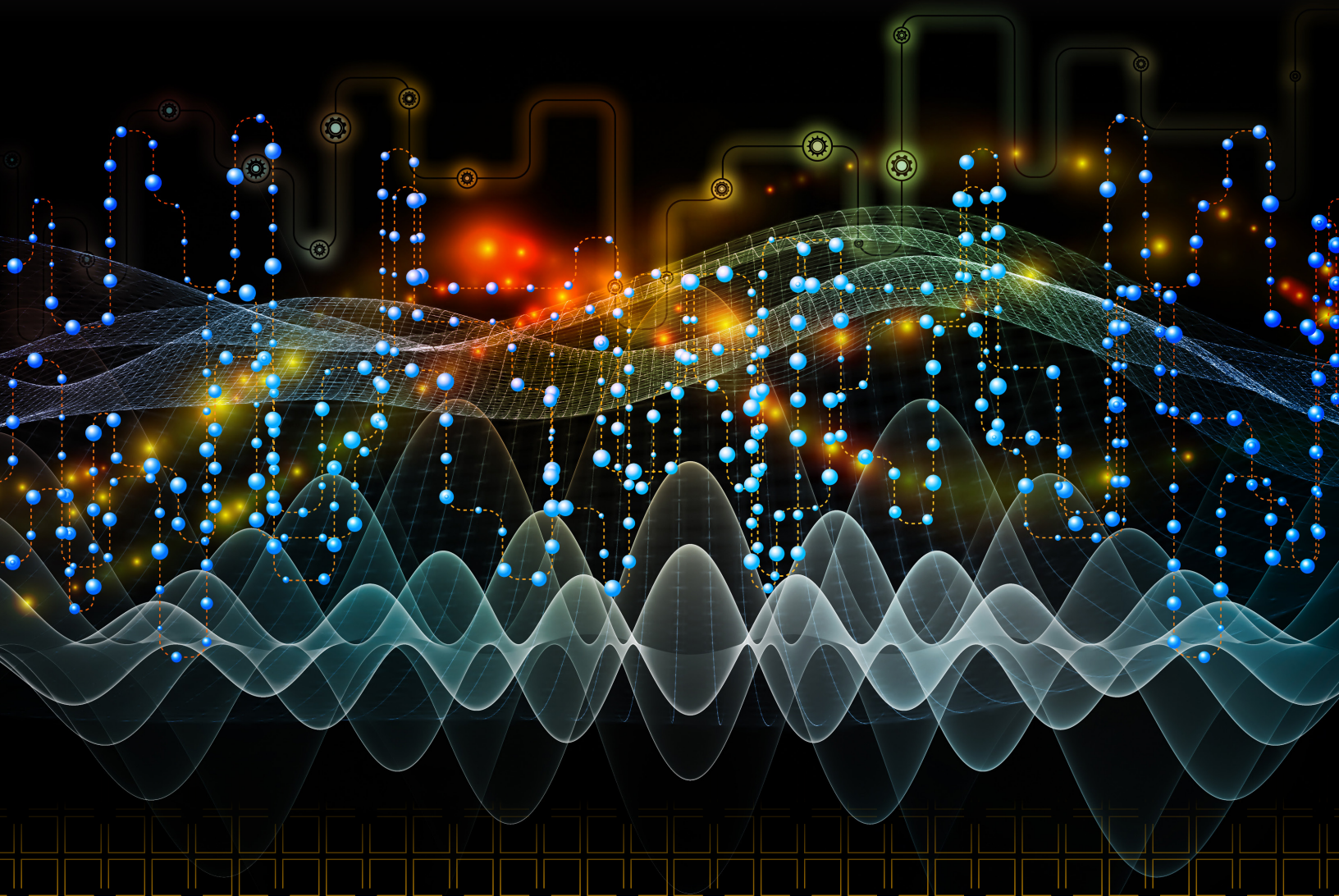
TECHPOINT

AI-DRIVEN SKILLS FOR INDIANA'S ECONOMY

Insights from Employers and Industry Trends

SEPTEMBER 2025



AI-DRIVEN SKILLS FOR INDIANA'S ECONOMY

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AUGUST 2025

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WHEN ChatGPT WAS FIRST INTRODUCED AT THE END OF 2022,

I was in my first year leading TechPoint. Our Board was already made up of visionary technology leaders from across sectors and company sizes, and artificial intelligence quickly became a topic of conversation. At the time, most Indiana tech employers were intrigued but cautious. The potential was undeniable, yet the prevailing sentiment was one of careful observation. A few even wondered aloud whether generative AI would be a fleeting experiment rather than a lasting transformation.

Two years later, the conversation could not be more different. In speaking with tech leaders across our state in late 2024, I found that most had either implemented AI into their business operations or embedded AI capabilities into their products and services. The "if" has been replaced by "how fast" and "how far."

Meanwhile, national headlines about AI automation taking on increasingly complex responsibilities such as coding, content creation, and advanced analysis, have raised urgent questions about the future of work. In early 2025, reports emerged that some technology graduates, particularly in certain majors including computer science, were struggling to secure roles that once felt assured.

These developments prompted TechPoint to conduct a comprehensive survey of Indiana tech employers and stakeholders across industries and company sizes in Q2 2025. Our goal was to understand not only the pace and depth of AI adoption, but also the specific skills employers believe will matter most in the years ahead.

This report brings together those insights, paired with national trends, to help employers, educators, and policymakers chart a shared course for an AI-enabled economy. The choices we make today will shape our competitiveness, our resilience, and the opportunities available to future generations. I invite you to join us in this work, not just to keep pace with change, but to lead it.

Ting Gootee

TING GOOTEE
President & CEO,
TechPoint

ARTIFICIAL INTELLIGENCE IS NO LONGER AN EMERGING TECHNOLOGY.[1]

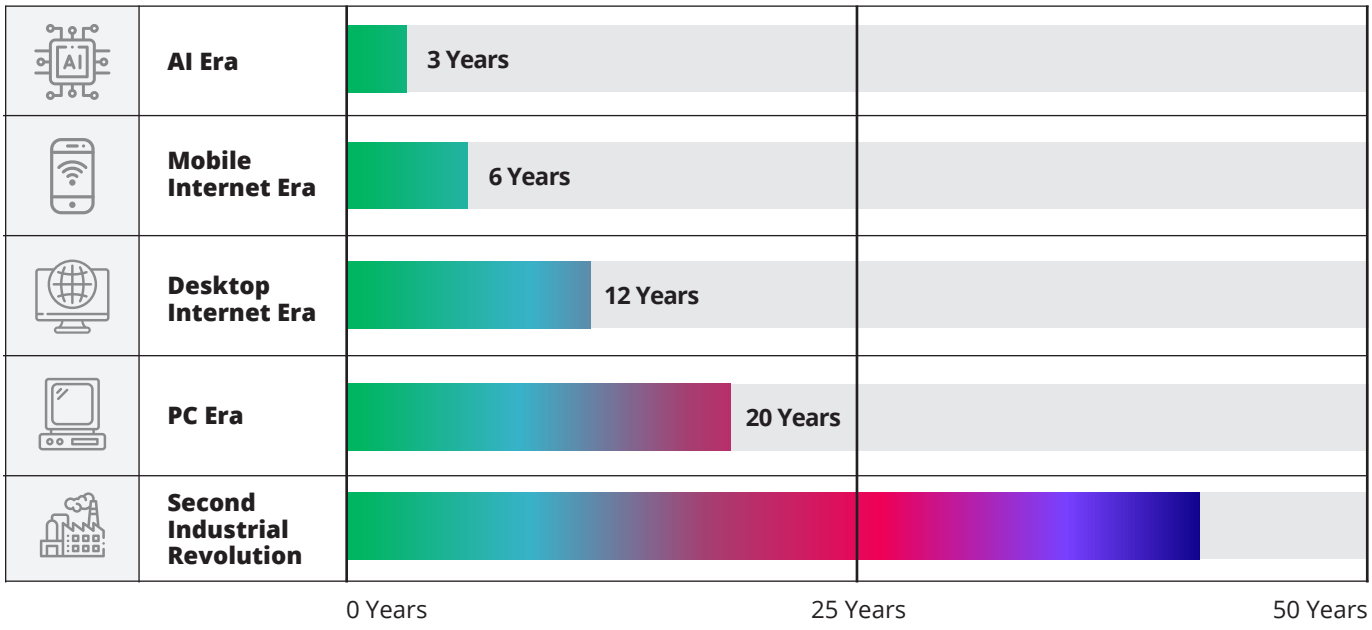
It is a transformative force reshaping industries, work-forces, and competitive landscapes. For Indiana's tech sector and the broader tech workforce, this is both a moment of profound opportunity and a period of significant risk.

The opportunity lies in making use of AI and other technologies to develop new products and services, create the companies and jobs of the future, and drive productivity growth that improves economic well-being. It also lies in leveraging technology to address workforce shortages driven by falling birth rates and looming retirement cliffs--shifting automatable tasks away from workers in order to provide Hoosiers with higher-impact, higher-value careers. The risk lies in moving too slow and ceding economic competitiveness others.

Morgan Stanley's analysts suggest that each relatively recent era of technology adoption, from the PC era to the desktop internet era, to the mobile internet era, has reached critical mass in less time than that which preceded it. While the accelerated pace of AI adoption should therefore be unsurprising, it is nevertheless distinct as generative AI has moved rapidly from experimentation to enterprise integration in under five years.[2]

> AI has moved rapidly from experimentation to enterprise integration in **under five years.**

YEARS TO 50% ADOPTION OF HOUSEHOLD TECHNOLOGIES IN USA



Source: Bond Capital. Artificial Intelligence Trends. May 2025.

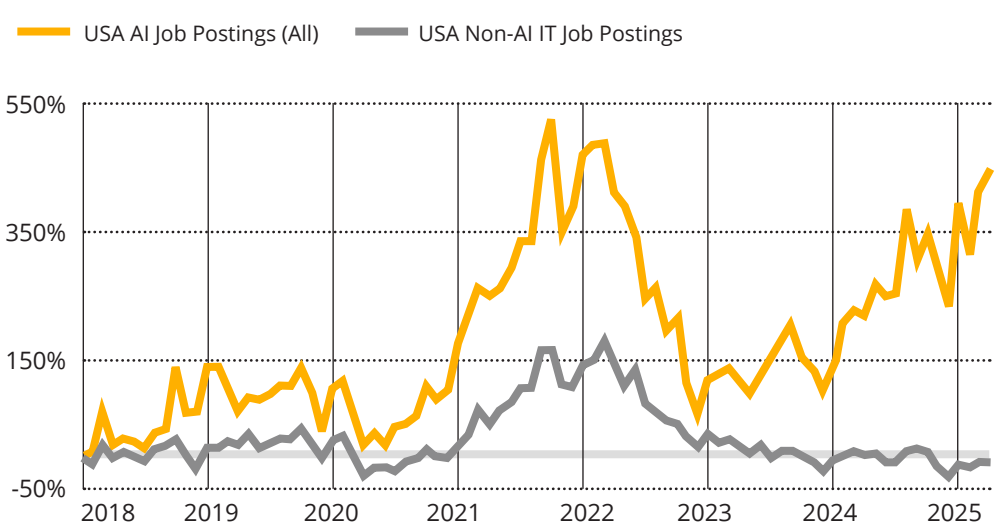
SUCH TECHNOLOGY ADOPTION ACCELERATION IMPACTS EMPLOYER DEMANDS FOR DIGITAL SKILLS.

Nationally, AI-related job postings (i.e., job postings that mention AI skills) have surged by over 440% from 2023 to 2025, even as non-AI tech postings have declined.

Employers are seeking AI copilots, prompt engineers, and AI-integrated product managers, with salaries for AI-skilled roles averaging 28% higher than comparable non-AI roles.[3]

This is in part due to the increasing adoption of generative AI tools across roles since 2022.

CHANGE IN USA AI & NON-AI IT JOB POSTINGS 1/18-4/25



Source: Bond Capital. Artificial Intelligence Trends. May 2025

JOB POSTINGS FOR GENERATIVE AI ENGINEERS ARE UP

↑7X

FROM 1,620 TO 11,160

JOB POSTINGS REQUIRING GENERATIVE AI SKILLS IN OTHER IT ROLES ARE UP

↑35X

FROM 1,120 TO 39,230

JOB POSTINGS REQUIRING GENERATIVE AI SKILLS IN NON-IT ROLES ARE UP

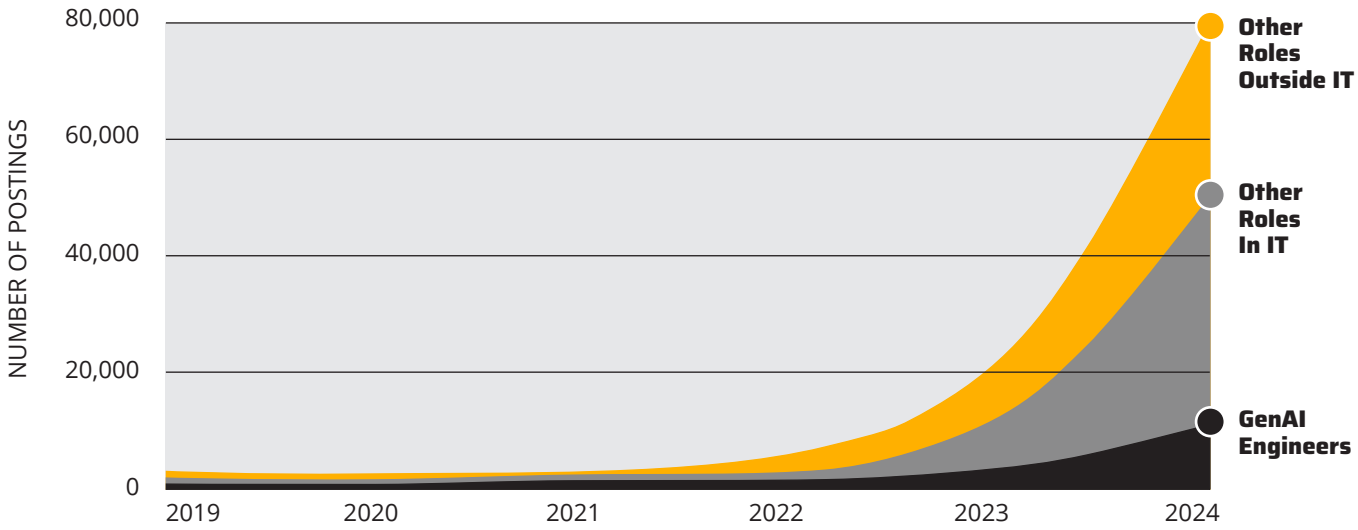
↑9X

FROM 3,220 TO 29,045

ource: Lightcast. Beyond the Buzz: Developing the AI Skills Employers Actually Need. July 2025

WHICH ROLES ARE EMPLOYERS ACTIVELY HIRING FOR THAT REQUIRE GenAI SKILLS?

U.S. Job postings for GenAI roles or mentioning GenAI skills, split by IT vs. non-IT



ource: Lightcast. Beyond the Buzz: Developing the AI Skills Employers Actually Need. July 2025

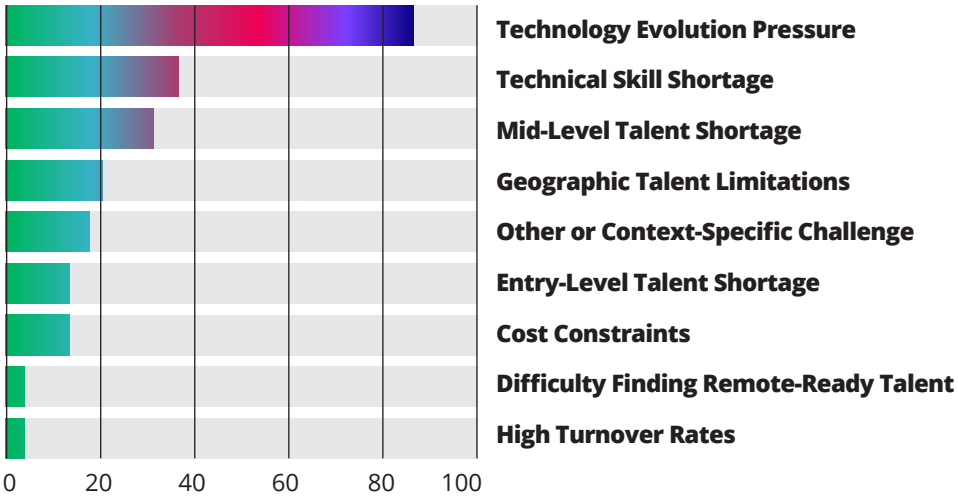
THESE TRENDS ARE ALSO EVIDENT IN RESPONSES TO A RECENT TECHPOINT STAKEHOLDER SURVEY.

Earlier this year, TechPoint asked nearly 100 organizations, spanning multiple industries, companies, and universities about their technology talent needs, challenges, and outlook.

When asked to identify the top three tech-talent challenges, one theme dominated: the pace of technology change.

This challenge outranked technical skill shortages, retention difficulties, and other concerns—underscoring that the core pressure point is not just finding talent but keeping skills relevant in a rapidly shifting environment.

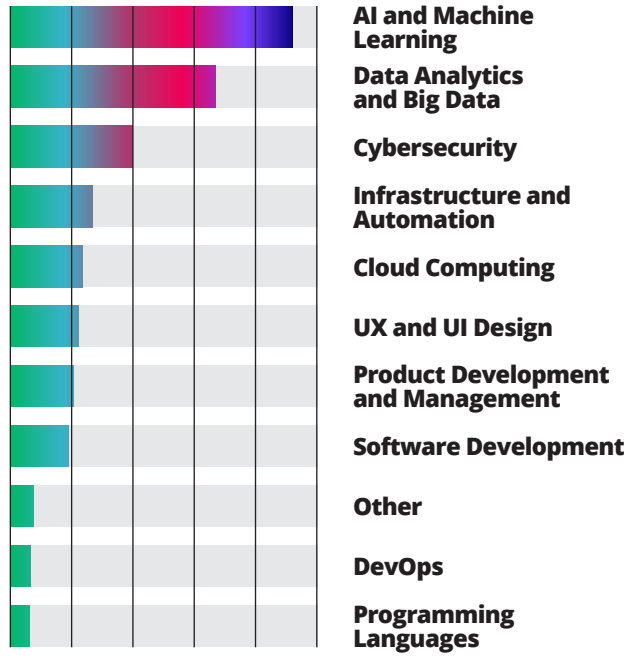
MOST SIGNIFICANT TECH CHALLENGES



Source: TechPoint Stakeholder Survey

When asked to project the most critical skill gaps over the next three to five years, respondents overwhelmingly named AI and machine learning. Data analytics and big data followed closely, with cybersecurity, a long-standing priority, ranking third.

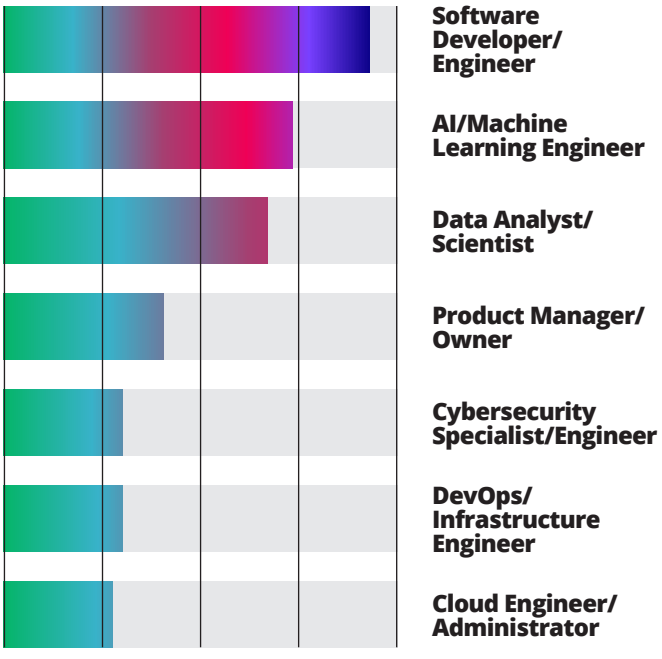
CRITICAL SKILLS GAPS OVER THE NEXT 3-5 YEARS



Source: TechPoint Stakeholder Survey

In identifying their top in-demand roles for the near term, respondents listed 30 different positions, seven of which received double-digit mentions. The top three roles stood out clearly, all of them heavily AI-influenced or AI-enabled.

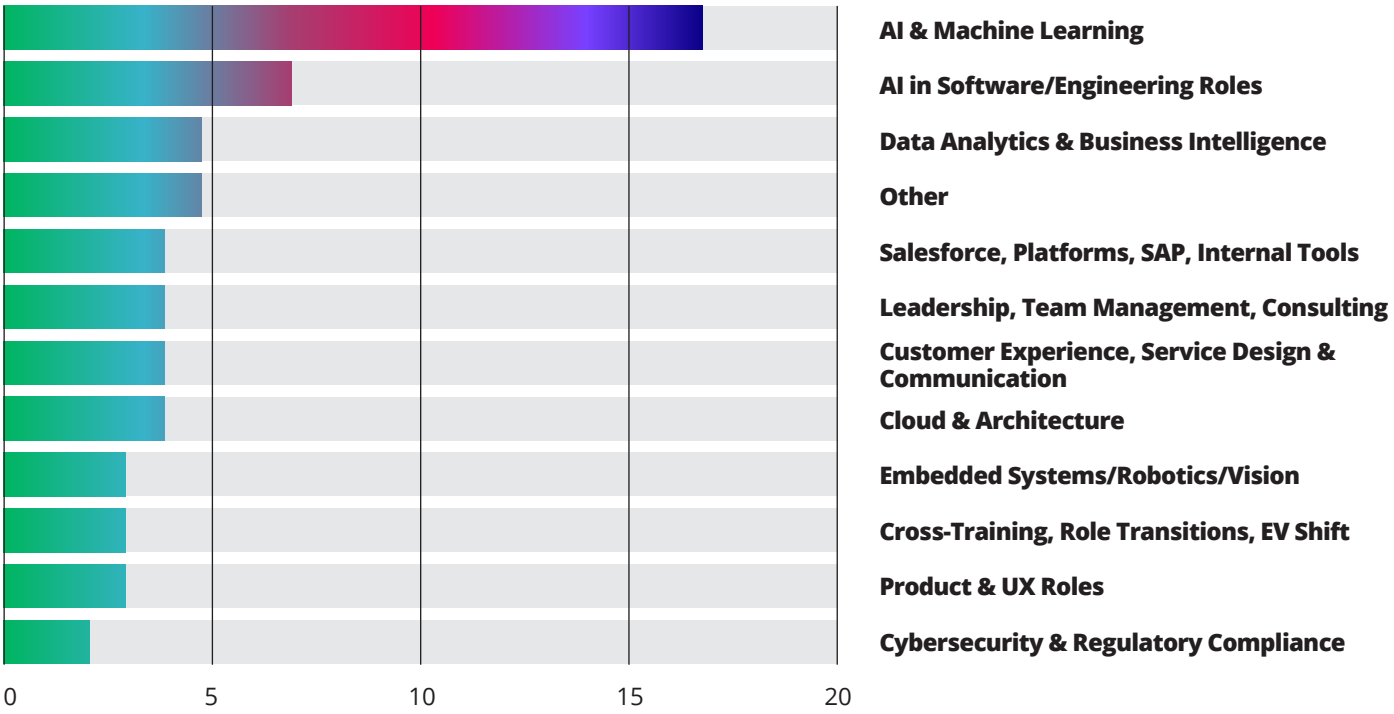
MOST IN-DEMAND ROLES NOW



Source: TechPoint Stakeholder Survey

An overwhelming majority of respondents agreed that upskilling and reskilling will be more critical than entry-level hiring over the next three years. The skills most frequently prioritized for upskilling were AI & Machine Learning (general productivity tools, AI agents, prompt engineering), AI in Software/Engineering (AI-assisted development, developer-specific tools), and Data Analytics & Business Intelligence.

RESKILLING & UPSKILLING PRIORITIES



Source: TechPoint Stakeholder Survey

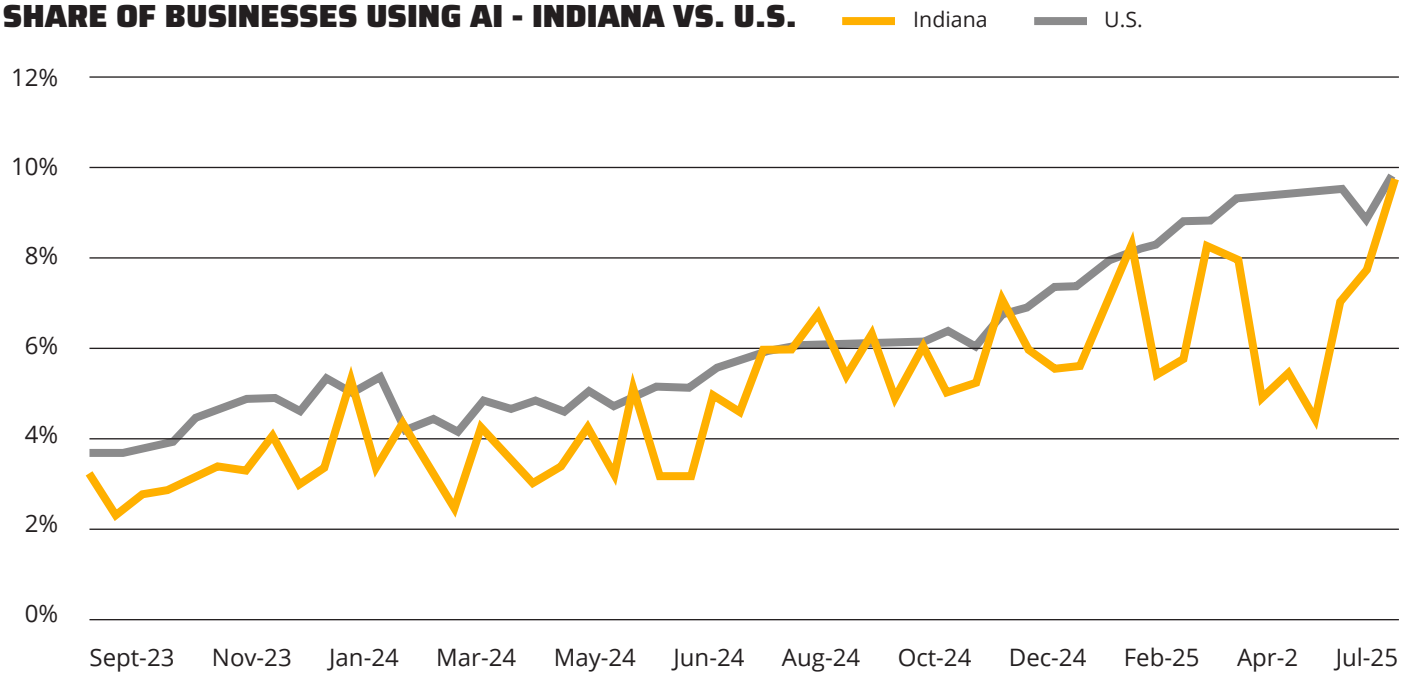
NEW DATA FROM THE U.S. CENSUS BUREAU SHOWS INDIANA TRACKING CLOSE TO THE NATIONAL AVERAGE IN AI ADOPTION.

An initial analysis of new data from the Census Bureau's Business Trends and Outlook Survey (BTOS) found that Indiana ranked 35th among all states and DC in its share of firms reporting to use AI. The same analysis found that the state's ranking improved to sixth when adjusting for Indiana's industry mix (i.e., accounting for Indiana's heavy manufacturing concentration).[4] More recent data on the share of businesses using AI indicates that Indiana is trending closer to the national average albeit with some recent variability. This is a positive trend because as AI increasing becomes a general purpose technology found in all manner of applications adjustments for a state's industry mix could very well become moot.

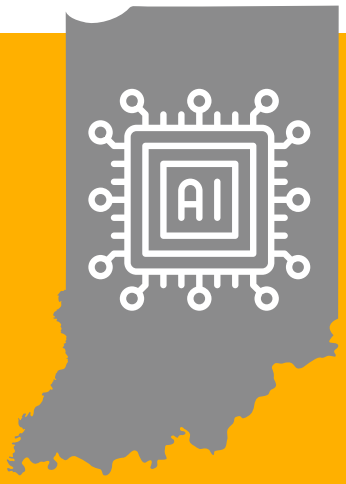
Indiana's strength in manufacturing presents both a challenge and an opportunity. While manufacturing adoption lags, the potential for AI to transform productivity, quality control, and supply chain resilience is significant. While prior research (e.g., Indiana GPS Project[5]) warned of declining productivity, recent data on labor productivity growth in Indiana[6] offers a counterpoint to concerns. Nevertheless, current and future workforce shortages—particularly as Indiana prime-age population plateaus and declines in the near-term[7]—are perhaps the only way to grow the economy.

The evidence points to a singular conclusion: Indiana cannot afford a slow ramp-up in AI adoption and skills development.

SHARE OF BUSINESSES USING AI - INDIANA VS. U.S.



Source: TechPoint analysis of U.S. Census Bureau BTOS data



TO REMAIN COMPETITIVE, THE STATE MUST:

1. Integrate AI into workforce training programs at all levels, with an emphasis on applied, industry-specific skills.
2. Expand AI adoption beyond early-adopter sectors, targeting manufacturing, logistics, and agriculture.
3. Create cross-sector AI knowledge exchanges to share best practices and accelerate diffusion.

Indiana is at a critical juncture. The global economy is moving toward an AI-enabled future, and the state's economic success will depend on how quickly and effectively it adapts. The TechPoint survey and national adoption data make the stakes clear: Indiana must invest in skills, drive adoption, and embrace AI as a foundational element of competitiveness.

WITH COORDINATED EFFORT FROM BUSINESS, GOVERNMENT, AND EDUCATION, THE STATE CAN MOVE FROM TRAILING TO LEADING IN AI READINESS, TRANSFORMING THIS MOMENT OF FLUX INTO A DEFINING CHAPTER OF GROWTH.

[1] For a primer on AI see TechPoint's Artificial Intelligence: What Business Leaders Need to Know.
[2] Bond Capital. Artificial Intelligence Trends. May 2025
[3] Lightcast. Beyond the Buzz: Developing the AI Skills Employers Actually Need. July 2025
[4] U.S. Census Bureau. Tracking Firm Use of AI in Real Time: A Snapshot from the Business Trends and Outlook Survey. March 2024.
[5] Brookings Institution. State of Renewal: Charting a New Course for Indiana's Economic Growth and Inclusion. February 2021.
[6] U.S. Bureau of Labor Statistics. Productivity by State – 2024. May 2025.
[7] See Labor force projections: Age matters and Indiana's prime-age population projections

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