

ASSESSING YOUTH'S READINESS FOR AI DRIVEN FUTURISTIC STARTUPS – A STUDY OF SKILLS, PERCEPTIONS AND INNOVATIVE MINDSET

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Abstract:

As artificial intelligence(AI) is reshaping the global economy, transitioning youth from digital consumers to AI- driven entrepreneurs is no longer an option but a critical requirement to thrive in ever evolving AI landscape. However, while AI literacy is increasing there remains lack of data on whether the youth are strategically prepared to lead AI- driven entrepreneurial ventures. To assess this, a quantitative study was conducted among youth aged 17-25, via Google Forms, based on their proficiency in technology, perception towards automated systems, and the risk-taking and innovative mindset required for AI-driven business environments. The results indicated that while the youth possess foundational knowledge regarding AI and a positive outlook towards integration of AI into entrepreneurship, there was a significant need for specialized skill-training programs, ethical frameworks, and experiential learning opportunities provided by educational and governmental institutions to enhance their preparedness for futuristic AI-driven entrepreneurial ecosystems.

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Introduction:

The world is undergoing a technological revolution that is changing people's lifestyle and the way they work. "The Fourth Industrial Revolution", also known as 4IR, Industry 4.0 or the Intelligence Age, describes a rapid technological advancement in the 21st century and it follows the Third Industrial Revolution (the "Information Age"). A part of this phase is the joining of technologies like artificial intelligence, gene editing, to advanced robotics.(Schwab, 2016)

Among these emerging technologies, AI has become a transformative force embedded in our daily lives. From self-driving cars, drones, virtual assistants and predictive algorithms to tools used to discover new drugs, an impressive progress has been made in AI in the recent years. Its rapid advancement has been fuelled by exponential increase in computing power, availability of vast amounts of data, massive capital investments and the transition to agentic AI systems. India holds a unique demographic advantage in this transition, with over 65 per cent of the population under 35. This large, tech-savvy talent base presents an immense potential for AI driven industries and future ready jobs (The Assam Tribune, 2026).

Recent labour market trends further strengthens this potential, between January 2023 and March 2025, AI-related job postings in South Asia increased from 2.9% to 6.5%, with demand for AI skills growing 75% faster than for non AI roles. This shift signals a structural change in India's labour market.

[Press Information Bureau (2025)]

In response to these shifts, the Government of India has implemented several skill development initiatives such as SOAR (Skilling for AI Readiness), Future Skills Prime Initiative, etc. aimed at building a digitally empowered workforce. At the AI Impact Summit 2026, PM Narendra Modi, reflected a national optimism towards this technological advancement, stating that 'India sees future, not fear in AI' and emphasizing that human agency must remain the deciding factor in its direction. In this rapidly evolving AI landscape, even India's start-up ecosystem is entering a more disciplined phase of growth, and AI is clearly at the centre of this transition, emerging as core infrastructure for India's next innovation cycle. (Rajesh Nambiar, President of NASSCOM). However, while the national vision is optimistic, global sentiment shows a different narrative. According to 'The World Economic Forum's Youth Pulse 2026' report, 66% of young people believe AI will reduce entry-level job availability within the next three years. This tension between opportunity and anxiety highlights a critical readiness gap. Thus, it becomes critical to assess, if the youth population prepared to be the "driver" who will decide the future of AI, or will they be side-lined by the very systems designed to empower them? Our study examines this readiness by focusing on the triad of Skills, Perception, and Innovation Mindset, assessing whether the current generation is equipped to not only navigate but lead the AI-driven futuristic start up ecosystem.

Review of Literature:

The research title, "The Impact of AI and Innovation Awareness on Student Career Preparedness"

By Nguyen et al (2025) the survey was conducted among Vietnam students to find out whether the students are prepared for innovation mind-set. finding of research put forward the urge to learn and adapt to this digital world. However, there are some limitations like the survey was conducted among only some students, and the sample were not huge. The research resulted in cross-sectional pattern the study did not reported whether the students are ready for long term change over time and it did not explore other major factors like economic background, education quality, AI-driven startup experience.

Study of "Impact of technology driven startups in empowerment of youth in India "published in the Journal of Education Research in 2024 by Akbar Hussain and co authors

The survey was conducted among 219 young entrepreneurs it included four important tools like-job employment, skill development, digital exposure, opportunity The study resulted in AI job startups results in more employment opportunities, remote work and youth can gain knowledge with the help of AI tools like AI, IoT other digital platforms. However, the study is included among only 219 entrepreneurs rather than the overall youth and it does not include important factors which have an impact on technology driven startups such as government policies, long-term impact, challenges which are faced during startup etc.

"Generation, cohort, and technology readiness and acceptance of artificial intelligence among young high-growth entrepreneurs" in 2025

By Donald Gaines and co-authors. The survey was conducted among 278 young entrepreneurs in Indonesia to absorb whether the youth is ready for AI adaption and technology readiness. The survey resulted in that both the Gen Zs and millennials are ready to adapt AI because of its easiness and usefulness. However, the limitations of the study is that it did not include major factors such as fundings, policy, or industry barriers affecting AI startup readiness.

The 2026 report, Youth Pulse 2026

"Insight from the next generation in a changing world by World Economic Forum" the survey was conducted among 4,600 youth of age between 18 to 30 and covers about 144 countries. The study finds out that in spite of inequality, stress, job pressure, many are ready to use AI and build their career. The study finds out that youth wants better education, environment, community support, and capital.

However, the research did not deeply analyse or pick out the factors such as startup barriers, long-term outcomes, and how government and institution will help and improve youth readiness for AI startups.

Research Gap:

Sr. No	Year of Publication	Name of Authors	Title of paper	Findings of study	Research Gap
1.	2025	Phat Thanh Nguyen, Linh Chau Van and Luan Trong Nguyen	The Impact of AI and Innovation Awareness on Student Career Preparedness	The key findings of this research is that It studies the relationship between ai awareness and career preparedness among youth in vietnam.	The research was limited only on undergraduate students of vietnam not covering other education level. Also, It did not specifically studies Youth readiness for AI-driven entrepreneurship.
2.	2024	Mr. Abrar Hussain, Mrs. Anushka KY Mr. Chethan S Dr. Muddasir Ahmad Khan N	Impact of technology driven startups in empowerment of youth in India	The major findings of this study is about employment opportunites, skill development, digital exposure, promoting remote work which also plays a crucial role in youth empowerment.	This research study focuses only on existing entrepreneurs and employment opportunites but does not explore the youth readiness and innovative mindset who aspire to enter into AI-driven startups.

3.	2025	Donald Gaines Eryadi Masli Dessy Sari and Laura Triani Sanda Komalasari	Generation, cohort, and technology readiness and acceptance of artificial intelligence among young high-growth entrepreneurs	This studies focuses on technology readiness and acceptance which act as an important factors in adopting new technologies with millenials and GenZ, determines the importance of young entrepreneur for innovation and growth	Although this research studies on the technology adoption among different generation but does not focuses on youth preparedness, perception and innovative mindset or their skills on AI-driven startup ecosystem.
4.	2026	Natalie Pierce	Youth Pulse 2026 Insight From the next generation for a changing world (World Economic Forum)	The key findings of this research study is about technology-driven startups which	This study focuses more on youth's opinions and future plans rather than their technical skills, growth mindset and actual preparedness for AI-driven businesses.
				plays a crucial role in empowering youth by creating employment opportunities, entrepreneurship and digital inclusion.	

Research Methodology:

This study uses an Quantitative approach to evaluate the skills, perceptions and innovative mindset of youth regarding AI-driven futuristic startups. The target population for this study consists youth which aged from 17 to 25. Data was collected through an online structured questionnaire via Google Forms, which was shared with university students, relatives and peers through WhatsApp, emails and social media platforms. A aggregate of 63 responses were received. The questionnaire was designed in multiple sections to gather information on demographics, AI- related technical skills, perception regarding AI oriented startups, and innovative mindset attributes. The questions included multiple- choice, yes no responses, and a 5- point Likert scale to measure agreement with various statements regarding:

1. Understanding of AI concepts and skills
2. Readiness for entrepreneurship
3. Innovation-oriented mindset

A convenient sampling method was used for distributing the questionnaire which ensures that targeted age group can easily access and respond. The collected data was interpreted through descriptive statistics by using percentage and chart, which facilitates in understanding of trends, patterns and skill gaps among youth regarding AI-driven startups. Overall, The Participation was voluntary and all responses were kept confidential to maintain research ethical standards which highlights both the strength and areas that requires further development in technical skills of youth.

Objectives of the Study:

- To Know the skills required in youth for AI-driven startups.
- To examine the perception of youth regarding Ai-driven startups and entrepreneurship opportunities
- To evaluate whether youth possess an innovative mindset and problem solving skills related to Ai-driven entrepreneurship
- To analyze whether youth are prepared to thrive in an evolving startup ecosystem.

Significance of Study:

- Many previous studies have focused on digitalization and the evolving landscape of Artificial Intelligence, however limited research examines the readiness of youth for adopting this evolving technology.
- The research goes beyond technological awareness and assesses whether young individuals are strategically prepared for AI-driven business environments or merely using AI tools for convenience or trends.
- This study is also important from a socio-economic perspective: Viewing AI as a tool for innovation and value creation will lead to its proactive adoption ; whereas perceiving it as “Job killer” will lead to anxiety and resistance among the youth.
- Thus study aims to assess the technical expertise, innovation mindset and perception toward AI, the research provides insights regarding readiness of youth for AI-driven business environment and start-up ecosystem.

Limitations of the Study:

- The research is limited to a specific geographical area, Mumbai.
- The data collected through questionnaire is based on personal opinions which may include bias, exaggeration, or misunderstanding.
- Some respondents may have selected desirable answers rather than their true opinions about AI, start-up culture & entrepreneurship.

Scope of the Study:

The scope and purpose of study focuses on assessing youth readiness for AI-driven disruptive startups. It focuses on three key core dimensions: perception towards AI, technical and digital skills, and innovation mindset. It analyzes the youth's ideas towards AI startups considering factors like job replacement, fear, risk, ethical

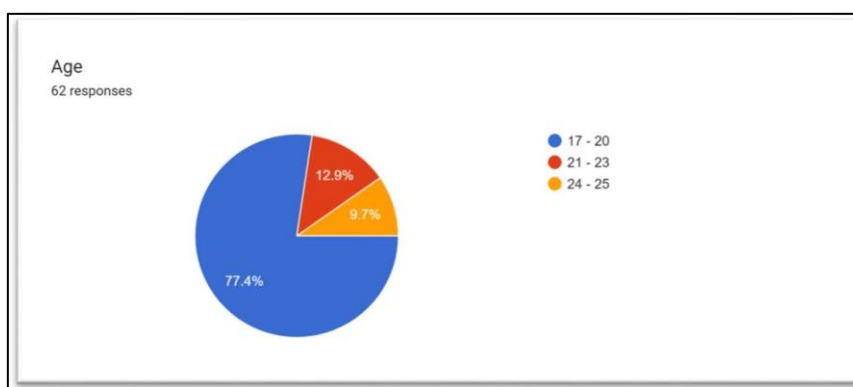
concerns. It also evaluates the youth's innovation towards entrepreneurship mindset and ability to launch AI-based startups.

Additionally, the study absorbs the role of government, education institutions, and community support for preparing the youth and pointing out challenges such as lack of skills, mentorship, awareness, capital, and examining the impact of AI startups on youth empowerment and employment generation.

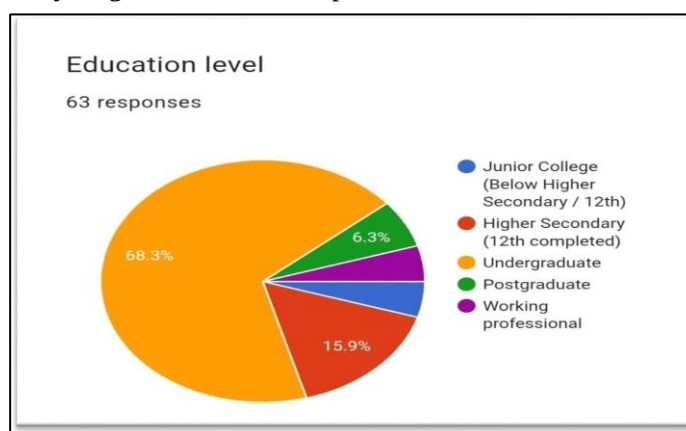
Research Design:

This study follows a quantitative descriptive research design which helps in systematically analysing the perceptions and views or opinions of youth on AI-driven Startups. The design focuses on collecting the statistical information which ensures clear framework for evaluating and interpretation of data.

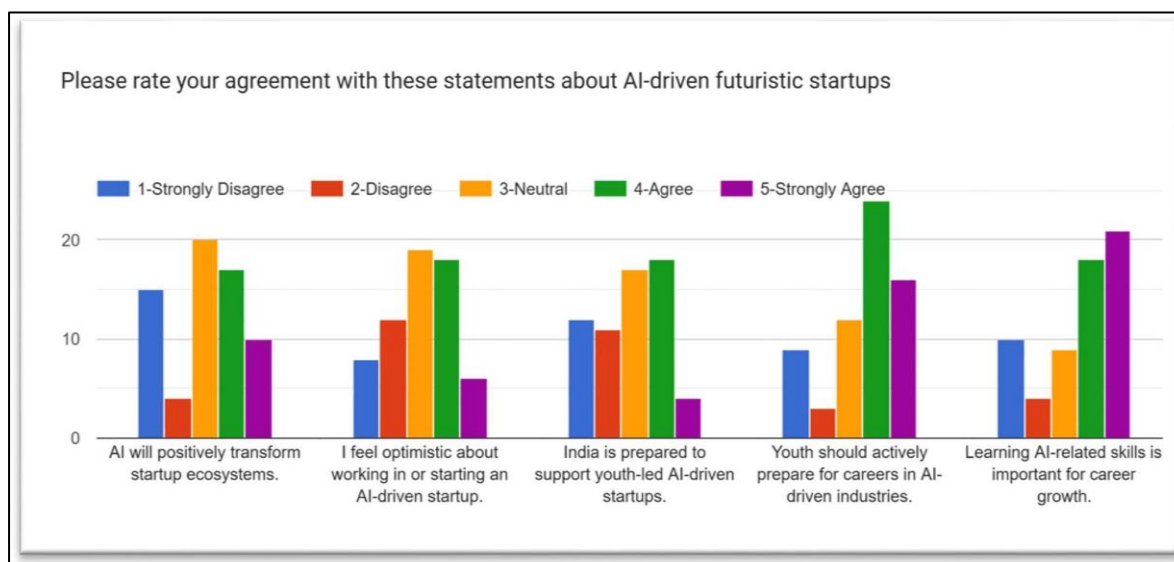
Data Interpretation:



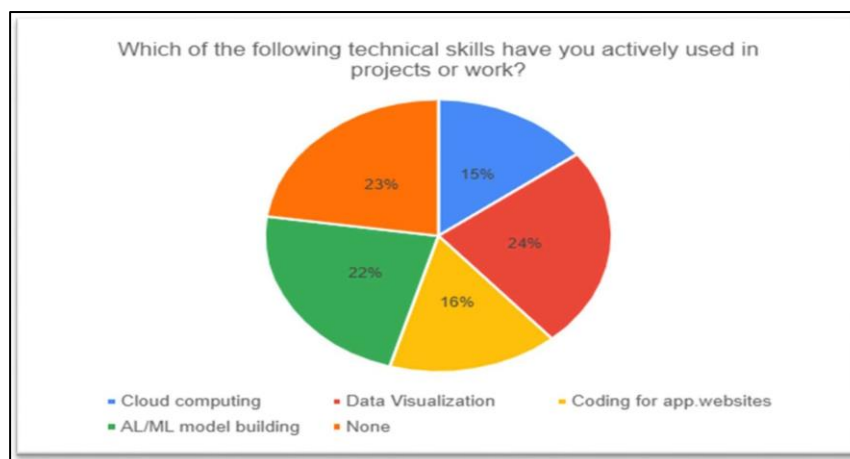
From the above diagram, it can be identified that the age distribution of respondents which shows that 77.4% of participants belong to 17–20 age group, 12.9% lies within the 21–23 age category, and 9.7% are between 23–25 years. From this it can be observed that majority of age group is between 17 to 20, which indicates the young individuals who are at the early stage of career development.



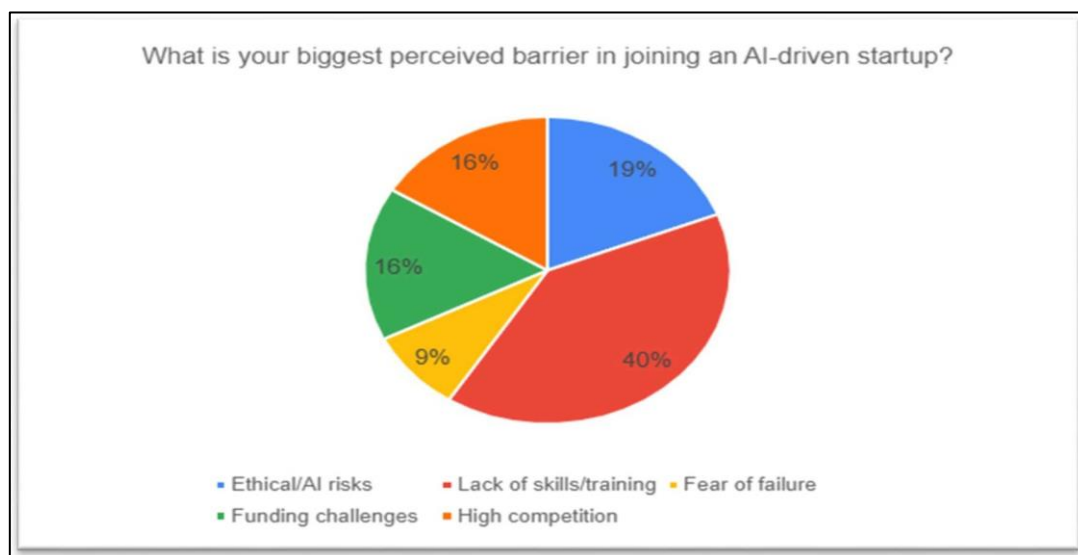
The educational level of data indicates that 67.7% of students are belonged from Undergraduate section showing the highest proportion, while others belong to higher secondary (15.9%), Postgraduate (6.3%), Junior college and Working professionals from which few students data were collected. In conclusion, majority of the respondents are pursuing undergraduate education.



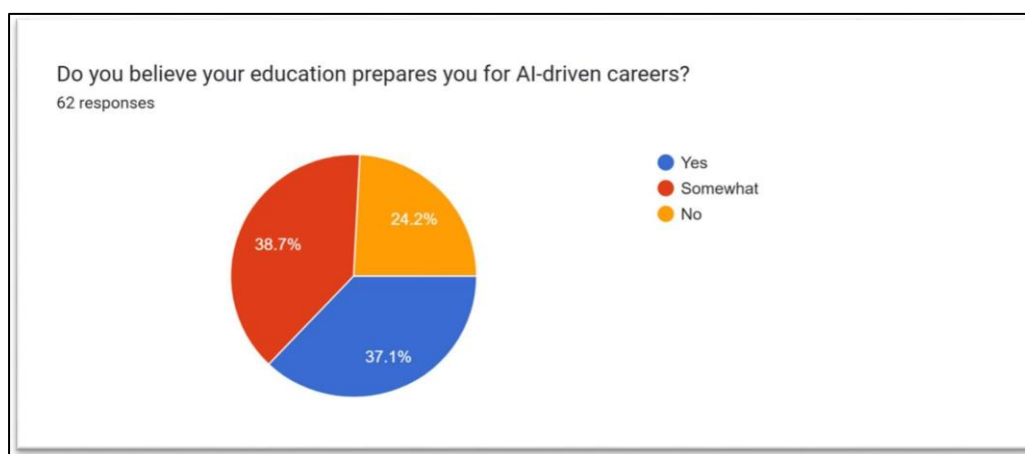
The above bar graph display the results of respondents about five statement regarding AI-driven futuristic start-ups by using a Likert scale from 1-5. Where 1 represents strongly agree while 5 represents strongly disagree. Overall the result indicates that there is a positive response which implies that AI skills play a major role in career growth.



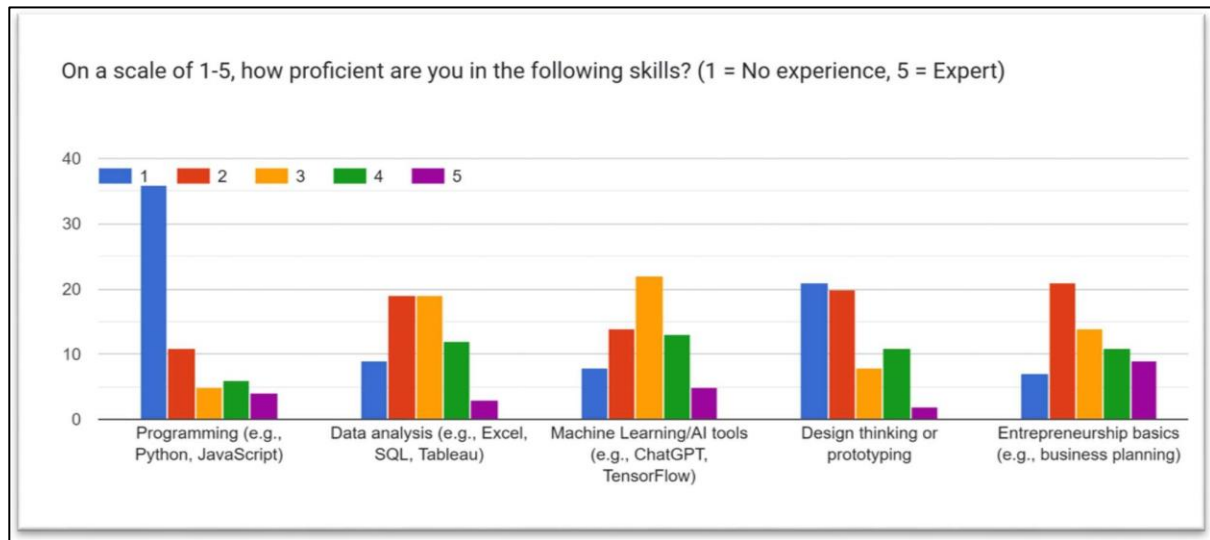
The above pie chart represents that 24% means majority of respondents possess the technical skills of data visualization for their projects or works while others like Cloud computing, Coding for apps or website and AI/ML model building showing 15%, 16% and 22% respectively. Additionally, 23% of youth responded that they do not applied any of the above technical skills.



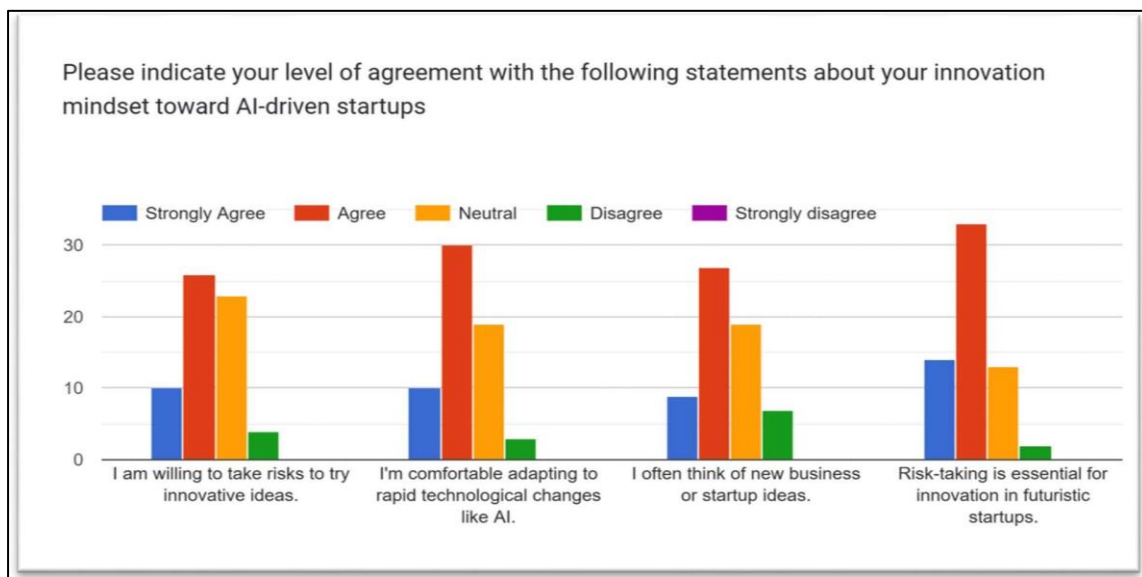
In the above pie chart, The biggest perceived barrier in joining an AI-driven startup is Lack of skills/training having majority of 40% of response from the youth whereas Ethical Ai risks have 19%, Both Funding challenges and high competition have equal 16% of responses and lastly fear of failure which represents 9% showing a lowest barrier in AI-driven startups, indicating that the major challenge for youth is limited training programs and skills.



The Given pie chart represents whether education prepares youth for AI-driven career in which out of 62 responses 38.7% of respondents are neutral who feel partially prepare but not fully ready, while 37.1% believed that their education system prepares them for AI-driven startups and other 24.2% answered no indicating their view that the education does not give proper learning for AI-driven careers.



According to the above graph, the skills in which a youth is proficient measured through a likert scale where 1 indicates to no experience while 5 indicates expert level. This represents that majority of experts were found in entrepreneurship basics whereas significant number of no experience youth is for programming, which shows that many youth feels confident in basic entrepreneurship skills while others are lacking in programming skills.



The given graph illustrates the level of four statements regarding innovation mindset toward AI-driven startups. Overall, the data indicates a positive response from youth for innovation, risk taking and adaptability, where a significant number of respondents agree with the statements showing a positive mindset toward AI-driven startups.

Findings of the Study:

1) Skills in AI

Our study has found that mostly youth of our generations have basic knowledge about AI. We have observed that youth are comfortable using AI tools, digital platforms, and software applications for learning, communication, and small projects etc. However, they are not aware about how to deal with such advanced AI skills, like building machine learning models, AI coding systems, data analysis at a deeper level, or developing AI-based products.

2) Perception towards AI

The study found out that youth shows opposite attitude towards AI that it can create new business opportunities and improve efficiency while on the other hand some shows deep concern like job replacement data privacy issue ethical misuse of AI and over dependence on technology there perception is seen balanced over all their positive Outlook suggest to accept it but awareness and precautions is still important.

3) Innovation Mindset

They study prove that many people are willing to try new ideas like calculated risk and explore creative solutions using technology they are eager to learn new skills and become entrepreneur we got the information that many struggle with real startup experience leadership exposures and knowledge of business management they need proper practical guidance and mentorship to build successful AI driven venture.

4) Overall Readiness

Although the youth are ready for a driven startup for the future there is a problem which is understanding in advance technical skills, business knowledge and long term strategic planning it can be resolve with proper education ,training program support and industry collaboration the conclusion is that for our youth to be fully ready they need structured support system.

Suggestions:

- Education institution should promote machine learning, Data analytics, Ai programming, AI model workshop that will help student to move forward from basic to advance knowledge.
- Colleges and universities should explore in innovation management, development startup and AI subject this will help students in their perspective about AI driven ventures.
- Internship should be provided to Youth in AI startup, tech company and hub which will be result in practical knowledge and confidence among youth.
- Government should provide funding programs, schemes, startup support related to AI technology driven enterprises.
- Student should be given knowledge about ethical use of AI, data privacy, cyber security. This will remove sense of fear and will build trust.

Conclusion:

This study analyzed the skills, perception, innovative thinking and basically youth's readiness toward AI-driven startups and entrepreneurship. The Findings show that even though majority of young individuals are aware of the Artificial Intelligence and its opportunities but their degree of preparedness is not same in terms of technical skills and practical trainings. The study further reveals that AI is considered as a tool for innovation and advancement. However, if it regarded as a threat to employment which may creates insecurity and anxiety among youths. Therefore, education institutions, government, and startups ecosystem should focus on promoting skill-based learning, career-oriented practical initiatives and regulatory support to enhance youth readiness. Although, the study covers only a specific geographical area also it relies on individual opinions and perceptions. It highlights the key observation of youth in AI-oriented business ecosystems. The study concludes that with proper academic support and practical training which leads youth to participate in AI-driven startups.

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