

Alabama

Using education to bring innovation to life

This year, Alabama fell from an Innovation Adopter to a Modest Innovator, but as it emerges from the shadow of years of high unemployment, the state is promoting education to spur innovation and economic growth.

Alabama earned low marks for its tech workforce (fewer than 29 jobs per 1,000 people) and its share of residents with advanced degrees (8.9 percent), but new statewide initiatives could turn those grades around.

In her 2018 State of the State address, Governor Kay Ivey announced a plan to establish a high school in Huntsville that will enable students to pursue careers in rapidly expanding industries. “This school will prepare some of our state’s highest-achieving students to enter the growing fields of cyber technology and engineering,” said Ivey.

So far, the state has attracted more than \$3 billion in investment and created 7,000 new jobs. In Birmingham, local delivery service Shipt was acquired by Target for \$550 million, funneling investment into the local economy.

Such moves have paid dividends for the state’s workforce. Unemployment reached a record low of 3.5 percent in December 2017, down nearly 3 percent from the previous year. That’s an especially significant improvement, given that the state had the third-worst unemployment rate in the country in 2016 and seemed to be heading in the wrong direction in early 2017, when unemployment rose to 6.4 percent.

Sources: (WHNT) (Yellowhammer News) (WHNT) (Birmingham Business Journal) (Advance Local) (Advance Local) (Alabama News Center)

WHAT DID WE DO RIGHT?

Alabama allows people to operate drones without overly burdensome rules.

WHAT CAN WE DO BETTER NEXT YEAR?

Alabama can increase the percentage of people over the age of 24 earning advanced degrees, boost its tech workforce and encourage small businesses to create new jobs in the state.

WHERE HAVE WE MOST IMPROVED?

Alabama established a joint committee to study self-driving vehicles, a first step in opening roads to them.

Best & Brightest	B
Fast Internet	C-
Grants Advanced Degrees	D+
Tech Workforce	D+
Tax Friendly	C+
Attracts Investment	D
Entrepreneurial Activity	D-
Ridesharing	B
Short-Term Rentals	B
Sustainable Policies	B
Self-Driving Vehicles	B
Drones	A



Tech Workforce

A total of more than 140,000 tech jobs puts Alabama behind neighboring Tennessee and Georgia.



Fast Internet

Just over half of the households in Alabama have access to internet connections of at least 10 mbps, and 35 percent have connections over 25 mbps.



Grants Advanced Degrees

Fewer than nine percent of Alabamans over the age of 24 have advanced degrees, a step behind other Southern states but ahead of neighboring Mississippi.



Attracts Investment

Less than \$9 per capita in venture capital made its way into Alabama, but R&D investment topped \$320 per capita.

Accelerating Job Growth with Expansions in Automotive Tech

Alabama has long been a stomping ground for the automotive industry, and companies are ramping up hiring to meet demands for skilled workers.

Hyundai is partnering with Trenholm State Community College to offer industrial maintenance students internships at its manufacturing plant in Montgomery. The temporary summer opportunity can turn into a permanent job with pay up to \$80,000 and only requires a two-year degree.

Mercedes-Benz recently broke ground in Bibb County on a new Global Logistics Center and after-sales hub. Together, the facilities will house more than 400 new jobs when operations begin in 2019. Local leaders lauded the expansion as a “game-changer” for the rural area, which previously was not fully integrated into Alabama’s auto manufacturing industry.

Mercedes executives credited the local pool of skilled workers as one of the reasons the company chose Bibb County for the new facility.

PHOTO CREDIT: Hyundai Motor Manufacturing Alabama | Sources: (Tuscaloosa News) (Tuscaloosa News)

