

A PUBLICATION OF



ncstir.com

North Carolina

STATE OF TECHNOLOGY

2023 Industry Report + State Rankings



North Carolina State of Technology Industry Report

Key Findings



#4 FASTEST INCREASE IN TECH OCCUPATIONS

North Carolina saw an increase in tech occupations of over **28%** in the last five years, ranking the **4th** fastest in the country!

► NC STRENGTHS

- **#2** state for Women in the Tech Industry with **36.5%** of workforce
- **#3** highest growth rate in STEM education completions from 2016 to 2021
- **#8** state in largest job creation rate from startups in 2021
- **#9** state in total Tech Industry employment growth
- **#9** state in venture capital funding per gross state product
- **#13** and **#12** in both total and business performed research + development
- Since 2019 the Tech Industry employment grew **7.8%** showing resiliency in a difficult economic time

► TECH INDUSTRY OVERVIEW

In 2021, the Tech Industry employed over **290,820** people and workers earned about **\$37 billion** in income in the state of North Carolina. The Tech Industry accounted directly for **6%** of the total jobs in the state but **12%** of the state's total wage earnings and sales. In 2021, there were over **25,368** technology establishments operating in North Carolina, an increase of **2,708** from estimates in the previous report.

► ECONOMIC IMPACT

The Tech Industry in North Carolina has an employment multiplier of **3.05** meaning that for every one job in the Tech Industry approximately two other jobs are supported throughout the state economy across all industries. **\$37 billion** in earnings in the Tech Industry supports **\$72 billion** in wages across the NC economy, accounting for over **24%** of state's total earnings. The Tech Industry contributes over **20%** to the overall state employment.

► CHANGE IN STEM PROGRAMS

The state continued its growth in this metric and bumped up another spot to the **3rd** place ranking. North Carolina has moved up several places in the rankings in this metric each year.

► TECH START-UPS

Another measure of tech transfer is the number of start-ups from universities, which can also indicate level of entrepreneurship interest. NC ranks as the **#7** state with **48** new companies to spin off from universities.

► TECH INDUSTRY EMPLOYMENT GROWTH

Employment growth rate in IT from 2016 to 2021 was **18%**. This ranks North Carolina **#9** across all states.

► TOP TIER

NC ranks among Top 15 states in:

- % of Women in Tech Industry
- Average In-State Tuition Cost
- Median Annual Earnings Adjusted for Purchasing Power
- % Change in STEM Education Program Completions
- State Spending Per Student for Higher Education
- Start-Ups from Universities
- Tech Industry Employment Growth
- Completed STEM Education Programs per 1,000 Enrolled Students
- Tech Licenses & Options Executed from Universities
- Venture Capital Invested Per \$1 Million of GSP
- Avg. Annual Wage for IT Sector Employees with Purchasing Power
- Start-up Early Job Creation Rate and Survival Rate
- Tech Occupations Growth
- Business Opening vs Closing Rate
- Avg. Annual Wage for Tech Sector Employees with Purchasing Power
- Total R&D as % of GSP
- Business Performed R&D as a % of Private Industry Output
- Tech Industry - IT (Tech Core) Employment Growth
- SBIR/STTR Funding per \$1 Million GSP
- Higher Education R&D in Science & Engineering Fields as a % of GSP

TECH INDUSTRY JOB GROWTH

One the strongest performance indicators for the state's tech industry is its recent growth and future growth potential. In the past five years, jobs in this industry have grown by almost **18%** in the state. That is the **9th** highest growth rate in the country and nearly double the national average of **10%**.

► TECH OCCUPATIONS

There are **398,600** workers in tech occupations in North Carolina. This is higher than the **290,820** workers employed by the Tech Industry. This means there is a significant portion of tech occupations outside the traditional tech companies in the state. **32%** of tech occupations are located at tech companies, the rest are employed in other industries.



#9

\$135,000

Average earning per worker in the Tech Industry

#7

North Carolina ranks seventh for Median Annual Earnings for Tech Occupations

#11

North Carolina ranks eleventh in State Spending on Higher Education per FTE Student

TECH



#2



#3

North Carolina ranks third in Average In-State Tuition. Climbing two spots from last year's ranking!

WOMEN IN TECH

NC holds its rank as the **#2** state in the percentage of women who make up the Tech Industry workforce with **36%**. For the first 4 years of this report, NC was the top state (not including DC) but was edged to second by Maine.

North Carolina
**STATE OF
TECHNOLOGY**
2023 Industry Report + State Rankings

ncstir.com

NCTECH.org
Association

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 **nctech.org**.

ABOUT THE RESEARCHER

Ted Abernathy is the managing partner at Economic Leadership LLC, an information curation consultancy firm that provides leadership to various organizations including local and state governments, chambers of commerce and private organizations. Prior to starting Economic Leadership, Ted had 30 years of experience as an economic development director for city, county and regional economic development programs. More information at **econleadership.com**.

