THIRD ANNUAL STUDY

Indiana AI Workforce Report 2026

Where Indiana stands in the fastest technology transition in history — and what the gap between capability and readiness means for every employer, educator, and policymaker in the state.

Dennis A. Trinkle, Ph.D.

With Ambrose Barrymore-Sackey, Frederick Da-Silveira & Jakob Stumpf

Published by TechIndiana
In partnership with Ball State University
Center for Information & Communication Sciences

257	Year 3	12	25
Organizations surveyed	Longitudinal data	Industry sectors	Research questions

FROM THE PRESIDENT & CEO

Why This Report Exists

Three years ago, TechIndiana asked a simple question: is Indiana adopting AI? The answer came back yes — faster than almost anyone expected. Last year we asked how fast, and found a paradox: adoption everywhere, preparation almost nowhere. This year we stopped asking whether organizations use AI and started asking what actually changed after they did.

The answer is the most important finding in three years of this study. Nearly nine in ten Indiana organizations now report meaningful AI impact — right alongside the national rate. But fewer than one in twenty are capturing most of what AI could already do for them. The tide is rising everywhere at once. Most of us are standing in ankle-deep water.

TechIndiana publishes this study for one reason: the organizations that invest in their people — that train them, trust them, and build the systems that let them perform — are the ones that will define what Indiana's economy becomes. Not next decade. Next year.

This report exists to show, with data, what that investment looks like and what it returns. Read Part I for the story. Read Part II for the proof. Then do something with it Monday morning.

Dennis Trinkle

President and CEO, TechIndiana
Professor, Ball State University — Center for Information and Communication Sciences
Author, *What's Coming: The Next 24 Months of AI*

IN THIS REPORT

CEO WITH 5 MINUTES
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ANALYST / RESEARCHER
Part II begins p.13 — methodology, crosstabs, all 25 distributions

POLICYMAKER / EDUCATOR
Action agenda (p.10) → National context (p.17) → scorecard (p.25)

ABOUT THE DATA
257 Indiana organizations, recruited through TechIndiana's employer network and partners rather than random sampling — not a controlled sample, but broadly representative of the state's employer base. All impact, productivity, and ROI figures are self-reported. Full methodology and limitations: page 13.

EXECUTIVE SUMMARY

The Bottom Line

Indiana's AI adoption is broad but shallow. Nearly nine in ten organizations report meaningful impact — in line with the national rate. But fewer than one in twenty is capturing most of what AI could do for them. The rising tide is real. Most organizations are standing in ankle-deep water and don't realize it's rising.

This is the third annual Indiana AI Workforce Report, produced by TechIndiana in partnership with Ball State University's Center for Information and Communication Sciences. The 2026 edition surveyed 257 organizations across 12 industry sectors, expanding from 200 in 2025 and 66 in 2024. To our knowledge, it is the only longitudinal study tracking how AI is actually reshaping Indiana's workforce, organizations, and talent pipeline. The 2026 survey shifted the lens from adoption to impact: we stopped asking "are you using AI?" and started asking "what changed after you did?"

89.9%

THE TIDE

of Indiana organizations report meaningful AI impact — alongside the national 88% adoption rate (McKinsey State of AI, 2025)

4.3%

THE GAP

are capturing more than 75% of what AI could handle for them. The rest are leaving capability on the table.

Indiana's 89.9% measures reported organizational impact; the national 88% measures use of AI in at least one business function (McKinsey Global Survey: The State of AI, 2025). Questions and samples differ — context, not a matched comparison.

Three Findings That Explain the Gap

73.6% vs 41.2%

high-impact rate where the CEO uses AI regularly vs. where the CEO doesn't. The leadership gap is the performance gap.

60%→20%

Zero-training rate collapsed year over year — and training still doubles the odds of positive ROI. People investment amplifies tool investment.

54.1%

have employees using AI tools that haven't been formally sanctioned. The workforce is moving faster than governance.

Also in this report: role creation outpaces elimination 3.0x (p.5) · 32.3% have cut entry-level hiring (p.8) · 16.3% of leadership teams are hearing about agentic AI for the first time (p.7) · 25.3% haven't redirected the time AI freed up (p.9) · 46.7% aren't ready for a 10x capability jump (p.9).

FRAMING

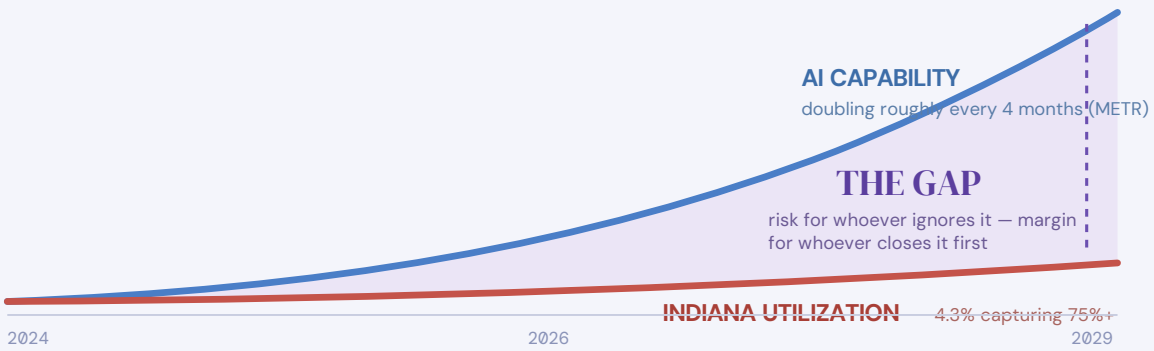
Where We Are and Where We're Headed

The length of work AI can complete on its own is doubling roughly every four months. Improvement is arriving not as crashing waves that hit some industries while sparing others, but as a rising tide — broad, continuous gains across virtually all task types simultaneously.

That doubling rate comes from METR, which has tracked the length of tasks frontier AI systems can complete autonomously since 2019 — a trend that has compressed from roughly seven months to roughly four as of its most recent update. MIT FutureTech's task-level research, built on thousands of evaluations of real-world labor tasks, projects that, in its faster scenarios, AI systems will complete most text-based work at high reliability by 2029. And organizational adoption has kept pace: 88% of organizations globally now use AI in at least one business function (McKinsey Global Survey: The State of AI, 2025), while agent deployment at scale remains in the single digits per function — capability and adoption both rising, utilization lagging far behind.

The gap between what AI can do and what organizations are actually using it for is the single largest actionable opportunity documented in this report. The technology is ready. The question is whether Indiana's organizations are ready for it.

THE THESIS IN ONE PICTURE



Illustrative rendering of the report's central finding: capability (blue) compounds while measured utilization (red) climbs slowly. Every page that follows measures some dimension of the purple wedge.

SECTION 1

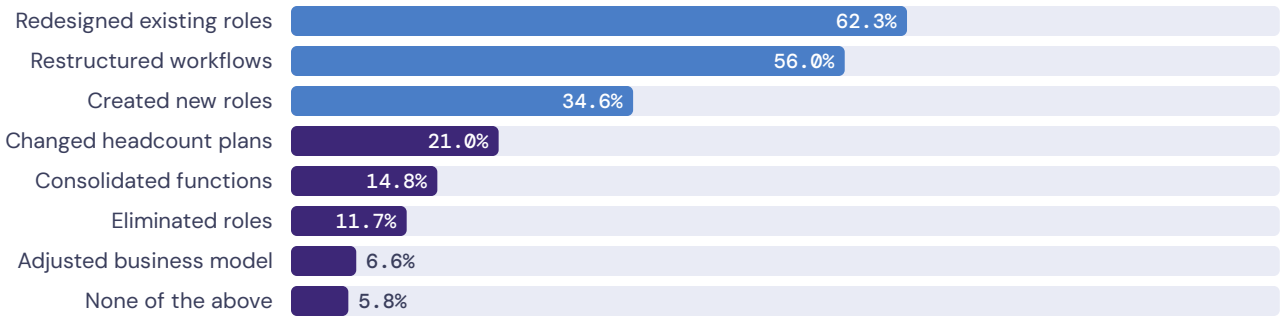
The Structural Shift

The question is no longer "are you using AI?" That question is answered. The 2026 question is: has AI changed how your organization actually operates?

89.9% report meaningful AI impact

Only 10.1% say AI has had no meaningful impact. Indiana's impact rate sits alongside the national 88% adoption figure (McKinsey State of AI, 2025) — related measures, defined differently; see page 17.

STRUCTURAL CHANGES MADE AS A DIRECT RESULT OF AI



Consistent with the Jevons Paradox

For every organization that eliminated roles, nearly 3 created new ones. 62% redesigned existing roles. The dominant pattern is expansion of work rather than displacement of workers. (Q2 is multi-select and organization-level: position counts were not collected, so these ratios describe organizational prevalence, not net employment effects.)

> *We didn't lose a single position to AI this year. We restructured twelve. The people doing those jobs will tell you their work is harder now — and better. They're spending time on problems that actually require a human brain.*
>
> **— Bryan Mitchell, Global Business Transformation Manager**

The Indiana AI Utilization Index

4.3

percent of Indiana organizations capturing more than 75% of what AI could handle for them — the state's headline utilization measure, tracked annually from this baseline

35.5%
at 25% utilization or less

13.6%
haven't assessed what AI could handle

4.3	—	—
2026 BASELINE	2027	2028

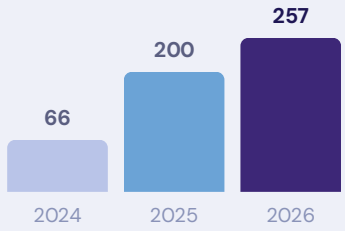
How the Index is measured: Q5 asked each organization to estimate what share of the AI-handleable work in their organization they are actually using AI for; the Index is the share answering "more than 75%." Self-assessed, not audited — read it as a directional annual signal, not a precise engineering measure. The same question wording will be repeated each year.

THE LONGITUDINAL VIEW

The Three-Year Arc

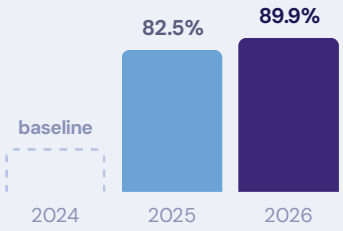
To our knowledge, no other study tracks Indiana's AI transition year over year. Three years of data show a story in three chapters: 2024 established that Indiana was adopting AI. 2025 measured how fast — and found the training paradox. 2026 measures what actually changed, and reveals the utilization gap.

STUDY SAMPLE



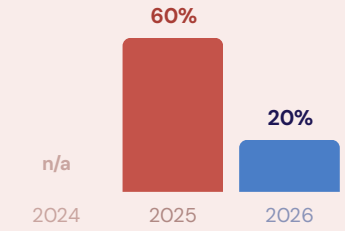
Organizations surveyed, nearly 4x growth since the 2024 baseline.

MEANINGFUL AI IMPACT



Indiana reached national parity in 2026. 2024 established adoption but used a different impact measure.

ZERO FORMAL AI TRAINING



The single biggest year-over-year improvement in three years of the study.

Held for the third consecutive year: training tracks with returns

In every year of this study, organizations that train more of their workforce report higher impact and higher ROI. In 2026, organizations training 26–50% of their workforce report positive ROI at 48.8% — more than double the 23.5% of organizations providing no training. Three years, one consistent message: the investment in people amplifies the investment in tools. (2025 measured training against optimization; 2026 measures it against perceived ROI — directionally consistent, not identical, measures.)

Training on a Four-Month Clock

Here is the implication most training plans miss: one-and-done training is linear thinking applied to an exponential curve. AI capability turns over roughly every four months — what a tool can do, how it operates, and what it makes possible are different by the next quarter. A workforce trained once is a workforce whose training is already decaying. The organizations that win will treat training as a rhythm, not an event: current, future-forward, and built for continuous retraining as the frontier moves. Everyone else will be permanently playing from behind — against competitors playing from the front. The 2027 survey adds a training-cadence measure to test this directly.

> *The story has shifted from "will Indiana adopt AI?" to "can Indiana keep pace with what AI is becoming?"*
>
> **— Harrison Painter, Executive AI Advisor, LaunchReady.ai**

SECTION 2

The Agentic Frontier

Most Indiana employers do not yet have language for agentic AI. This section gives them the data.

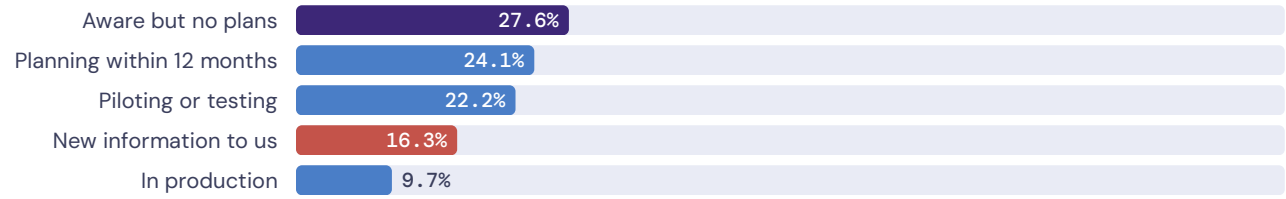
14.4%
Not familiar with agentic AI

9.7%
Actively using agents in production

16.3%
Say agentic AI is "new information"

43.9%
No deployment plans, or new to the concept

AGENTIC AI DEPLOYMENT STATUS



National surveys report agent deployment at scale remains in the single digits per business function (McKinsey State of AI, 2025). Indiana's 9.7% in production sits at the top of that range. But 14.4% of leadership teams are not familiar with agentic AI at all, and 16.3% said its capabilities were new information when asked about deployment. However you measure it, a substantial share of Indiana's leadership teams are entering the agentic era without a working vocabulary for it.

SECTION 3

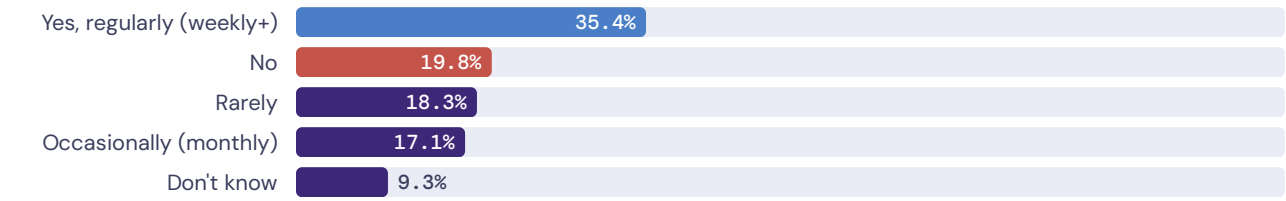
Leadership and Execution

The most citable finding in three years of this study: when the CEO uses AI personally, the organization reports dramatically higher impact.

The CEO Effect: 73.6% vs. 41.2%

Organizations where the CEO uses AI regularly report high impact at 73.6%. Where the CEO does not: 41.2%. Leadership personal use is the strongest association with organizational impact in this dataset — the study is cross-sectional and self-reported, so this reflects correlation, not proven causation.

DOES YOUR CEO PERSONALLY USE AI TOOLS?



> *The CEOs I talk to who are using AI personally — not delegating it, using it — make decisions differently. They ask better questions. They see possibilities their teams haven't surfaced yet. The tool changes the leader, and the leader changes the organization.*
>
> **— Paul Sylvester, President, Sylvester Leadership Coaching Redefined**

The Speed Math

Only 4.7% can deploy a new AI tool in days. The median is 1–3 months. But AI capability doubles roughly every four months. If deployment takes 3–6 months, the tool is surpassed before you've integrated it. Small firms are faster: 29.5% of organizations under 50 employees deploy in days or weeks, vs. 11.1% of 5,000+ organizations.

SECTION 4

Talent and Pipeline

The training gap is closing. The entry-level gap is opening. And more than half of Indiana's organizations have employees using AI tools nobody sanctioned.

60%→20%
Zero-training rate 2025 → 2026

32.3%
Reduced entry-level hiring due to AI

54.1%
Shadow AI confirmed

93.8%
Hiring or building AI skills not planned 2 years ago

The training turnaround is the biggest longitudinal shift in three years. Organizations providing zero training dropped from 60% to 19.8%. And the correlation holds: organizations training 26–50% of their workforce report positive ROI at 48.8%, versus 23.5% for those providing none.

Shadow AI: The Security Finding

54.1% of Indiana organizations confirm employees using unsanctioned AI tools. Another 14% suspect it but don't monitor. Combined, more than two-thirds have AI exposure they are not managing. The workforce is not waiting for permission.

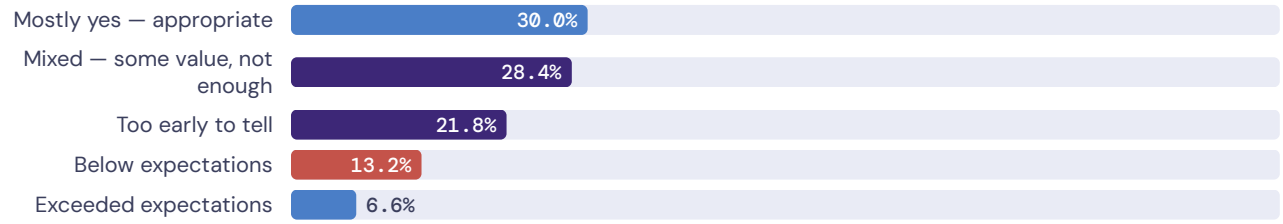
> *When a third of your entry-level pipeline disappears in two years, you don't have a hiring problem. You have a development problem. The question isn't where the junior employees went. It's how the next generation of senior leaders will get built without them.*
>
> **— Jill Lehman, Managing Consultant, Evolve HR**

SECTION 5

Reported Outcomes

Year three is when we stopped accepting "we expect positive ROI" and started asking respondents to characterize the return.

PERCEIVED ROI ON AI INVESTMENT



36.6% report positive ROI. The cross-tab tells the deeper story: faster deployers see higher ROI (50% positive for those deploying in days vs. 25% for 6+ months). Training amplifies returns. Speed compounds advantage.

How Organizations Reinvest Recovered Time

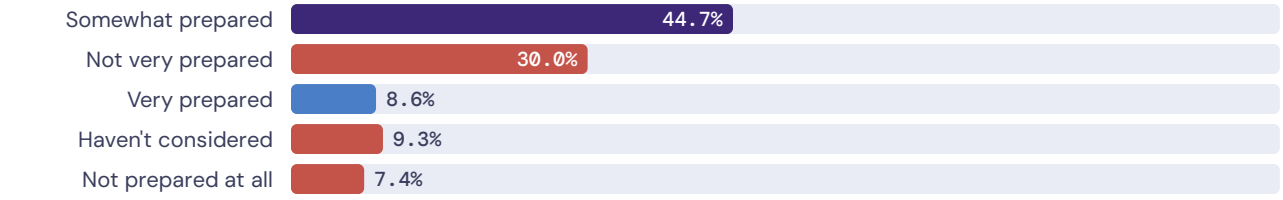
22.6% redirect recovered time to strategic work. 15.6% to more client interaction. But 25.3% haven't redirected it at all — the productivity gains are leaking. Only 3.1% reduced headcount. Organizations are plowing recovered time back into the business rather than harvesting it as headcount.

SECTION 6

Readiness and Resilience

Are you built for what's next — not what's here?

READINESS FOR 10X AI CAPABILITY IMPROVEMENT



Only 8.6% say they are very prepared. 46.7% are not ready or haven't considered the scenario. The competitor scenario (one-tenth your headcount matching your output) is actively shaping strategy for just 11.7% of organizations. And only 11.7% have a formal AI security framework — in an environment where 54.1% of organizations confirm employees using unsanctioned tools.

> *More than half of Indiana's organizations have AI running through the side door — tools nobody vetted, handling data nobody classified. You can't ban your way out of that. The organizations getting this right give their people a sanctioned, secure path to the tools they're already using. Done well, security isn't the brake on AI adoption — it's what makes speed safe.*
>
> **— David Dungan, President, Indiana Cyber Network**

ACTION AGENDA

What to Do Monday Morning

The data points to three audiences and three action agendas. Every recommendation is grounded in a finding from this report.

FOR EMPLOYERS

1

Close the CEO gap.

Organizations whose CEO uses AI weekly report high impact at 1.79x the rate of those whose CEO doesn't. If your CEO is not using AI weekly, that is the single highest-leverage change available.

2

Train deliberately, continuously — not generically, not once.

The training-to-ROI correlation holds for the third year — and capability turns over every ~4 months, so build retraining into the plan, not just training.

3

Address shadow AI before it addresses you.

54.1% of organizations confirm employees using tools they didn't provide. Channel it: inventory, evaluate, formalize.

4

Redirect the recovered time.

25.3% haven't deliberately redirected AI-freed time. The productivity gains are leaking. Decide where the hours go — or they go nowhere.

FOR EDUCATORS

5

AI fluency is the new literacy.

93.8% of employers are hiring or developing AI capabilities that weren't in their workforce plans two years ago. Institutions that prohibit AI use are graduating students into a workforce that requires it.

6

Build the apprenticeship bridge.

32.3% of employers have reduced entry-level hiring. Structured workplace learning is the replacement pathway.

FOR POLICYMAKERS

7

Indiana is keeping pace. The question is whether we stay there.

At 89.9% meaningful impact, Indiana tracks the national 88% adoption rate — related measures, defined differently. But the utilization gap and readiness gap suggest the position is fragile.

8

Fund what the data says works.

Public investment in employer-connected AI training tracks directly to the returns documented in this report. TechIndiana's own INCAP program is built on this evidence. Scale it.

Want help acting on this? Scan to request a briefing, sector breakout, or INCAP program details from TechIndiana.

CLOSING

The Constant Beneath the Curves

AI capability is doubling roughly every four months. The organizations that thrive will not be the ones with the best technology subscriptions. They will be the ones that close the gap between what AI can do and what their people are equipped to do with it.

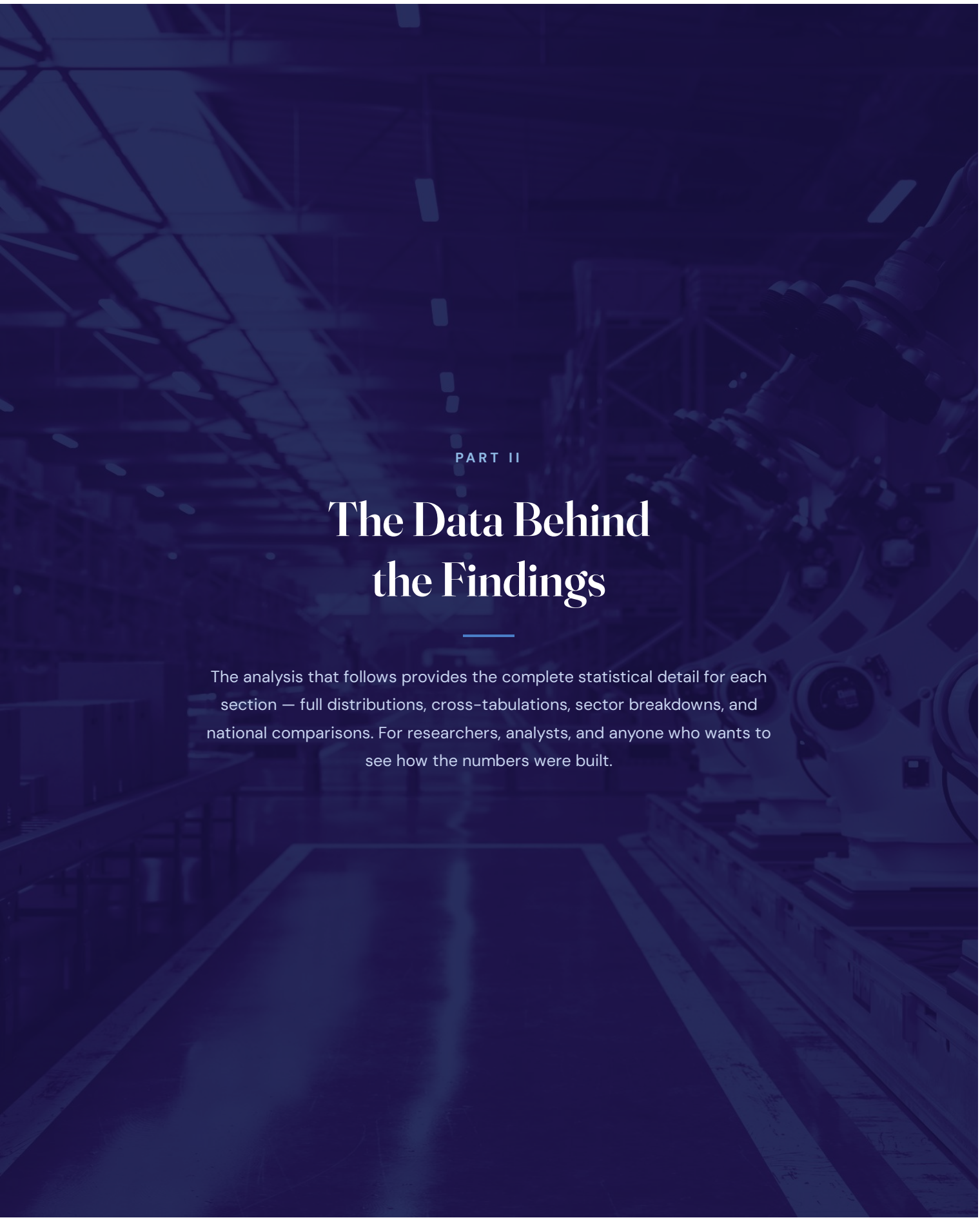
Three years of data keep arriving at the same conclusion: the organizations that succeed through technology transitions are the ones that invest in their people. Not in tools. In people.

Indiana has the foundation. 90% impact. A manufacturing base that understands infrastructure investment. A training gap that closed faster than any other finding in three years. And an employer community that, when shown the data, acts on it.

> **The gap is not a verdict. It is an invitation.**
>
> Every percentage point between what AI can do and what your organization captures is margin, capacity, and competitiveness waiting to be claimed — by you, or by whoever moves first.

The question for the next twelve months is not whether AI will change Indiana's economy. It will. The question is whether we will lead that change — or be carried by it. And the clock is specific: by the time the 2027 edition of this report publishes, AI capability will have doubled roughly three more times. The 4.3 measured this year will have moved. The only open question is whether Indiana's organizations moved it — or watched it move without them.

Dennis Trinkle
President and CEO, TechIndiana
Professor, Ball State University — Center for Information and Communication Sciences
Author, *What's Coming: The Next 24 Months of AI*



PART II

The Data Behind the Findings

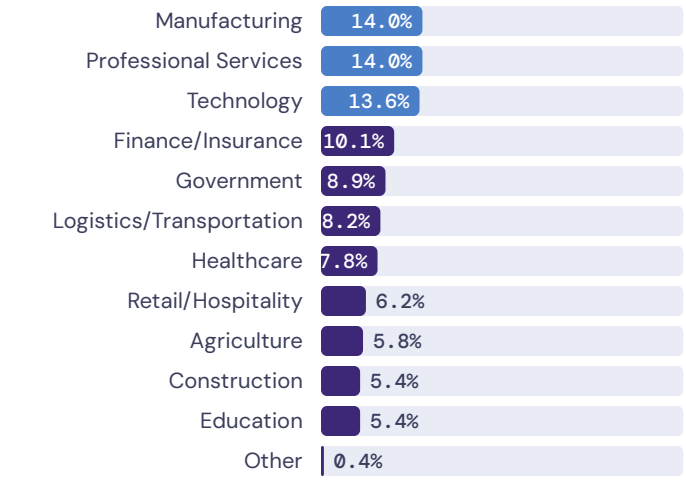
The analysis that follows provides the complete statistical detail for each section — full distributions, cross-tabulations, sector breakdowns, and national comparisons. For researchers, analysts, and anyone who wants to see how the numbers were built.

Study Design and Respondent Profile

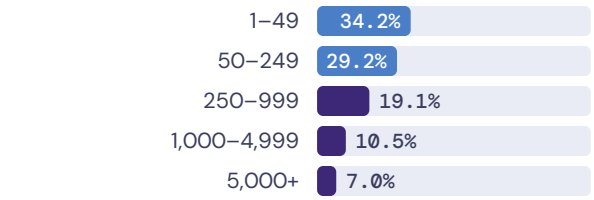
The 2026 Indiana AI Workforce Report surveyed 257 organizations between May 20 and June 9, 2026, across 12 industry sectors. The survey instrument contained 25 research questions organized into six thematic sections — structural change, agentic AI, leadership, talent and pipeline, measured outcomes, and readiness — plus five demographic fields. All responses were confidential and are reported in aggregate.

The 2026 instrument was developed from two prior years of longitudinal findings and refined in three stages. First, the research team reviewed the 2024 and 2025 results to identify where year-over-year comparison required consistent question wording, and where new phenomena — agentic AI deployment, shadow AI, entry-level hiring effects — required new measures. Second, question design was aligned with national research instruments, including the Stanford HAI AI Index and MIT FutureTech task studies, so that Indiana's results could be benchmarked directly against national data. Third, the draft instrument was reviewed by TechIndiana's research team and Ball State University CICS faculty and graduate researchers, and pilot-tested for clarity before distribution. The survey was distributed through TechIndiana's employer network, BSU CICS alumni and industry contacts, and professional association partnerships.

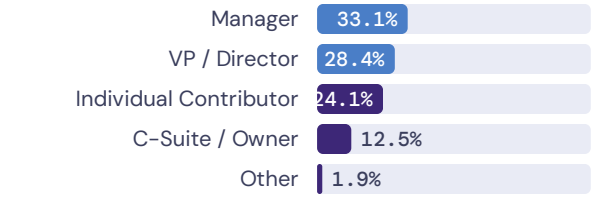
INDUSTRY SECTOR DISTRIBUTION



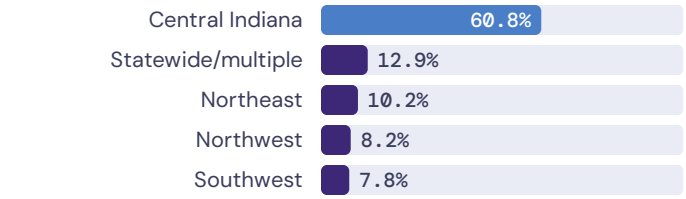
ORGANIZATION SIZE



RESPONDENT ROLE



REGION



Limitations

Respondents were recruited through TechIndiana's employer network, BSU CICS contacts, and partner associations rather than through random sampling. The pool is weighted toward small and mid-sized organizations — 63% employ fewer than 250 people — which broadly tracks Indiana's actual employer base, itself dominated by small businesses, but is not a controlled sample. Findings for subgroups with small samples (flagged where n < 20) should be read as directional rather than definitive, and all impact, productivity, and ROI measures are self-reported.

PART II — SECTOR ANALYSIS

Industry Sector Heatmap

How key findings vary across sectors. **Color convention throughout this report:** blue = stronger/more favorable, red = greater concern, purple/neutral = contextual. "Other" (n=1) is in statewide totals but not broken out. Sectors below n=20 are shaded gray — directional, not comparative.

Sector	n	High Impact	CEO Regular	Zero Training	Agentic Unfamiliar	Entry Reduced	Not Ready	Shadow AI
Manufacturing	36	61%	42%	14%	17%	36%	56%	42%
Professional Svcs	36	56%	39%	14%	8%	36%	31%	56%
Technology	35	63%	40%	23%	17%	37%	49%	71%
Finance/Insurance	26	58%	31%	19%	15%	38%	46%	54%
Government	23	52%	39%	9%	13%	30%	48%	52%
Logistics/Transport	21	33%	19%	38%	5%	29%	38%	57%
Healthcare	20	60%	40%	25%	30%	20%	55%	40%
Retail/Hospitality	16†	31%	44%	19%	6%	31%	50%	44%
Agriculture	15†	53%	7%	33%	33%	13%	47%	53%
Construction	14†	71%	50%	21%	7%	50%	50%	36%
Education	14†	79%	29%	14%	7%	21%	50%	86%

† n < 20 — read as directional.

SECTOR SNAPSHOTS — LARGE-SAMPLE SECTORS

Manufacturing: 36% entry-level pullback, 56% not ready for 10x — the apprenticeship case in two numbers. **Technology:** leads on impact (63%), leads on shadow AI (71%) — speed without governance. **Professional Services:** steady on impact; shadow AI (56%) outrunning oversight. **Finance/Insurance:** the highest entry-level restructuring among large-sample sectors (38%). **Government:** near the state average on impact — and the lowest zero-training rate of any sector (9%). **Logistics/Transportation:** the widest gap in the state — weakest impact (33%), highest zero-training (38%). **Healthcare:** solid impact, but nearly a third of leadership teams unfamiliar with agentic AI.

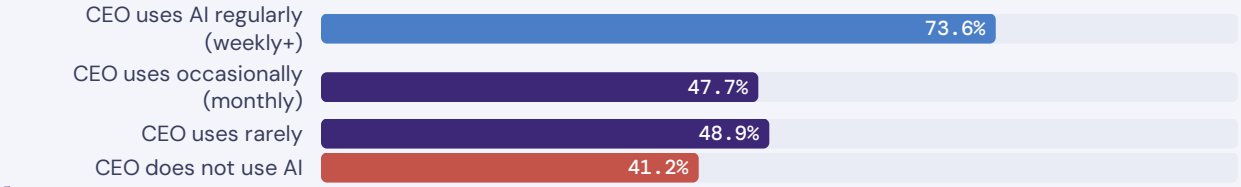
PART II — CROSS-TABULATIONS

How Variables Interact

Single-question distributions tell you what. Cross-tabulations tell you why. The analyses below reveal the relationships between leadership behavior, organizational practices, and outcomes.

CEO Personal AI Use × Organizational Impact

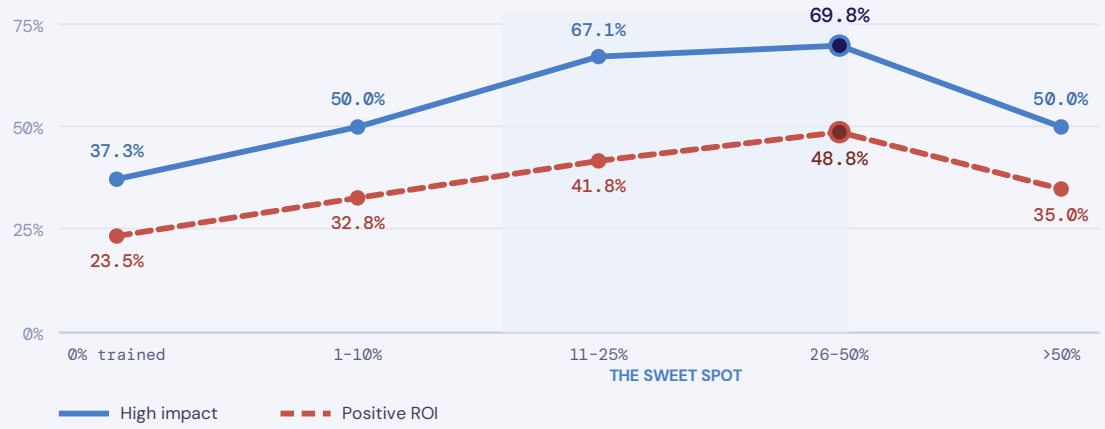
% REPORTING HIGH IMPACT, BY CEO AI USE



> *Organizations with regular CEO AI use report high impact at nearly 1.8x the rate of those without. This is the strongest single-variable association with organizational AI outcomes in the dataset — cross-sectional and self-reported, so read it as correlation, not proven causation. If causal, the implication is direct: a CEO who does not use AI is limiting the organization's capacity to absorb it. Subgroup n ≈ 91 / 44 / 47 / 51.*

The Training Curve: Impact and ROI Rise Together

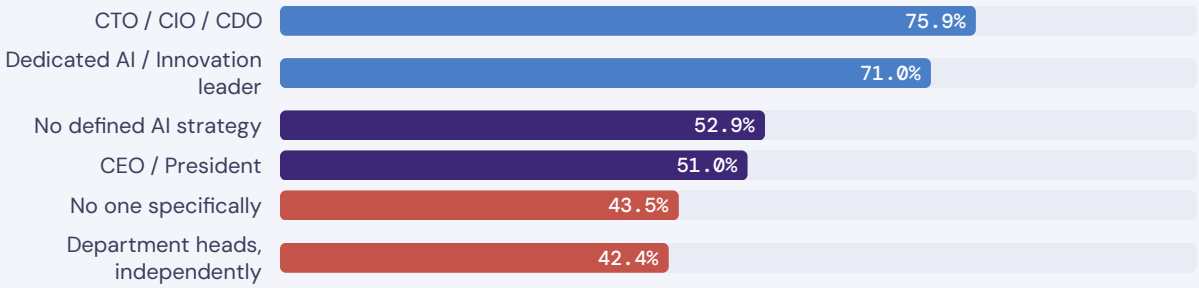
% REPORTING HIGH IMPACT AND % REPORTING POSITIVE ROI, BY SHARE OF WORKFORCE FORMALLY TRAINED



Both curves rise together and peak in the same place: 26–50% of workforce trained, where high impact reaches 69.8% (vs. 37.3% with no training) and positive ROI reaches 48.8% (more than double the 23.5% of non-trainers). The dip past 50% likely reflects smaller organizations where broad training means less specialized application. The sweet spot: train at least a quarter of your workforce beyond basic awareness. This correlation has held across all three years of the study. Band sizes: 0% n≈51, 1–10% n≈64, 11–25% n≈79, 26–50% n≈43, >50% n≈20.

AI Strategy Ownership × High Impact Rate

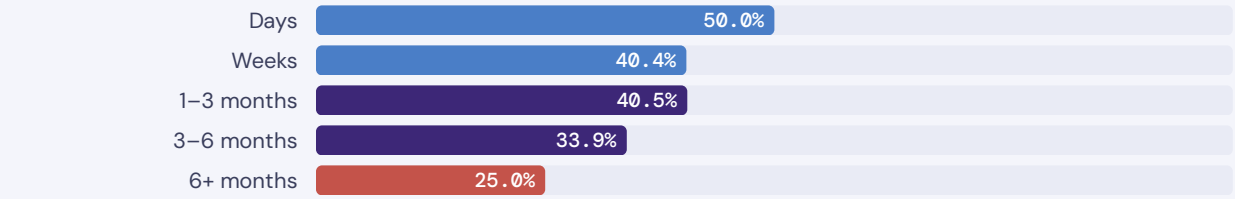
% REPORTING HIGH IMPACT, BY WHO OWNS AI STRATEGY



Concentrated technology leadership (CTO/CIO at 76%, dedicated AI leader at 71%) dramatically outperforms distributed ownership (department heads at 42%). Having no defined strategy (53%) actually outperforms fragmented ownership — suggesting that uncoordinated AI efforts may be worse than no strategy at all. The implication: name a person. Make them accountable. CTO/CIO n≈54, dedicated leader n≈31, no strategy n≈34, CEO n≈49, no one n≈23, dept heads n≈66.

Deployment Speed × Positive ROI

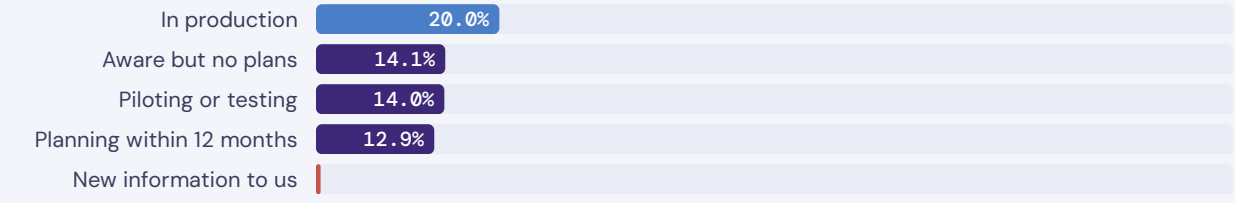
% REPORTING POSITIVE ROI, BY TIME TO DEPLOY NEW AI TOOLS



> *ROI declines with deployment speed. Organizations that deploy in days report positive ROI at double the rate of those taking 6+ months (50.0% vs. 25.0%) — in this sample, speed and returns travel together. Subgroup sizes: days n≈12†, weeks n≈52, 1–3 months n≈74, 3–6 months n≈59, 6+ months n≈28. † n < 20 — directional.*

Agentic AI Status × High Productivity Gains (25%+)

% REPORTING 25%+ PRODUCTIVITY IMPROVEMENT, BY AGENTIC DEPLOYMENT STATUS



> *Organizations actively using AI agents in production report high productivity gains at roughly 1.4–1.6x the rate of those still piloting or planning. And those for whom agentic AI is "new information" report zero high-productivity outcomes. Subgroup sizes: production n≈25, piloting n≈57, planning n≈62, aware/no plans n≈71, new information n≈42.*

Organization Size × Key Metrics

Size	n	High Impact	CEO Regular	Shadow AI	Fast Deploy	Positive ROI
1–49	88	56%	39%	53%	30%	42%
50–249	75	52%	33%	59%	28%	36%
250–999	49	61%	41%	57%	22%	33%
1,000–4,999	27	56%	26%	52%	15%	30%
5,000+	18†	61%	28%	33%	11%	33%

† n < 20 — read as directional, not definitive.

> *Impact and ROI are fairly flat across size bands (52–61% high impact, 30–42% positive ROI), but deployment speed falls off sharply with scale: 30% of organizations under 50 employees deploy in days or weeks, versus 11% of organizations with 5,000+ employees. Shadow AI is lowest at the largest organizations (33%), likely reflecting more formal IT controls, and highest in the 50–999 employee range (57–59%).*

PART II — NATIONAL BENCHMARKING

Indiana in National Context

Each pairing places Indiana's survey data alongside the most recent national benchmark available. Question wording, samples, and definitions differ across sources — read these as directional context, not matched comparisons.

Organizational AI Adoption

INDIANA	NATIONAL
89.9%	88%

Source: McKinsey State of AI 2025 · Comparable range; impact vs. adoption measures

AI Agent Deployment

INDIANA	NATIONAL
9.7%	Single digits

Source: McKinsey State of AI 2025 · Top of national range

Entry-Level Hiring Decline

INDIANA	NATIONAL
32.3%	~20%

Source: Stanford HAI / Revelio · Higher — national figure covers young SW devs only

Self-Reported Productivity

INDIANA	NATIONAL
10–24%	14–26%

Source: McKinsey State of AI 2025 · Lower band · median vs. range

Organizations with AI Strategy

INDIANA	NATIONAL
77.9%	~74%

Source: Microsoft WTI 2026 · Comparable (national lacks alignment)

Shadow AI Prevalence

INDIANA	NATIONAL
54.1%	~50%

Source: Directional industry estimates (worker-level, not organizational) · Contextual only

ANALYTICAL NOTES

Throughout this report, "high impact" combines Q1 significant changes and fundamental restructuring (56.0% statewide); "positive ROI" combines Q19 exceeded and mostly yes (36.6%); "fast deployment" combines Q13 days and weeks. The headline Q14 figure (93.8% hiring or building new AI capabilities) is the share selecting at least one option — 241 of 257; the remaining 16 selected "none." Multi-select questions (Q2, Q8, Q14) report each option as a share of all 257 respondents. Percentages are rounded to one decimal and may not sum to 100. Cross-tabulations are descriptive; no inferential significance testing was applied, and subgroups under n = 20 are flagged as directional.

Three-Year Comparison: 2024 → 2025 → 2026

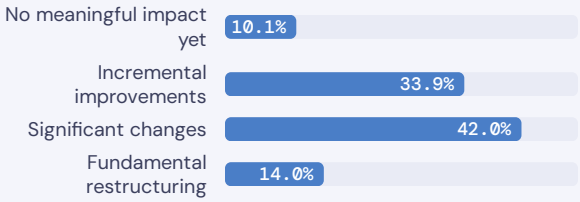
Metric	2024 (n=66)	2025 (n=200)	2026 (n=257)	Direction
Meaningful AI adoption/ impact	Baseline	82.5%	89.9%	↑ At national parity
Zero formal AI training	N/A	60%	19.8%	**↓↓ Dramatic improvement**
Training → optimization correlation	N/A	2.96x	2.1x (training → ROI)	→ Confirmed 3rd year
Ethics/governance concern	~55%	~55%	11.7% have formal framework	→ Reframed: action vs. concern
Entry-level hiring impact	N/A	Expected changes	32.3% reduced	↑ First actuals measured
Structural role changes	Expected	Expected	62% redesigned, 35% created	↑ First actuals measured
Role creation vs. elimination	N/A	N/A	3.0x creation ratio	New: Jevons-consistent
Agentic AI awareness	N/A	N/A	85.6% aware, 9.7% deployed	New baseline for 2027
CEO personal AI use	N/A	N/A	35.4% regular, 73.6% → impact	New: strongest association
Shadow AI	N/A	N/A	54.1% confirmed	New baseline for 2027
Utilization gap (<25% or unassessed)	N/A	N/A	49.1% under-utilizing	**New: signature finding**
Readiness for 10x improvement	N/A	N/A	8.6% very prepared, 46.7% not	New baseline for 2027

The three-year arc: 2024 established that Indiana was adopting AI. 2025 measured how fast and found the training paradox. 2026 measures what actually changed and reveals the utilization gap. The story has shifted from "will Indiana adopt AI?" to "can Indiana keep pace with what AI is becoming?"

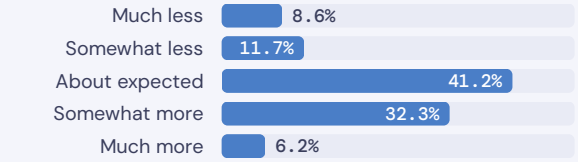
Complete Response Data

Every single-response question, every response option, every percentage. For researchers and analysts who want the complete picture. Multi-select questions (Q2, Q8) permit multiple responses and are reported in Part I; Q14 appears in full below.

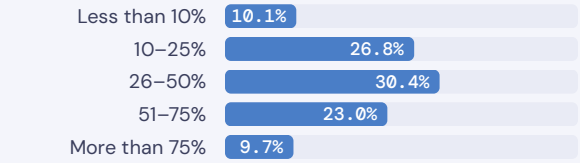
Q1. Overall AI Impact



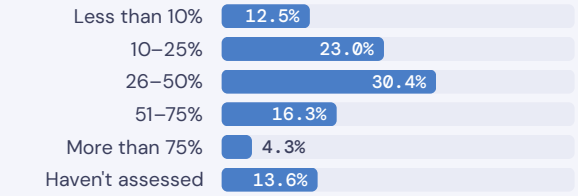
Q3. Actual vs. Expected Impact



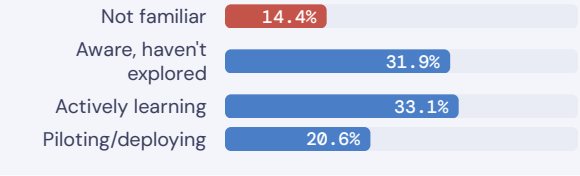
Q4. % Workforce Using AI Daily



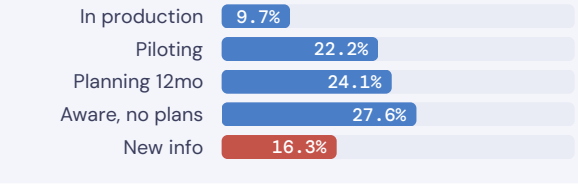
Q5. Utilization Gap



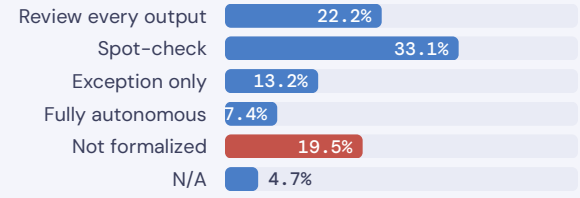
Q6. Agentic AI Familiarity



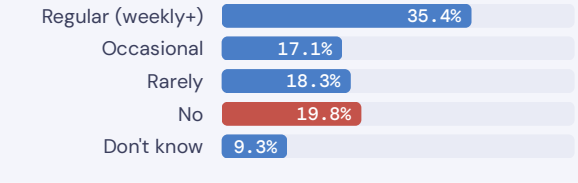
Q7. Agentic Deployment



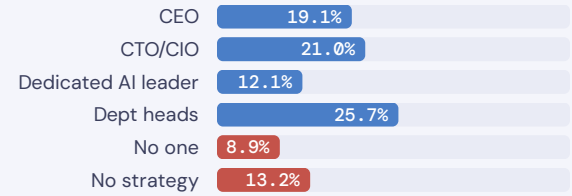
Q9. Human Oversight



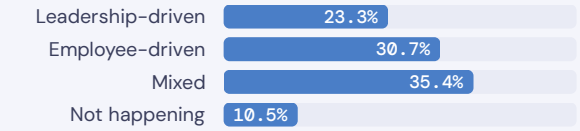
Q10. CEO Personal AI Use



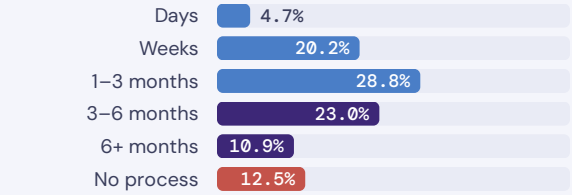
Q11. Strategy Ownership



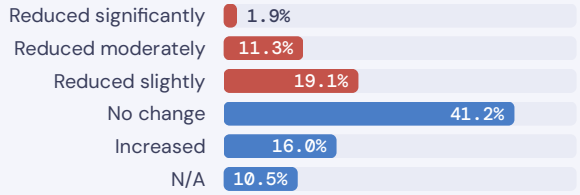
Q12. Adoption Direction



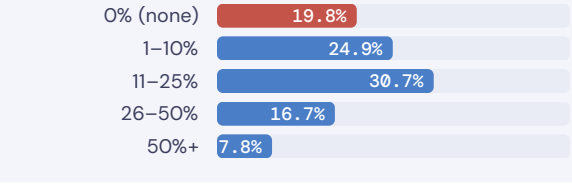
Q13. Deployment Speed



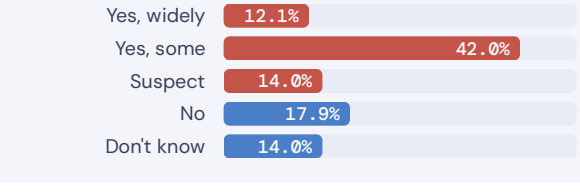
Q15. Entry-Level Impact



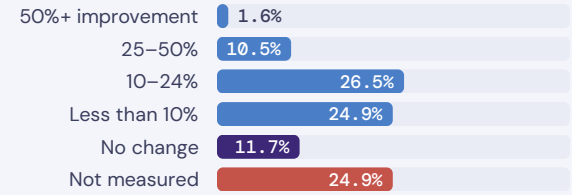
Q16. Training Rate



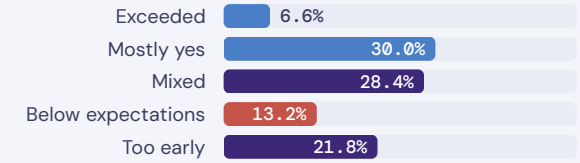
Q17. Shadow AI



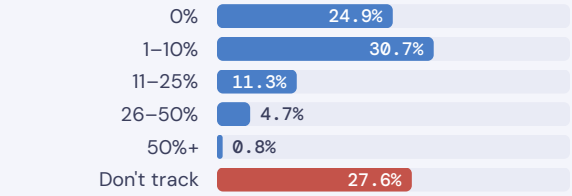
Q18. Productivity Impact



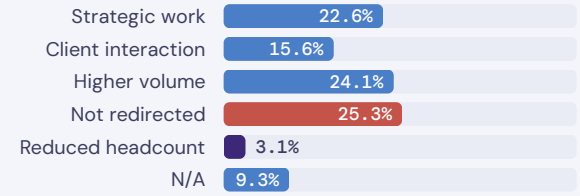
Q19. Perceived ROI



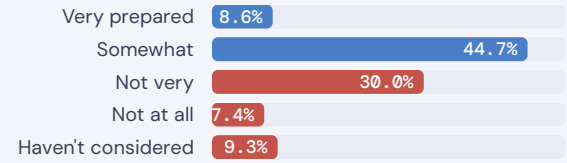
Q20. Revenue from AI



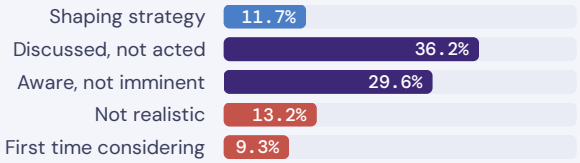
Q21. Recovered Time



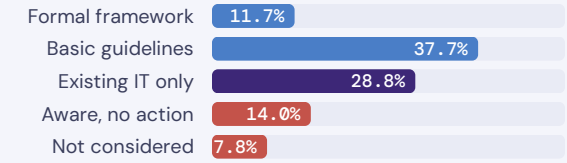
Q22. 10x Readiness



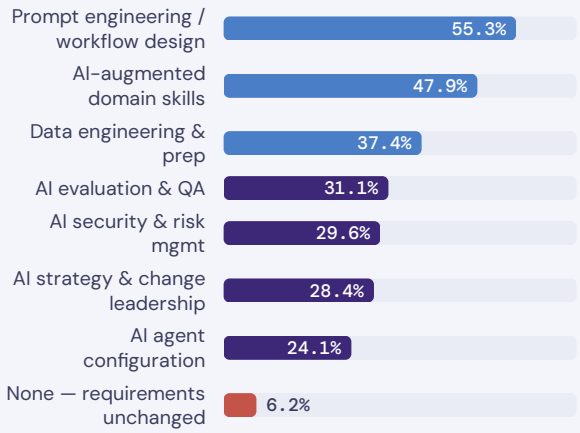
Q23. Competitor Scenario



Q24. Security Posture



Q14. New Capabilities Being Hired or Built · multi-select, share of all 257 · NEW FOR 2026

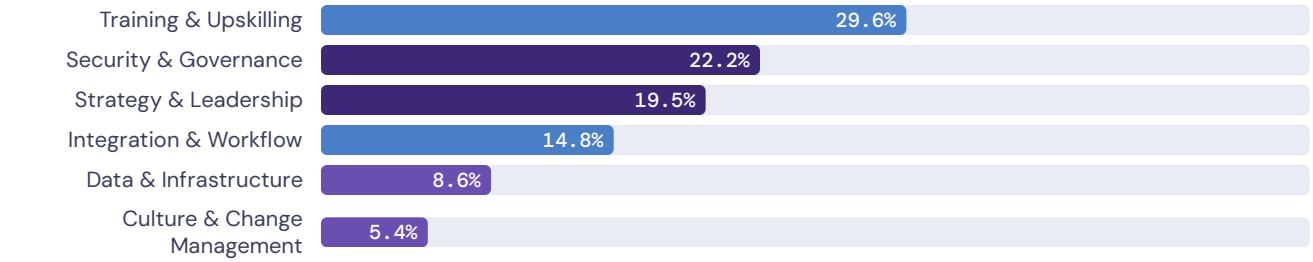


241 of 257 (93.8%) selected at least one; 16 selected "none." Selectors named 2.7 capabilities on average. Shares are of all 257 and sum past 100% (multi-select).

What Indiana's Leaders Say They Need

All 257 respondents answered Q25: "Looking ahead 24 months, what is the single most important thing your organization needs to do?" This was a structured single-select question — 15 pre-written response options, not free text. The shares below are exact response counts, grouped into six priority categories; no interpretive coding was applied.

PRIORITY RESPONSE CATEGORIES (N=257)



The priority responses converge on a clear order: **train our people first**, then secure our systems and govern agentic deployment, then set strategy and ownership. Workflow integration, infrastructure, and change management follow. The message from Indiana's business leaders is consistent — the constraint they name is human: the capacity to use these tools well, and the systems to deploy them safely.

Representative Response Options

A sample of the exact response options selected by survey participants for Q25, spanning the six priority categories above.

RESPONSE OPTION · Q25

Integrate AI literacy into onboarding, leadership development, and performance goals.

RESPONSE OPTION · Q25

Establish clear security, privacy, and acceptable-use policies for AI tools.

RESPONSE OPTION · Q25

Create a practical AI roadmap tied to measurable business outcomes.

RESPONSE OPTION · Q25

Shift from tool adoption to workflow redesign and measurable productivity gains.

RESPONSE OPTION · Q25

Modernize data governance and improve data quality before scaling AI systems.

RESPONSE OPTION · Q25

Help employees understand augmentation, job redesign, and new career pathways.

ABOUT

About the Organizations

TechIndiana

TechIndiana is Indiana's employer-led talent engine for the AI era. A 501(c)(3) nonprofit, TechIndiana builds Indiana's end-to-end technology talent pipeline through apprenticeship, workforce development, and strategic research partnerships. The Indiana Career Apprenticeship Pathway (INCAP) connects employers directly to the talent pipeline through structured, measurable pathways into the technology economy.

techindiana.org · dennis@techindiana.org

Ball State University — CICS

The Center for Information and Communication Sciences (CICS) at Ball State University is an interdisciplinary graduate program preparing students for leadership in technology management, cybersecurity, and emerging technology strategy. The 2026 report was supported by CICS graduate students as part of the ICS 699 capstone research program, under the direction of Professor Dennis Trinkle.

bsu.edu/cics

Acknowledgments

This report exists because 257 Indiana organizations gave their time and their candor. Thank you. Thanks also to the research team whose analysis underpins Part II — Ambrose Barrymore-Sackey and Frederick Da-Silveira of Ball State University's ICS 699 capstone program, and TechIndiana research intern Jakob Stumpf; to the Indiana leaders whose perspectives appear throughout these pages; and to TechIndiana's employer network and association partners, who carried the survey across all twelve sectors and regions throughout the state.

How to Cite This Report

TechIndiana & Ball State University Center for Information and Communication Sciences. (2026). *Indiana AI Workforce Report 2026: Third Annual Edition*. TechIndiana. techindiana.org

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Sector- and region-level breakouts available on request.

Indiana AI Workforce Report 2026 · Third Annual Edition · Published July 2026

The Indiana AI Readiness Scorecard

Five measures, drawn directly from this year's data, that any organization can use to benchmark itself against the state as a whole.

4.3%

Utilization depth — share of Indiana orgs capturing 75%+ of what AI could handle for them
Us: ☐ **above** ☐ **below**

35.4%

Leadership engagement — share whose CEO uses AI personally, weekly or more
Us: ☐ **above** ☐ **below**

80.2%

Training coverage — share providing at least some formal AI training
Us: ☐ **above** ☐ **below**

11.7%

Security formalization — share with a formal AI security framework
Us: ☐ **above** ☐ **below**

4.7%

Deployment speed — share that can move a new AI tool from selection to production in days
Us: ☐ **above** ☐ **below**

How to score yourself

Mark each box in a leadership meeting — it takes five minutes. For each measure, ask whether your organization clears the bar itself: do you capture 75%+ of what AI could handle? Does your CEO use AI weekly? Two or more "below" marks on the risk-flagged measures (utilization, security, deployment speed) suggest the utilization gap applies directly to your organization — start with the Monday Morning agenda on page 10, and repeat the exercise when the 2027 edition publishes.

A mirror, not a grade

Most organizations completing this scorecard will see themselves in at least two of the red numbers — that is the point of the utilization gap. The question isn't whether you're behind on something. It's which gap you close first.

Implementation Pitfalls & the ROI Framework

Adapted from field guidance developed across three years of this study, updated for 2026's utilization-gap findings.

FOUR COMMON PITFALLS

"Technology first"

Problem: Buying AI tools without considering workforce readiness. **Fix:** Match every dollar of tool spend with a dollar of training and change management.

"One size fits all" training

Problem: Generic training disconnected from specific job functions. **Fix:** Role-specific training that shows how AI changes each person's actual work.

"Set it and forget it"

Problem: Deploying tools with no ongoing support or optimization. **Fix:** Plan for continuous learning and iteration cycles, not a single rollout.

"Top-down only"

Problem: Leadership mandates AI use without employee buy-in. **Fix:** Name AI champions at every level who can peer-mentor and translate use cases.

ROI MEASUREMENT FRAMEWORK

Quantitative metrics

Time saved on routine tasks · accuracy improvements · customer satisfaction scores · employee productivity measures

Qualitative metrics

Employee confidence with AI tools · job satisfaction · innovation in problem-solving · decision-making quality

Timeline expectations

30 days: initial adoption rates. **90 days:** productivity gains measurable. **6 months:** ROI becomes clear. **12 months:** cultural integration.

For Workers: The 90-Day Personal AI Plan

Your job is changing, not disappearing — **3.0x** as many Indiana organizations created new roles this year as eliminated them. Here's how to position yourself for the roles being created.

Days 1–30: Assessment

1. Audit your role — what share of your time is routine or repetitive?
2. Identify your unique value — what requires human judgment, creativity, and relationships?
3. Survey your industry — how are similar roles evolving?

Days 31–60: Preparation

1. Seek AI literacy training through your employer or independently.
2. Experiment with tools relevant to your field.
3. Develop complementary skills: critical thinking, creativity, emotional intelligence.

Days 61–90: Positioning

1. Volunteer to pilot AI tools in your department.
2. Document efficiency gains from AI assistance.
3. Share knowledge — teach others about human-AI collaboration.

Career protection strategy

Lower risk: emotional intelligence, complex problem-solving, creativity. **Higher risk:** routine data entry, basic customer service, simple analysis. **Growing:** AI trainers, data interpreters, human-AI collaboration specialists.

The floor is moving

93.8% of Indiana employers report hiring for or developing AI-related skills that didn't appear in their workforce plans two years ago. The 90-day plan is how you move with it instead of standing still.

PART III — ON THE RECORD

Three Calls for 2027

Most annual reports describe the past. This one goes on the record about the future. Three specific, checkable predictions — and next year's edition will open by grading them, publicly, hit or miss.

1 Agentic AI production deployment doubles.

The call: Organizations running AI agents in production rise from 9.7% to at least 20% by the 2027 survey. **Why:** 24.1% are already planning deployment within 12 months and 22.2% are piloting. Even at typical pilot-to-production attrition, the pipeline forces the number up. **What would prove us wrong:** pilots stalling in the same "not commonly used" purgatory this study documented in 2025.

2 The Utilization Index more than doubles — but stays under 15.

The call: The Indiana AI Utilization Index rises from 4.3 to between 9 and 15. **Why:** the training turnaround (60%→20% zero-training) is a leading indicator — trained workforces convert capability into use, on roughly a one-year lag. But structural drags (deployment speed, security formalization at 11.7%) cap how fast the index can move. **What would prove us wrong:** an index still under 7, which would mean training is being delivered but not converting — a far more troubling finding.

3 Entry-level restructuring crosses 40% — and the first formal apprenticeship response scales with it.

The call: The share of organizations reporting reduced entry-level hiring rises from 32.3% past 40%, and structured workplace-learning programs (including INCAP cohorts) post their largest enrollment year. **Why:** 2025 respondents predicted entry-level changes; 2026 measured them at 32.3% — and agentic deployment concentrates its pressure on exactly the routine work entry-level roles perform. Employers who cut the bottom rung still need a way to build senior talent — the development problem Jill Lehman names on page 8. **What would prove us wrong:** entry-level hiring stabilizing as organizations discover the junior pipeline is harder to replace than to cut.

Hold us to it

The 2027 edition will open with a scorecard on these three calls — graded against the same survey questions, same methodology, no grading on a curve. If we're wrong, you'll read exactly how wrong, and what we missed. That's the standard a report has to meet if it wants to be relied on.

The tide is rising.
The question is who's ready.

The Indiana AI Workforce Report is published annually by TechIndiana in partnership with Ball State University's Center for Information and Communication Sciences. Sector briefings, regional breakouts, and speaking inquiries: dennis@techindiana.org

DOWNLOAD THE REPORT

techindiana.org

TechIndiana

Indiana's employer-led talent engine for the AI era
In partnership with Ball State University — Center for Information & Communication Sciences

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