsthand how governance is the engine that allows organizations to innovate faster and with confidence.

Why This Matters For Leaders

Executives today face a paradox: Adopt AI quickly or risk being outpaced, but adopt without governance, and you open the door to costly fines, breaches and erosion of trust.

The stakes are rising. According to industry data, the average breach now costs $4.45 million, not including the reputational damage that can erode customer trust for years. Regulatory penalties under frameworks like GDPR and the upcoming EU AI Act can be costly. And enterprise customers are increasingly asking tough questions about how their partners handle sensitive data.

Boards and CEOs want more than risk reports. They want quantifiable outcomes: faster cycle times, cost savings, regulatory resilience and trust scores that can be measured. AI governance, when done right, delivers all four.

Five Jobs That Prove ROI

Across enterprises, I've seen the same five "jobs to be done" where governance provides immediate, measurable impact. Each turns what was once a compliance burden into a business enabler:

1. AI Dataset Approval Workflows: In many enterprises, dataset approvals used to take three weeks as teams manually reviewed lineage, purpose and compliance requirements. With governance automation, that same process can now be completed in three days, freeing teams to deploy faster while saving millions in potential regulatory fines.

2. DSR Automation And SLA Management: Data subject rights requests (DSRs) are a growing operational challenge, especially for global enterprises handling millions of users. Automation reduces average turnaround from days or weeks to hours or minutes. That not only saves hundreds of thousands of dollars monthly, but it also builds

Key Point

Data governance is like the brakes on a car.

The **function** of the brakes is to slow the car down when needed.

The **purpose** of the brakes is so the car can go faster.

https://www.forbes.com/councils/forbestechcouncil/2025/11/05/the-business-value-of-ai-governance-from-compliance-to-advantage/

The Impact of AI on People

ChatGPT May Be Eroding Critical Thinking Skills, According to a New MIT Study

Does ChatGPT harm critical thinking abilities? A new study from researchers at MIT's Media Lab has returned some concerning results.

The study divided 54 subjects—18 to 39 year-olds from the Boston area—into three groups, and asked them to write several SAT essays using OpenAI's ChatGPT, Google's search engine, and nothing at all, respectively. Researchers used an EEG to record the writers' brain activity across 32 regions, and found that of the three groups, ChatGPT users had the lowest brain engagement and "consistently underperformed at neural, linguistic, and behavioral levels." Over the course of several months, ChatGPT users got lazier with each subsequent essay, often resorting to copy-and-paste by the end of the study.

The paper suggests that the usage of LLMs could actually harm learning, especially for younger users. The paper has not yet been peer reviewed, and its sample size is relatively small. But its paper's main author Nataliya Kosmyna felt it was important to release the findings to elevate concerns that as society increasingly relies upon LLMs for immediate convenience, long-term brain development may be sacrificed in the process.

"What really motivated me to put it out now before waiting for a full peer review is that I am afraid in 6-8 months, there will be some policymaker who decides, 'let's do GPT kindergarten.' I think that would be absolutely bad and detrimental," she says. "Developing brains are at the highest risk."

https://time.com/7295195/ai-chatgpt-google-learning-school/

Key Point

The 'people' aspect of AI adoption isn't just about teaching people how to use AI. It's also about making sure AI is used in a way that it doesn't erode quality and degrade intellectual capacity over time.

Case Study: What We Learned

Calculated Results

Quantity of Data:	9.3 TB
Number of Items:	9,685,704
Level of Compliance:	8.4%
Approximate Risk:	$8.18M
AI Readiness:	34.4%
Items to Address:	222,127

Observed Results

Level of Understanding:	Low.
Amount of AI Usage:	Varies, from very low to high.
Level of Responsibility:	Low to moderate.
Willingness to Change:	Low.

Case Study: Executing on the Plan

People	Process	Technology
	Establish an AI Centre of Excellence.	Data discovery and classification.
Begin a user education program.	Define security data policies.	Remediate security data.
	Formalize the data compliance framework.	Remediate non-compliant privacy data.
		Sort and organize the remaining privacy data.
Select the AI pilot group(s).	Create an information architecture for AI.	Organize and label data for AI consumption.
Selective implementation of general-purpose AI.	Develop an AI data governance framework.	Implement Microsoft Purview for enforcement.
Expand the AI implementation.		Implement AI oversight and remediation.
	Select a pilot workload for orchestration.	

Now What

Recommendations

1.	Get clear on the outcomes.
2.	Plan and implement appropriate guardrails.
3.	Pace is less important than outcome.
4.	Prepare your people.
5.	Don’t underestimate the prerequisites.

Suggested Next Steps

1.	Formalize support for your AI adoption program.
2.	Establish an ‘AI Centre of Excellence’.
3.	Do a data assessment and begin preparing your data.

Putting it All Together

5 Things Every Organization Needs to Know

1.	How are you using AI now?
2.	How do you want to be using AI?
3.	Do you have the prerequisites in place?
4.	What is your plan to overcome the AI valley?
5.	How are you going to measure outcome?

Framework for Success

1.	Data as the foundation.
2.	Human-in-the-loop.
3.	Ethics and compliance.

Thank-you