

North Carolina

# STATE OF TECHNOLOGY

2019 Industry Report & Tech Directory

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2019 REPORT UNDERWRITERS

PARTNERS



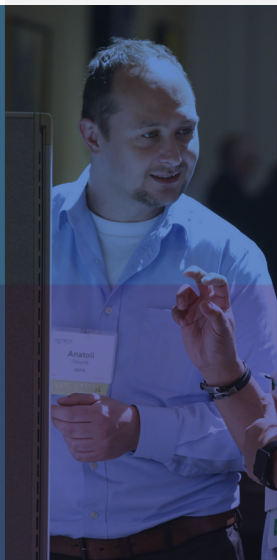
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## North Carolina State of Technology Industry Report

# Key Findings



### #5 EXPECTED TECH SECTOR JOB GROWTH

North Carolina is expected to grow its tech occupations by **11.5%** by 2023. This ranks the state **5th** in predicted growth. North Carolina's expected growth rate is two percentage points higher than the national average.

#### ► NC STRENGTHS

- Strong employment growth across 1-year and 5-year timeframes
- Competitive wages with high purchasing power
- High levels of academic R&D funding for science and engineering
- Top 10 state in rate of technology transfer from universities
- High percentage of women in the industry workforce
- Cheaper operational costs than traditional tech markets

#### ► TECH INDUSTRY OVERVIEW

In 2017, the tech industry employed over **254,000** people and was worth **\$86 billion** in sales revenue in the state of North Carolina. The technology industry accounted directly for **5.9%** of the total jobs in the state but almost **11%** of the state's total wage earnings and sales. In 2017, there were over **19,300** technology establishments operating in North Carolina, an increase of **500** from estimates in the previous report.

#### ► ECONOMIC IMPACT

The technology sector in North Carolina has an employment multiplier of **3.24**, meaning that for every three jobs in the technology industry approximately seven other jobs are supported throughout the state economy across all industries. **\$86 billion** in sales in the technology industry supports **\$164 billion** in sales across the North Carolina economy, accounting for over **21%** of North Carolina's sales revenue. The technology industry contributes over **19%** to the overall state employment.

#### ► HIGHER EDUCATION R&D

Research at universities is the foundation for technology transfer and innovation. North Carolina ranks **#3** in the nation in dollars awarded for academic science and engineering R&D.

#### ► TECH START-UPS

The number of startups can indicate the level of entrepreneurship interest within a state's universities. North Carolina ranks **#6** in highest number of start-ups spin off from its universities in 2017 with **41** new companies established.

#### ► IT SECTOR EMPLOYMENT GROWTH

Employment growth rate in IT from 2012 to 2017 was **21.1%**. This ranks North Carolina **#6** across all states.

#### ► TOP TIER

NC ranks among Top 15 states in:

- Tech Sector Employment Growth
- Expected Tech Sector Employment Growth
- Average Annual Wage for Tech Sector Employees with Purchasing Power
- Percentage of Women in the Technology Workforce
- IT (Tech Core) Employment Growth
- Expected IT Sector Job Growth
- Average Annual Wage for IT Sector Employees with Purchasing Power
- Tech Occupations Growth
- Expected Tech Occupations Growth
- Median Hourly Earnings Adjusted for Purchasing Power
- Higher Education R&D in S&E Fields as a percentage of GSP
- Venture Capital Invested per \$1 Million of GSP
- Technology Licenses and Options Executed from Universities
- Start-Ups from Universities
- Small Business Opening Rate vs. Closing Rate
- Change in Employment by Young Companies
- Average-In State Tuition Cost
- State Spending Per Student for Higher Education

## ► TECH SECTOR JOB GROWTH

The most encouraging metric of North Carolina's technology industry is its recent growth and growth potential. In the past five years, jobs in this industry have grown by **17.2%** in the state. That is the **3rd** highest growth rate in the country and well above the national average of **6.7%**.

## ► TECH OCCUPATIONS

There are **299,518** workers in tech occupations in North Carolina. This is higher than the **254,230** workers employed by the tech industry. This means there is a significant portion of tech occupations outside the traditional tech companies in the state. Across all industries, tech occupations have grown by **17%** in the past five years.



# #3

## \$123,362

Average earnings per worker in the technology industry

## 21%

of all North Carolina sales revenues are generated by the technology industry

## #6

North Carolina ranks eighth in Startups from Universities



# #1

## ► WOMEN IN IT

North Carolina is again behind only the District of Columbia for its employment of women in the technology sector, making it the highest ranked state for women in the tech sector. (35.6%)

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## #4

North Carolina ranks fourth in Median Hourly Earnings Adjusted for Purchasing Power



## ABOUT THE REPORT

In January 2015, the North Carolina Technology Association (NC TECH) released its first State of Technology Industry Report, and annually thereafter. The full report is housed online at **NCSTIR.com** and this Key Findings summary features some of the highlights from the research.

The valuable information in the report has a variety of uses:

- ▶ Repository of facts, statistics, trends, narratives + insights into NC's tech sector
- ▶ Guide for companies considering headquarters relocation or operations establishment
- ▶ Source of data + trends for policy makers
- ▶ Collection of stories that highlight the vibrancy of the state's tech sector
- ▶ Resource for innovation sector organizations, economic development community, + media

For more information about NC TECH and the State of Technology Industry Report, visit **ncotech.org**.

## ABOUT THE RESEARCHER

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