North Carolina State of Technology Industry Report

Findings

**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.

**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.

**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

**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

NC TECH | 2019
## 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.

## 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%)

## EXPECTED TECH SECTOR EMPLOYMENT GROWTH
North Carolina is estimated to grow its technology employment by 10.4% from now until 2022. This ranks North Carolina #2 out of all states. A few non-traditional tech states are expecting high growth due to the explosion in energy tech subsectors.

## 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.

## Average earnings per worker in the technology industry
$123,362

## 21% of all North Carolina sales revenues are generated by the technology industry

## North Carolina ranks eighth in Startups from Universities

## NC TECH | 2019

---

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
- Collection of stories that highlight the vibrancy of the state’s tech sector
- Guide for companies considering headquarters relocation or operations establishment
- Resource for innovation sector organizations, economic development community, + media
- Source of data + trends for policy makers

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.