

The Future AI Workforce Report 2026: Insights from Engineering & IT Students Across India

Demanzo surveyed engineering and IT students across India and found a generation that already lives and works alongside AI, while the colleges training them are still catching up.



Bengaluru, Karnataka Aug 18, 2026 ([IssueWire.com](https://www.issuewire.com)) - **Demanzo**, a digital marketing agency for IT and SaaS companies, today published The Future AI Workforce Report 2026, built from Demanzo's own survey of engineering and IT students at colleges across India. Instead of leaning on outside studies, this time Demanzo went straight to the source and asked students how they really use AI, what

they expect from their first employer, and whether their classrooms are keeping pace with the tools already sitting in their backpacks.

AI Use Isn't a Trend for These Students.

The numbers make one thing clear: AI has already moved in and unpacked its bags. **88% of the students surveyed use AI tools daily or several times each week**, and **96%** turn to AI to learn new concepts, ahead of using it for assignments, coding, or research. ChatGPT leads the pack, but Gemini and Claude show up often too, and quite a few students now juggle three or four tools at once, picking whichever one fits the task in front of them.

This isn't casual scrolling. Over half of students, **54%**, said their studies would take a serious hit if AI tools disappeared tomorrow. For this generation, AI has quietly become a study partner, not a shortcut.

Students Are Building, Not Just Browsing

Confidence is running high. **79%** of students say they feel confident or very confident writing AI prompts, and **62%** have either built an AI-powered project already or are actively learning how to use AI APIs, automation tools, or AI models on their own time, well before any employer asks them to.

Colleges Are Falling Behind Their Own Students

Here's where the story turns. Only **12%** of students think their college is preparing them well for an AI-first workplace. The rest, roughly **62%**, landed somewhere between neutral and "not really". Students are teaching themselves AI on the side, and their institutions are still catching up to where they already stand.

What These Students Expect From Their First Employer

These students aren't walking into interviews empty-handed, and they know it. **83%** believe AI skills will improve their chances of landing a job after graduation, and **88%** expect their future employer to hand them AI tools on day one, not make them ask twice.

When asked what would actually make them want to join a company, the answers were telling:

- 42% want real opportunities to learn AI skills on the job
- 25% want clear career growth built into the role
- 21% want a higher salary
- The rest care most about access to advanced AI tools or a flexible work setup.

Money still matters, but it isn't the loudest voice in the room anymore. Growth and access to AI now compete right alongside the pay cheque.

Responsible AI Use Isn't Optional to This Generation

One number stands out above the rest: **83%** of students said they'd rather work for a company that actively encourages responsible AI use over one that stays quiet on the subject. For this generation, a company's AI policy isn't fine print. It's a reason to say yes or walk away.

The Skills Gap Employers Need to Close First

Students were also asked what skill they think employers expect most from fresh graduates today. **58%** pointed to data analysis with AI, and **46%** named prompt engineering. And when asked where companies should focus AI training first, **67%** chose prompt writing above every other option.

As for where AI will change work the most, students didn't hesitate. **100%** named software development as the function AI will transform the most, followed by education and customer support.

What This Means for IT Services & SaaS Companies

Demanzo's findings point to a simple truth: engineering and IT students aren't waiting for companies to introduce them to AI. They've already met it, worked with it, and formed opinions about how it should be used. Employers hiring from this talent pool in 2026 aren't training a workforce to use AI for the first time.

Companies that offer real AI training, clear [AI-assisted decision-making](#), and an honest stance on responsible use will have an edge in attracting this talent. Companies that stay quiet on all three may find themselves explaining, in the interview room, why they haven't kept up.

“We wanted real answers, so we skipped the secondhand reports and went straight to the students,” said a spokesperson for Demanzo. “What we found is a generation that already trusts AI as a daily tool but doesn't trust their colleges to teach them how to use it well. That gap is exactly where employers can step in, and the ones who do it first will win this talent.”

Research Methodology

Demanzo ran an original survey of engineering and IT students at colleges across India between June and July 2026 in partnership with [GradMaze](#). The survey asked 15 questions covering AI usage habits, prompt-writing confidence, hands-on AI project experience, views on college preparedness, and expectations from future employers. This report captures the direct, first-hand voice of the students who will make up India's AI-first workforce, and Demanzo plans to expand the survey pool in future editions of this report.

About Demanzo

Demanzo is a digital marketing and AI growth agency that helps organisations understand emerging technologies, consumer behaviour, and market trends through data-driven research and [strategic insights](#). Through original research and industry-focused analysis, Demanzo helps businesses make informed decisions in an AI-driven world.

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Source : Demanzo

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