



# Indiana's Leaking Talent Pipeline

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Indiana Chamber of Commerce



INDIANA CHAMBER  
LEADING BUSINESS | ADVANCING INDIANA  
100 YEARS

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## Where Indiana Ranked 2000-01

- 50<sup>th</sup> – Job creation in 2000; 6<sup>th</sup> in 1988
- 50<sup>th</sup> – Job growth (2001)
- 1<sup>st</sup> – Bankruptcies (2001)
- 1<sup>st</sup> – Home foreclosures (2000)
- ONLY state to suffer NET LOSS of tech jobs 1994-2000
- 50<sup>th</sup> – Economic momentum (*Governing Magazine*)
- Among 10 worst business tax climates



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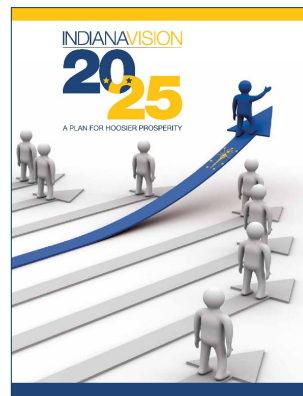
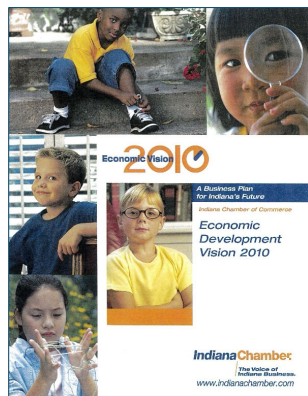
## Where Indiana Ranked 2000-01

- K-12 policies were lagging other states
- No statewide academic standards
- No performance measures or quality systems
- No parental choice for low-income families
- No state-funded pre-K for low-income families
- No full-day kindergarten
- No make up of snow days



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## How We Transformed Indiana



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## Where We Are Today

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- 1<sup>st</sup> – Best state for government
- 1<sup>st</sup> – Infrastructure; we have a funded 20-year plan
- 1<sup>st</sup> – in Midwest and 9<sup>th</sup> nationally for top state for doing business
- 4<sup>th</sup> – Cost of doing business



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## Where We Are Today

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- 2<sup>nd</sup> – Software job growth
- 7<sup>th</sup> – Most improved economic development policies
- 1<sup>st</sup> – in Midwest and 6<sup>th</sup> nationally for small business policy index
- Tippecanoe County had highest wage growth of any county in the country



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# Indiana's Balance Sheet

## ASSETS

### Rank

- #1 Infrastructure
- #2 Cost of doing business
- #9 Business tax climate
- #10 Cost of living
- #18 Business friendliness

## LIABILITIES

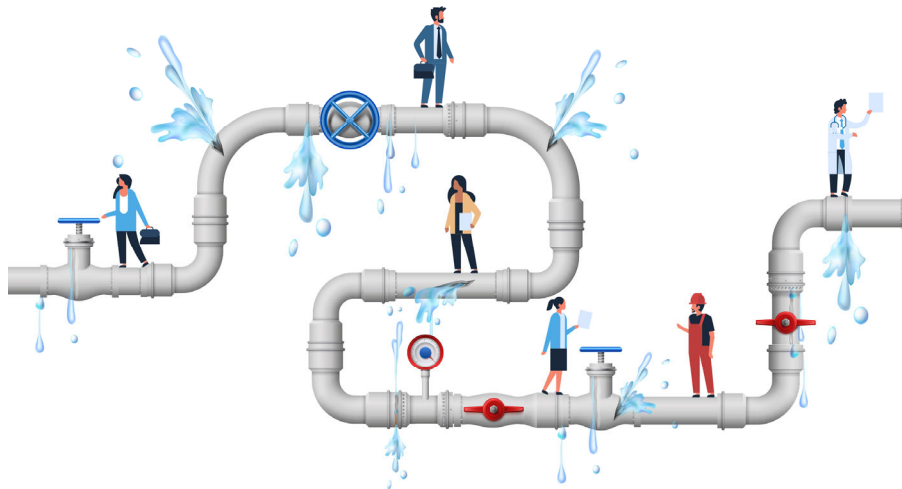
### Rank

- #36 Education
- #43 Health, life, inclusion
- #48 Workforce



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# Indiana's Leaking Talent Pipeline



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## First-Time Postsecondary Enrollments (Degree and Certificate)

State	Percent	State	Percent
1. California . . . . .	6.99%	46. Wyoming . . . . .	3.98%
2. New Jersey . . . . .	6.85%	47. Arkansas . . . . .	3.91%
3. Massachusetts . . . . .	6.46%	48. Nevada . . . . .	3.63%
4. Minnesota . . . . .	6.43%	49. Alaska . . . . .	3.20%
5. Kansas . . . . .	6.24%	50. West Virginia . . . . .	2.92%
<b>35. Indiana . . . . .</b>	<b>.4.27%</b>	<b>U.S. Average . . . . .</b>	<b>.5.38%</b>



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## Population With at Least an Associates Degree or High-Quality Credential

State	Percent	State	Percent
1. Massachusetts . . . . .	61.6%	46. Alabama . . . . .	45.1%
2. Colorado . . . . .	61.0%	47. Mississippi . . . . .	44.4%
3. Washington . . . . .	59.4%	48. Arkansas . . . . .	43.6%
4. Minnesota . . . . .	59.0%	49. West Virginia . . . . .	42.6%
5. Virginia . . . . .	57.4%	50. Nevada . . . . .	42.5%
<b>37. Indiana . . . . .</b>	<b>48.3%*</b>	<b>U.S. Average . . . . .</b>	<b>51.9%</b>



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## Unemployment Rate by Education Attainment

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• Bachelor's degree or higher	0.9%
• Some college or associates degree	3.0%
• High school graduate	4.6%
• Less than high school diploma	7.2%



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## Workforce Participation Rate by Education Attainment

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• Bachelor's degree or higher	72.4%
• Some college or associates degree	62.8%
• High school graduate	54.3%
• Less than high school diploma	39.4%



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## Indiana Lacks Sufficient Early Learning Opportunities

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- Less than half (46%) of all early learning capacity in Indiana qualifies as high quality
- More than 75% of Indiana counties have less than 25% of the high-quality seats needed to serve children in their community
- More than half of Indiana childcare workers receive public assistance



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## Indiana Lacks Sufficient Early Learning Opportunities

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- Hoosier families contribute nearly 12% of their annual income on childcare, exceeding the U.S. affordability threshold of 7%
- Annual median salary in Indiana is \$25,220 for pre-K teachers and \$20,279 for childcare workers
- Indiana employers cite childcare access/affordability as their top external workforce barrier



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## Statewide ILEARN Results

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- 2022 Math + English proficiency ALL students: 30.2%
- 2022 Math + English proficiency White students: 36.6%
- 2022 Math + English proficiency Black students: 9.9%
- 2022 Math + English proficiency Hispanic students: 17.3%



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## Statewide Graduation Rates With and Without Waivers

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- 2021 Waivers included 86.7%
- 2021 Waivers excluded 78.8%
- 2021 White students with waivers included 89.0%
- 2021 Black students with waivers included 77.1%



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## Percentage of Students Graduating With Waivers By Race

- White students 9%
- Black students 24%
- Hispanic students 19%



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## All Students

- Total cohort of freshmen 79,359 (100%)
- High school graduates 71,123 (89.6%)
- Enrolled in college (public) 34,383 (43.3%)
- College persists year two 25,820 (32.5%)
- College completion 18,118 (22.8%)



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## Black Students

• Total cohort of freshmen	9,125	(100%)
• High school graduates	7,135	(78.2%)
• Enrolled in college (public)	3,380	(37.0%)
• College persists year two	2,091	(22.9%)
• College completion	966	(10.6%)



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## FAFSA Completion Rate

- Indiana  
43.9%
- U.S. average  
57.0%



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## 21st Century Scholars (2025 Graduating Class)

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- Less than 40% of income-eligible students enrolled
- Less than 50% of enrolled students completed the three preparatory activities required to earn the scholarship



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## Too Many (289) School Districts

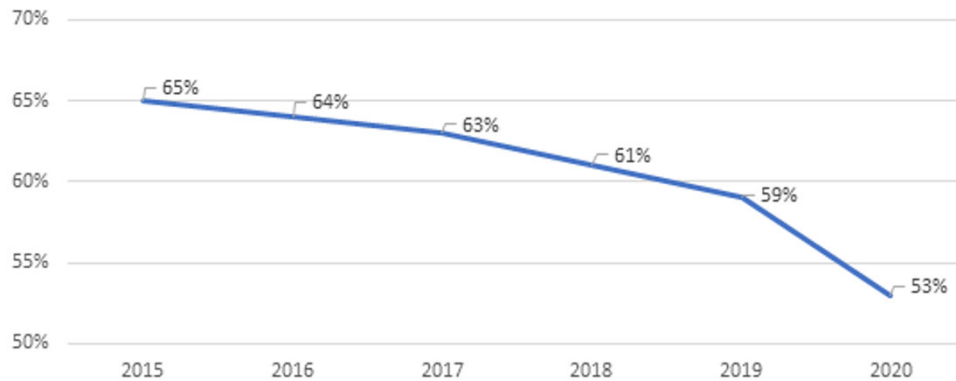
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- 54% of Indiana districts have less than 2,000 students
- Nearly 20% have less than 1,000 students
- Students in these smaller districts face a significant drag academically and economically
- Research found statistically significant differences in all measures of academic performance between students from smaller districts and those from larger districts



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## College-Going Rate 2015-2020



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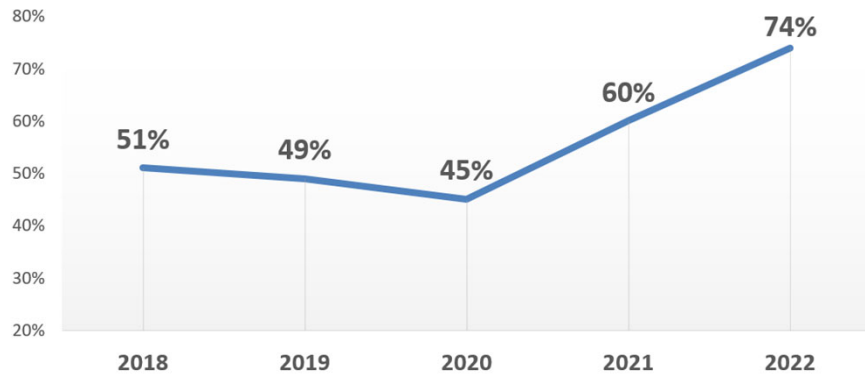
## Workforce Demands of Employers

- A study of new job postings nationwide in March 2021 found 916,000 jobs were added to the U.S. economy
- But less than 1% or just 7,000 jobs were for people with only a high school diploma



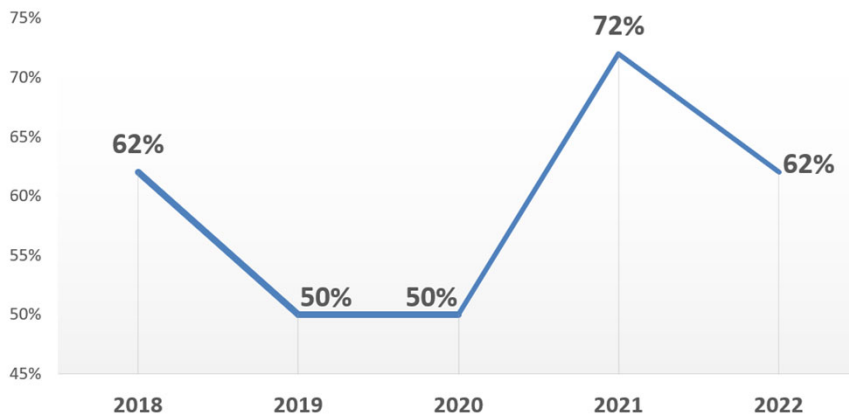
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## Left Jobs Open in Past Year Due to Underqualified Applicants



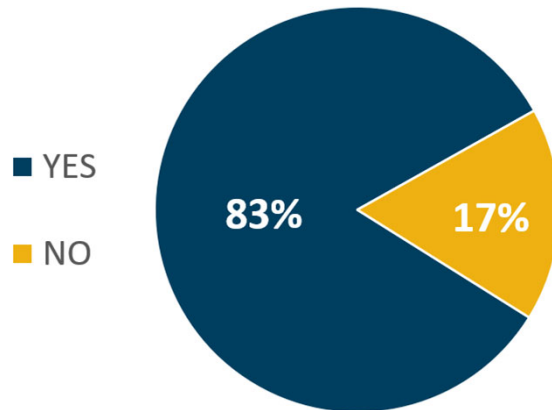
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## Supply of Qualified Applicants Does Not Meet Needs



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## Is Meeting Your Talent Needs a Challenge?



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## Workforce Participation Rate by Education Attainment

- Bachelor's degree or higher 72.4%
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## Indiana's Attainment Dilemma

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"The reality of our low educational attainment explains nearly all of the comparatively slow growth that plagues Indiana's economy ...

The simplest economic argument for sending more Hoosier kids to college is that it is where the jobs of the future will be..."

– Dr. Michael Hicks, Ball State University



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## Indiana's Attainment Dilemma

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"As long as Indiana continues to undersupply college and certificated graduates to the modern economy and over supply those who haven't gone to college, we will slip farther and farther behind the national economic growth average."

– Dr. Michael Hicks, Ball State University



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# Workforce Progression for Public Postsecondary Graduates

- Postsecondary graduates: 60,370
- College grads working in Indiana 1 year: 37,717
- College grads working in Indiana 3 years: 31,525
- College grads working in Indiana 5 years: 27,137



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An illustration of a grey, winding pipe system with several leaks. Water is dripping from various points along the pipe. Several small human figures are positioned around the pipe, some appearing to be working on or inspecting the leaks. The scene is set against a white background with a blue and yellow curved shape in the bottom right corner.

## Indiana's Leaking Talent Pipeline

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The logo for the Indiana Chamber of Commerce, featuring a stylized 'I' and 'C' in blue and yellow, with the text 'INDIANA CHAMBER' in bold blue letters, 'LEADING BUSINESS | ADVANCING INDIANA' in smaller blue letters below it, and '100 YEARS' in yellow on a black background at the bottom.

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