# Business Journal.com

# NETEDC's new downtown development progam

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Plus: Special Section: Higher Education)



Jason and Julie Gilliland in downtown Erwin. Photo by Scott Robertson

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Cover Photo of Jason and Julie Gilliland at 105 Main Street, Erwin, Tenn., by Scott Robertson





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### KINGSPORT 100 ANOTHER LAYER Celebrating the Kingsport Spirit > 2017

# OF HERITAGE

Today, you'll see a brand new park open in downtown Kingsport, near the old train station. It's a monument to the city's first hundred years. Yet there's another layer of history involved in the creation of the park, which was dedicated in late August (see p.10 for more).

Armstrong Construction crews worked to build Centennial Park not too far from where the company was founded in 1915 as Armstrong Purkey.

"We started out building residential in Fair Acres," says Leland Leonard, who served as the company's president from 1977-2011. "Then we ventured into commercial. We built retail. We built the Charles Store that is now an antiques store. We built Soebel's Men's Store. We built a lot of banks and churches around town. The first Sears department store that was built here in town was out on the property where the golf course was in front of Johnson Elementary. And we built Johnson Elementary as well."

Eventually the company found its niche building schools.

"We were especially noted for school building up in southwest Virginia - Wise, Russell and Lee counties. We did work in Harlan, Ky. We built a high school up there. We built Dobyns-Bennett High School - the old high school, and added the addition onto it that made it a middle school. We built Lincoln Elementary School and added onto that. We built Jackson Elementary School."

Armstrong Construction, as it came to be known in 1939, now employs around 40 people. In addition to its retail, residential and school work, the company has also built defense-related institutional buildings, including work at Nuclear Fuel Services in Erwin, Tenn., and the National Guard armories in both Johnson City and Kingsport. Leland Leonard's son, John W. Leonard II is the current president of the company.

Armstrong Construction was actually founded before Kingsport. How appropriate that it contract to work on the symbol of the city's centennial.



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40 Under Forty honorees will be featured in the December issue of The Business Journal

# All economics is local



I'd like to humbly propose a corollary to the old adage that all politics is local. All economics is local.

I spoke recently with a Northeast Tennessee county mayor who'd had site selectors in his county looking at an industrial property. They spent more time talking about the regional workforce than anything else. 100,000 square feet of flat land is 100,000 square feet of flat land. But the company that had jobs and capital investment available wanted to know about the people in the region – not just the county – the region.

It's obvious how great national trends like the fall of the American tobacco industry or the shift in the balance of power between gas and coal can affect local communities. Just look at southwest Virginia, where localities are banding together to try to save themselves from extinction. That's not hyperbole. Population counts are dropping and local economies, bereft of their former foundations, are crumbling. Fortunately, the leaders of these communities understand the nature of the problem and are taking steps to confront it.

What's less obvious, but just as true, is the fact that Northeast Tennessee and Southwest Virginia's regional economy is now a single entity unto itself. No longer can local economic developers and elected officials pretend they are winning if they take business away from each other. They're just robbing Peter to pay Paul.

Back in the day, if Kingsport took a business away from Johnson City, it was a victory for one and a loss for the other. Now it's a wash at best. That's because we used to be able to talk about the people who live and work in Johnson City and the people who live and work in Kingsport. Today's commuter economy has negated that.

My friend and colleague Don Fenley penned a great analysis post on his webpage, *donfenley.com* recently about commuter patterns that illustrates the point perfectly.

The number of people who live and work in Johnson City, Fenley says, is now lower than the number of people who live somewhere else and commute to work in Johnson City. Just so, the number of people who live in Johnson City and commute to work somewhere else is also higher than the number of people who live and work in Johnson City. So to say we are doing something "for the people who live and work in Johnson City" means we're doing something for a dwindling minority of the population.

Fenley's data, from Census Bureau numbers, shows the same phenomenon to be true for Kingsport and Bristol as well. What we used to think of as the regional economy is, in fact, now the real local economy. That which hurts Elizabethton, or Erwin, or Church Hill or Mountain City, hurts Bristol, Johnson City and Kingsport. That which helps Rogersville, or Greeneville, or Bluff City, helps Abingdon and Wise and Mosheim. The economic commonalities and differences aren't drawn along Friday night football boundaries anymore.

When it comes to attracting and keeping jobs and investment, we are viewed as a single entity, whether we all want to think of ourselves that way or not.

We are all the people who live and work in this region. The sooner we make that the cornerstone of our economic and community development efforts, the better our chances of real economic growth and prosperity in the future.

Sout I the

## KINGSPORT 100 Celebrating the Kingsport Spirit > 2017

## **Kingsport Centennial Park**

Kingsport's centennial celebration continued Aug. 27 with the ribbon cutting and dedication of Centennial Park. The park, near the old train station downtown, will serve as a lasting commemoration of the Model City's first century. Eastman executive CeeGee McCord, co-chair of the Centennial Commission welcomed a crowd of several hundred residents, while Mayor John Clark led local schoolchildren in cutting the ribbon.





Kingsport Centennial Commission Co-chair CeeGee McCord welcomes the crowd to the festivities, Aug. 27.



Mayor John Clark led a group of city children in the ribbon-cutting ceremony. Photos by Bill Derby



Art students from Lincoln Elementary and Dobyns-Bennett High School made 6-by-6-inch tiles highlighting Kingsport's transportation industry.



Hundreds gathered for the dedication near the former train station downtown.



City children immediately began enjoying the splash pad.

# New accepted home sale contracts continue at record pace

Tew pending home sales were flat in July while the total number of accepted contracts N that have not closed increased by 90. While the market is seeing some expected seasonal slowing, pending sales continue at a record pace.

According to the Northeast Tennessee Association of Realtors' (NETAR) Pending Sales Report and data from Realtor Property Resource, there were 785 new contracts on singlefamily resales accepted in July, compared to 786 in June. Added to offers that have not closed it brought the July total to 1,100, up 90 from June. Pending sales typically move to closing in a month to six weeks, and it's normal for up to 4 percent of them to fall through.

"We've seen the number of single-family, townhome, and condominium with accepted offers increase at the rate of 700 plus a month since March," said NETAR President Eric Kistner.

The active, pending sales inventory, is now at a 13-month high -21 percent higher than it was last year, he added. "The rate those offers have moved to closing has slowed in the past couple months due to several factors." Some of those factors include more contingency offers, appraisal delays and the sheer number of deals in the pipeline. And then there are the new regulations that have slowed down what used to be the normal process.

Year-to-date data show new pending sales are 10.2 percent higher than the first seven months of last year while the total active pending sales count is up 7.3 percent.

During the first seven months of this year, the average listing price has increased from \$218,606 last year to \$238,638, up 9.2 percent. The median listing price – the point where half of the listings are higher, and half are lower - has increased to \$166,771 from \$155,995 - up 6.9 percent.

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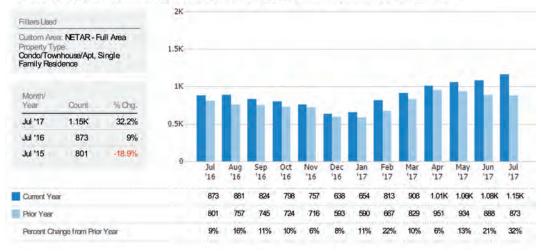
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#### Pending Sales

The number of single-family, condominium and townhome properties with accepted offers that were available at the end each month.



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By Scott Robertson

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DOWNTOWN ERWIN LOAN PROGRAM SEVENTY FIVE THOUSAND DOLLARS and 00/100\*\*\*\*

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LOAN PROGRAM

Bank of Tennessee, First Tennessee Bank and Mountain Commerce Bank have created a new loan program to assist downtown businesses. Representatives of all three banks were on hand for the presentation of the first loan check to entrepreneurs Jason and Julie Gilliland at a ceremony in downtown Erwin Aug. 17.

1234567891

"It mitigates the risk for all of the banks involved," said Garland "Bubba" Evely, city executive for Bank of Tennessee, who was the first banker involved in the project. "That allows us to work with some smaller downtown projects than any one of us might do."

The program also benefits the loan recipients in other ways. "This downtown loan program allowed us to save some up-front money – not spend it on closing – so we could put that toward the improvements our building needed to change it to the use we're envisioning," Jason Gilliland said. Gilliland and his wife Julie plan to create a restaurant on the lower level of the former antique mall at 105 Main Street, with two loft-style living areas on the upper floors.

Interior demolition began in late July, the Gillilands said, with a healthy amount of TLC needed. At the time of the loan announcement, the entire façade of the old storefront had been ripped away, as had the majority of the floor on the second level and the first level ceiling.

"Julie and I had been mulling over investment opportunities in and around the Johnson City area since last fall," Gilliland said. "We were introduced to the folks at the Bramble, and we were very intrigued by the improvements going on in downtown Erwin, and on Main Street infrastructure. We recognized the appreciation for and commitment to its downtown that the town had and their overwhelming desire to work with developers to improve the quality of life here. So there was no question we needed to invest here in Erwin."

The loan program lends funds to businesses in the eligible busi-

ness district at 4 percent for up to 15 years depending on the life of the asset being financed. "This program got established and made its first loan all within a month," said Ken Rea, First Tennessee Development District (FTDD) deputy director for Economic and Community Development.

Business owner Jason Gilliland accepts the first check from the

new downtown loan program. Photo by Scott Robertson

Created under the auspices of the FTDD's Northeast Tennessee Economic Development Corporation (NETEDC), the Downtown Erwin Loan Program is similar to existing programs already in place in Johnson City and Greeneville, Tenn.

The existing downtown loan programs in Johnson City and Greeneville have been put to good effect since the inception of the first program in 1991. NETEDC loan funds have been used to complete projects ranging from the purchase of a building to major renovations including roof replacement, HVAC upgrades and equipment purchases.

The owners of the old Mansy Building in downtown Johnson City received redevelopment loan funds in 2008. That building is currently occupied by Freiberg's Restaurant on the ground floor, with Sparks Plaza's office space on the second floor and a condo on the third. It was one of the first major renovations of a downtown building under the program.

More recently, the London Lofts building in Johnson City was the beneficiary of another downtown redevelopment loan. That loan, approved in 2014, allowed the location of a Trek bicycle store in downtown Johnson City, with build-out of 20 apartments on the floors above.

In Greeneville, the law firm of Santore and Santore received a redevelopment loan in 2015 for renovations to existing office space near the courthouse. To date, NETEDC has made 102 loans totaling \$7.1 million in the creation of 688 jobs.





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# United Way of Southwest Virginia to host Career Expo, Leaders Breakfast

By Scott Robertson

I magine if the United Way decided to be not just a clearinghouse where employers could go to guarantee their charitable contributions would be well-directed, but to also be one of the driving forces in addressing issues like regional workforce development. Imagine what it would be like if that familiar not-for-profit brought together CEOs, legislators, administrators, workforce investment boards and school system superintendents to begin addressing workforce issues. And imagine what could happen if the business community, including the region's largest employers, backed that United Way's play.

It's all very real, and happening right now in Southwest Virginia.

On Sept. 26 and 27, the United Way of Southwest Virginia will, through its Ignite program, host a Careers Expo for Youth at the Washington County Fairgrounds. More than 4,300 seventh grade student from 46 schools in 17 systems will attend. They will be introduced to regional employers in 16 different career paths, with more than 75 hands-on activities, all the while learning about the jobs and careers available within a few miles of their homes.

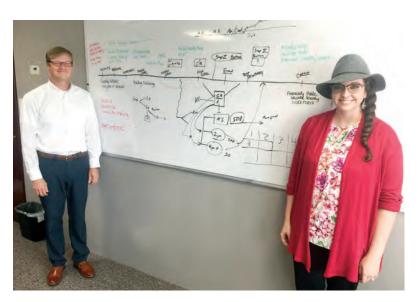
As that event is taking place, on the morning of Sept. 27, Travis Staton, president and CEO of the United Way of Southwest Virginia will be joined onstage at the Operation Tomorrow's Workforce Leaders' Breakfast by Steve Smith, the president and CEO of K-VA-T Food Stores (Food City); Alan Levine, president of Mountain States Health Alliance; and Stephen Moret, president and CEO of the Virginia Economic Development Partnership to address workforce issues. More than 200 regional business, economic development and education leaders are expected to attend.

"Over the past four to five years, we have been pulling together leadership throughout Southwest Virginia to collaborate, talk to one another and work together," Staton says. "At this breakfast we would like to begin laying out actionable steps. We have some resources we want to bring to the table, and functions we want to share with the rest of the business community."

Filling the gap between the worlds of learning and work involves doing some new and different things, Staton says. "It means bringing some teachers out into workplaces. It means bringing some businesspeople into the classroom. Our best teachers may not be aware of what local employers can offer as the best career options to their students. This Careers Expo is not only to expose students to careers, but also to help teachers know what's available."

In addition, the Ignite program will cover substitute teacher costs to allow sixth grade math and science teachers to visit regional employers. That program also connects middle and high school students with employers through career guidance and work-based learning. This year, 16 school systems in Southwest Virginia have signed on to the program, creating a total reach of around 26,000 students.

Using the software that's part of the Ignite program, Staton



Travis Staton and Brianna Morris Fillers at the offices of the United Way of Southwest Virginia in Abingdon. Photo by Scott Robertson

says, administrators will be able to put together a clear picture of how many students want to pursue particular career paths, thus helping both educators and employers plan for the short- and long-term future.

"The Expo is just one piece of the Ignite program," says Brianna Morris Fillers, marketing and communications manager for the United Way of Southwest Virginia. "It's designed to help make the students and teachers better aware of the employers here and inspire them to see if they might want to pursue one of those careers here. But then they will go back to the school, take their career assessment, and make their plan with their Ignite coordinator."

Clearly, this is not your father's United Way.

The fact that this "community impact" model for the United Way is so remarkable that Staton and his team were invited to speak at a United Way worldwide conference earlier this year is a powerful story in and of itself. Staton, however, prefers not to look back at the changes in the organization, but rather to look forward to the positive changes communities in Southwest Virginia can realize as a result.

"We are well-positioned with our capacity and the beauty of the United Way and its localness. We have the ability to change and adapt where other organizations can't be that nimble," Staton says. "People don't need us to do the things that Guidestar and Charity Navigator do today. People need more of an organization that can lead positive change, and can identify what areas need to be brought up and focused on. At the end of the day, this is still about good education, stable income and health."

# United Way of Bristol initiates "Jobs for Life" program

By Scott Robertson

"You hear about giving a man a fish versus teaching him to fish," says Scott Emerine, the chairman of the Jobs for Life steering committee for the United Way of Bristol. "What we're finding more and more in society now is that we have to teach the importance of fishing before we teach how to fish. Jobs for Life doesn't just teach students how to obtain jobs. It teaches how important jobs are."

It's an unfortunate fact that some in the community find it's easier to stay out of work than to hold a job. "Nothing attacks one's dignity like a lack of work," says Lisa Cofer, executive director of United Way of Bristol, who says some individuals will hold a job until having that job is about to infringe upon their ability to collect other benefits, then will leave the job to stay "on the dole."

It's those people the United Way of Bristol is hoping to reach with the Jobs for Life program, Emerine says. "So often, the focus is on food, clothing, shelter, and health care. We feel if we can help people obtain jobs, then the other items needed will diminish as graduates grow and are mentored."

The program is strongly faith-based, Cofer says. "Jobs for Life believes the solution to unemployment lies in the local church. By training, equipping and connecting churches, ministries and businesses Jobs for Life helps prepare men and women for meaningful work."

Churches and community programs identify candidates for the

program, Emerine says. Local businesses provide instructors and churches provide mentors. The program takes about eight weeks to teach skills to help individuals gain employment. "This is not a job place-

ment agency," Emerine says. "We realize we can't just give them a certificate after eight weeks, pat them on the back and say, 'good



Jobs for Life Director or Training & Leadership Development Shay Bethea teaches Bristol Jobs for Life volunteers about relational poverty. Photo courtesy JFL

luck and do well.' We will follow these students and be able to fuel their self-worth."

The first training session for JFL volunteers took place at the United Way of Bristol TN/VA offices Aug. 29, with around two dozen citizens taking part. Sixteen total classes will be held on Tuesday and Thursday evenings beginning this month.



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# GO VA Region 1 plan headed to GO Board

By Scott Robertson

Following a whirlwind August and a Sept. 7 board meeting in Wytheville, GO VA's Region 1 (GO VA 1) staff is sending the region's Economic Growth and Diversification Plan to Richmond for review and approval by the state GO Board Sept. 12.

The statewide organization mandated the creation of such plans by each of the nine regions in the Commonwealth to, "identify economic opportunities, needs, and challenges, establish priorities among those opportunities, and outline needed enhancements where GO VA grant funds can support collaborative programs between at least two or more localities that will lead to the creation of additional higher paying jobs."

As a first step in creating the 167-page Region 1 plan, 19 different strategic plans, economic blueprints, and similar products from across the region and labor shed were studied at the outset. A consultant – Chmura Economics and Analytics – was engaged to analyze the region's demographics, workforce and economic data to pinpointing strengths, weaknesses and potential industrial gaps.

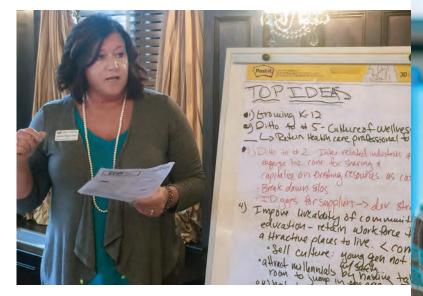
In addition, a citizen survey was opened online, while at the same time, regional meetings were held in each of the three Region 1 planning districts to discuss ideas and strategies for addressing the economic challenges facing the area.

The citizen survey heralded the overall sense of urgency for an economic reset in Southwest Virginia as it showed that a quarter of the people living in the region are considering relocation, primarily due to economic conditions. Such an event would only exacerbate what is already considered the gravest challenge facing Southwest Virginia – a dwindling population.

Each regional conversation built upon the previous one, resulting in six strategic goals that the participants believed should be considered in formulating the Growth and Diversification Plan:

- 1. Strengthen existing leadership and foster next generation leadership.
- 2. Cultivate entrepreneurs, and support and diversify existing businesses.
- 3. Develop regional collaboration for workforce and education (including K-12) and expand, market and grow regional educational resources.
- 4. Leverage broadband infrastructure to promote the ability to work remotely and grow information technology (IT) infrastructure and technology hubs.
- 5. Create a new identity for the region as a "culture of wellness" and promote the region's high quality of life, assets, and amenities through marketing and telling positive stories of the region.
- 6. Coordinate and focus workforce programs to align with industry and economic development targets.

Analysis of all the input led to the creation of a short list of industries that a draft of GO VA 1's plan says, "could signal a



Melinda Thayer Leland of Virginia Highlands Community College outlines recommendations during the Aug. 3 stakeholder meeting in Marion. Photos by Scott Robertson

new age of high wages, job opportunities, and an evolving, lively Southwest Virginia economic landscape."

- Advanced Manufacturing
- Agriculture and Food Manufacturing
- Information and Emerging Technologies
- Energy & Minerals

In addition, the plan offers some specific strategies for each initiative that would support existing local companies and entrepreneurs while promoting investment and location of prospective industries.

- Talent Development: Education, Workforce and Leadership Capacity
- Entrepreneurship and Innovation
- Infrastructure

One key foundation to the GO VA 1 plan is, "strategic investments in developing a workforce with industry-recognized credentials and meaningfully engaging employers in the workforce conversations." Other keys include cultivating innovation and building the region's capacity for leadership.

"Southwest Virginia's challenges are complex and multi-faceted and require resourceful solutions," the draft plan says. "By utilizing elusive qualities such as the aforementioned innovative thinking and leadership development, the results needed for an economic resurgence in the region are achievable."

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# Southwest Virginia Higher Education Center to offer cybersecurity certifications through ODU

By Scott Robertson

Institutions like the Southwest Virginia Higher Education Center are founded on the concept of partnerships beneficial to the surrounding region. That description fits the creation of the just-announced Cisco Networking and Cybersecurity Academy at the center to a tee.

In an environment in which Virginia alone has more than 17,000 cybersecurity job openings, the center's executive director, David Matlock, was eager to find a way to offer training in that field to Southwest Virginia students on a non-credit basis. This spring, the human networking began.

Southwest Virginia employers including Food City and First Bank & Trust, as well as entities including Washington County and The Southwest Virginia Association of Manufacturers provided letters of support as proof of a market for employees with those certifications.

Matlock contacted Deri Draper at Old Dominion University. "David called me and said, 'There's a tobacco grant coming up in two weeks. Do you want to work on it with me?' So we worked on a non-credit bearing certificate program with non-ODU instructors teaching the local folks so they could earn cybersecurity and networking credentials and help revitalize the area," Draper says.

James Shaeffer, founding dean of the College of Continuing Education at ODU immediately bought in. "For us to have an opportunity to provide education for people who will then help solve an economic development issue and a workforce development issue, it doesn't get any better than that."

The Tobacco Commission's education committee approved the \$190,000 grant May 3, with Executive Director Evan Feinman saying, "We remain deeply committed to developing a diverse economy in the areas we serve and this project is a perfect example of that commitment. The entire technology sector, particularly cybersecurity, is growing incredibly rapidly and positioning Southwest Virginia to take advantage of that growth is critical to the region's future."

Tobacco Commission Chairman, Delegate Terry Kilgore echoed Feinman's comments, adding, "The Tobacco Commission is proud to partner with Southwest Virginia Higher Education Center and Cisco to offer this program. Along with providing great jobs itself, cybersecurity is crucial to the growth of industries that provide jobs for our region such as manufacturing, health care, IT services and more. If a business is looking to relocate or expand, we must be ready for them, and this program will ensure that."

The tobacco commission money will go toward the purchase of equipment that will allow the teaching of several certifications. In addition, the Southwest Virginia Higher Education Center is putting in another \$30,000 in scholarships, Matlock says.

The cybersecurity courses that will lead to Cisco CCNA Security certification will include NDG Forensics, NDG Ethical Hacking, NISGTC Linux+, NISGTC Python Security and NISGTC Security+. In addition, the National Center for Systems Security and Informa-



Jeffery Webb, SWVHEC CIO and Connie Estep, community and student success director for ODU's office of distance learning in the server room at the higher education center. Photo by Scott Robertson

tion Assistance will hold cyber defense competitions for students.

These will all be stackable credentials, Matlock says. "That means this can be a key component to recruiting new business to Southwest Virginia. I told Whitney Bonham (Washington County deputy county administrator for economic development) what we were doing and she practically started doing cartwheels. This is big."

Randy Woodward, vice chairman of the Washington County Industrial Development Authority, says the benefits will also accrue to local students who until now have had to leave the region to get this kind of training. "I've been involved with the Cisco Network Academy at the Washington County Career and Technical Center for the last 18 years. I'm ecstatic that we finally have the ability for our students to go from the high school through community college on into the post-secondary system with ODU. These kids have the opportunity to change their lives. Depending on their desire, they can come out of this program into the \$150,000 - \$200,000 salary range easily."

The first courses are slated to begin in January 2018.

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# Virginia Highlands Community College enhancing education with soft skills

By Scott Robertson

TAThen the administration at Virginia Highlands Community College (VHCC) began the Southern Association of Colleges and Schools Commissions on College reaffirmation process more than a year ago, it looked for a way to enhance the quality of the education the college offered in a way that would truly differentiate the school over the next five years or more.

Because VHCC has a broad range of students, some of whom just want to obtain one certificate and others who want to go on to law school, the program needed to benefit a range of students. The idea the administration settled on, says Gene Couch, VHCC president, came from the business community. "We've heard loudly and clearly from our businesses and industries we could have a great impact on our students if we could teach those soft skills. We call (the plan) Learning-Plus, and we have operationally defined it in four major categories."

Starting this semester, all VHCC students will have at least one graded assignment in one of four areas of soft skills in every class. At the end of the program, there will be at least one capstone experience



Students demonstrate skill sin communications and teamwork. Photo courtesy VHCC

where students will integrate that experience.

Attacking so large a set of behaviors at once is an eyebrow-raising choice, especially when one considers the need for accountability in the reporting of results. Couch says he's aware of the challenges, but believes the college is ready to meet them.

"We recognized there would be questions about how we would be able to say whether we've been able to move the needle. We think we

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have the methodology to get there. We have looked at all the literature and research. We have been working on this for 18 months. We didn't just go huddle in the broom closet and come back and say, 'let's go with this.'

"We've been pretty thoughtful about what we're going to do and how we're going to measure it. We're going to pretest, have experiences and then post-test. We're using experiential learning as the methodology. We're not just lecturing."

#### VHCC Soft Skills for Workplace Success

### Communication: Maintaining open, effective, and professional communications

• Listening: Consider the viewpoints of others demonstrated through verbal and non-verbal behaviors

• Speaking: Share information and understanding verbally in a clear and coherent manner appropriate for various audiences and consistent with workplace expectations

• Self-management: Maintain composure and a positive attitude even in difficult situations

### Professionalism: Demonstrating appropriate workplace demeanor and behavior

- Punctuality/Reliability: Fulfill work obligations in a reliable manner
- Attendance: Fulfill obligations in compliance with your employer's policies and work schedule
- Appearance: Present oneself in work-appropriate dress with atten-

tion to personal hygiene

- Work Ethic/Integrity: Interact with your employer and others with honesty and personal responsibility
- Organization: Approach work and workspace efficiently and systematically
- Time Management: Effectively set goals and priorities and manage deadlines

### Problem Solving: Demonstrating flexibility, desire to meet challenges, and ability to find solutions

- Problem Identification: Recognize and articulate challenges
- Adaptability: Recognize and embrace new approaches to address challenges
- Solution Development: Identify multiple possible responses to identified challenges

### Teamwork: Showing the ability to develop and maintain constructive working relationships

- Interpersonal Skills: Apply verbal and non-verbal communication skills in a manner appropriate to create and maintain workplace relationships
- Enthusiasm/Attitude: Demonstrate a personal responsibility and dedication to advancing organizational goals
- Respect/Civility: Demonstrate an open-minded and flexible attitude towards perspectives and approaches that derive from diverse backgrounds
- Collaboration: Demonstrate willingness to contribute to tasks and recognize the contributions of colleagues



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Across the nation and throughout our region, business leaders indicate that one of their greatest challenges is finding employees with the interpersonal and professional skills required for success in the 21st century workplace. Today's college graduates often possess the technical skills needed to perform the job, but fall short with the "soft skills" that enable them to be on time for work, dress appropriately, communicate effectively, contribute to a team and exhibit other characteristics that would transform them from acceptable employees into great employees.

Virginia Highlands Community College is stepping up to this challenge with LearningPLUS+, an ambitious project that combines soft skills instruction with meaningful hands-on experiences in all of our courses. At VHCC, we're committed to LearningPLUS+ because we're committed to student success and the needs of our communities. LearningPLUS+ is our way of ensuring VHCC graduates have the skills they need to be successful in life and in the workplace.



VHCC is an EEO/AA Institution

Since its inception in 1967, Virginia Highlands Community College has been committed to making our region a better place to live, to work, and to learn. We're proud of the role we've played in strengthening the community and enriching the lives of those who have passed through our doors.

We continue our commitment to excellence this fall by looking back at five incredible decades during our 50<sup>th</sup> Anniversary Gala. Following a formal dinner, we'll recognize 50 outstanding alumni from across the decades and share their stories of success. Grammy Winner Richard Leigh (VHCC Class of 1973) will provide entertainment during this special celebration.

Saturday, November 4 Heartwood: Southwest Virginia's Artisan Gateway VHCC Campus, Abingdon Cocktails at 6:30 p.m., Dinner at 7:30 p.m. Black Tie Optional

*Tickets for this special event are \$50 per person and can be purchased online at www.vhcc.edu/Gala 50 or by calling (276) 739-2473.* 



Celebrating 50 Years Looking Back. Moving Forward. An EEO/AA Institution

# Milligan engineering program rolls into second year

By Scott Robertson

A s Milligan College's engineering program begins its second year, it is expanding on what is a very practical education. The college strives to train students to be productive from day one, says Dr. Greg Harrell, the program's director.

It seems to be working. More than half of the first class of students wound up in engineering internships over the summer. "These weren't jobs in the mailroom or sweeping floors," Harrell says. "These were engineering.

That is very unusual for rising college sophomores, but Harrell says it's happening by design. "We started this program because Eastman asked us to, but once we got started, other industries like Nuclear Fuel Services, NN Inc., and TPI all saw the model we built this program on is not just a great way to train engineers, but also is a great way to have experience, work-ready skills, knowledge and ability to be able to do things. So a lot of our industries around here started hiring our students very early in the game. That's a testament to their confidence that we are training up our students to be able to accomplish things out there.

It's the focus on the practical that employers appreciate.

"We are teaching and training engineers to be able to do things, not just to understand the profession," Harrell says. "One of our primary and principle actions is to move our students from merely understanding the theories, concepts and ideas of engineering to applying that understanding to the real world. In other words, we want them not only to understand those things, but to be able to do those things."

The difference is not subtle. "You know, in the Winter Olympics you have ski jumping where a skier will zoom down a huge hill and launch out and fly as far as they can go," Harrell says. "I understand that sport quite clearly. I don't want to do that sport, though. I do not have the capability to do that sport.

"Well, we want our engineering students to not only understand how to do engineering, but to be able to actually do the engineering activities. So we start freshmen on projects their first day." Those projects will help students learn theory down the road, so that once they begin learning the principles behind power transmission in a gearbox, for instance, they've already handled one. But more importantly, the projects have connections to real world problems.

"We want our students to be looking outside themselves to be targeting projects, ideas and problems they can solve – to solve somebody else's problems and changes somebody else's life," Harrell says.

One particular project struck home for most of the freshmen last year. "Many of these students had a Walmart Jeep when they were children," Harrell says. "They have memories of jumping into that Jeep and opening a whole new world of stepping on the accelerator and turning the steering wheel and feeling that freedom and that power and that fun.

"But now," Harrell says, "think of a kid with muscular dystro-



Dr. Greg Harrell with a specially re-engineered Walmart Jeep. Photo by Scott Robertson

phy, a degenerative muscle disease. That kid may not have the strength to push the accelerator or to turn the steering wheel. It's out of their reach. That's tragic.

"Our freshmen last year took on a project to convert a Walmart Jeep from steering wheel/accelerator drive to joystick control. So we made a Walmart Jeep that can go backward, forward, left and right with the effort of barely moving the fingers on one hand – almost no effort."

Yes, it's a feel-good project, but it is also very real mechanical and electrical engineering. "Our students took on this project with a ton of help from an organization called 'Go Baby Go Rocky Top' in Knoxville and a local organization called 'Adapt to Play," Harrell says. "Our freshmen built a car and gave it to a little boy with spina bifida. Our students got exposed to a lot of good knowledge - but the real payoff was seeing that boy's face when he grabbed the joystick and took off."

So just as much as building a solar-powered HVAC system or a water purification system, the creation of a modified Walmart Jeep is a picture of Milligan engineering, Harrell says. "This is what we want to do. We are filling a need that's real."

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# Hurley named president of Tusculum College

Dr. James Hurley has been named the 28th president of Tusculum College. He will begin his tenure Oct. 1. Hurley was selected after a nationwide search that was initiated following the retirement announcement by current president Dr. Nancy B. Moody earlier this year.

Hurley comes to Tusculum from Lincoln Memorial University where he served as executive vice president, dean of the School of Business and professor of leadership and education. Under his guidance, LMU enrolled its largest class, added many new academic programs and the School of Business grew by more than 60 percent. Hurley previously served as president of his alma mater, the University of Pikeville. During his tenure, UPIKE achieved its largest enrollment in history, experienced unprecedented programmatic growth and was named the 20th fastest-growing college in the U.S. by "The Chronicle of Higher Education."

"Dr. Hurley's outstanding track record of executive leadership and administration has led to significant enrollment growth, faculty excellence, new programs and financial stability in the institutions he has served in his career," said Dr. Greg Nelson, chairman of the Search Committee and member of the Tusculum College Board of Trustees. "His strong demonstrated capability to connect with students, faculty, staff and the greater community was evident to our entire Tusculum community during his campus visit. Not only does James bring a high energy level, knowledge, and passion for higher education in the Appalachian region, he also brings a strong network of regional and national leaders which will greatly benefit Tusculum College."



Dr. James Hurley

Hurley succeeds a well-respected President Emerita. During Moody's tenure Tusculum

completed the most successful fundraising campaign in its history, raising more than \$26 million, constructed two new apartment-style residence halls and a 100,000-square foot science building, and increased the endowment by more than \$6 million.

"I am honored and humbled to have the opportunity to lead Tennessee's oldest college with its rich history, heritage and commitment to higher education in Appalachia. I was drawn to Tusculum because of its intentional mission of educating first-generation college students, the deliberate focus on the Civic Arts and deeply committed trustees, faculty and staff. Tusculum is a special place with a prolific history and a bright future," Hurley said.



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# King University's M.S. Nursing Administration degree ranked among top online programs

By Scott Robertson

The Best Master's Degrees recently ranked King University's Master of Science in Nursing (MSN) – Administration degree program among the top 30 online master's programs in the nation. "The School of Nursing is honored to receive this national ranking," said Tracy Slemp, DNP, FNP-BC, dean of King's School of Nursing. "We strive to provide a rigorous, quality, and affordable education to nurses who can lead our regions healthcare agencies. This ranking is proof King University is among the nation's best at providing an affordable education within a Christian learning environment."

According to the Bureau of Labor Statistics, the employment of medical and health services managers is projected to grow by 17 percent through the year 2024, much faster than the average for all occupations.

King's MSN Administration degree focuses on the application of specialized knowledge and skills in nursing administration to prepare the graduate to be successful in mid-level and upper-level management positions. Selected clinical, administrative, and research experiences provide the students with the opportunity to function as a nurse executive. Students also study concepts and theories related to financial and economic aspects of health care, health care policy, nursing delivery systems, resource management, human resources, program evaluation, and organizational leadership with an emphasis on the interpersonal and visionary attributes of the nurse leader.

The methodology utilized by The Best Masters Degrees included a review of 96 accredited colleges and universities listed by the National Center for Education Statistics (NCES) College Navigator that offered online master's in nurse administration or closely related degree programs. TBMD retained those institutions with national or regional rankings from major publications like *Forbes* magazine or *U.S. News and World Report* and listed the 30 most affordable. The most recent in-state graduate tuition rates were obtained from NCES College Navigator.

The baccalaureate degree in nursing, master's degree in nursing, and Doctor of Nursing Practice programs at King University are accredited by the Commission on Collegiate Nursing Education.



# **ETSU engineering program has first students**

ECU donation funds synchronous classrooms

By Scott Robertson

With classrooms in which students on the Johnson City campus can receive instruction from professors at Tennessee Tech, the much-anticipated engineering program at East Tennessee State University has welcomed its first students. Two synchronous classrooms, funded by a \$250,000 donation from Eastman Credit Union, will allow the partnership between the two institutions to flourish.

Dr. Keith Johnson, chair of the Department of Engineering, said, "ETSU is responsible for teaching 50 percent of the curriculum and Tennessee Tech the other 50 percent. When Tennessee Tech is teaching a class, we need to be able to receive live streaming so our students can interact in those classes. So these synchronous classrooms will allow interactions between the classrooms."

The two schools have spent more than three years ironing out the details of the partnership. It was in a December 2013 article on bjournal.com that Linda Garceau, then-dean of the ETSU College of Business and Technology, first acknowledged talks with TTU.

"Tennessee Tech's president, Phil Oldham and I sat down together," ETSU President Dr. Brian Noland said Aug.10. "He outlined challenges they faced in the Upper Cumberland; I outlined challenges that we faced here and essentially we agreed to partner. We're taking the Doctorate of Nurse Practitioner or DNP program to Cookeville. They're bringing engineering here."

The joint degree in general engineering offered by ETSU and TTU is the only one of its kind in Tennessee and one of only four such programs in the nation. Students may apply at either ETSU or TTU and will receive diplomas reflecting graduation from both schools.

ECU announced it will fund the audio and video conferencing equipment for the two synchronous classrooms in Wilson-Wallis Hall to allow ETSU and TTU to broadcast interactive classes for students at both campuses.

"We're honored to support this program. We have a longstanding relationship with ETSU that's built on a common desire to help make our local economies as strong as possible. ECU is proud of that partnership," said Olan Jones, CEO and president of ECU.

"This gift from ECU is important because it's the first gift," said Dr. Dennis Depew, dean of the ETSU College of Business and Technology. "We'd like to be able to say, 'Look what Eastman Credit Union has done, it's time for others to step forward and help us as well."

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### Northeast State cardiovascular technology programs reaccredited

By Scott Robertson

The Cardiovascular Technology (CVT) programs at Northeast State recently earned reaccreditation from the Joint Review Committee on Education in Cardiovascular Technology (JRC-CVT). Northeast State is one of only two colleges in Tennessee to offer a CAAHEP-accredited program in this healthcare discipline.

Career options look bright for cardiovascular technologists, according to national labor forecasters. The U.S. Bureau for Labor Statistics reports the employment opportunities for cardiovascular technologists and technicians is projected to grow 22 percent from 2014 to 2024, much faster than the average for all occupations.

The invasive and non-invasive CVT programs prepare students for a career in the healthcare field with special emphasis in cardiovascular catheterization labs and echocardiography labs.

A peer review conducted on-site earlier this year by JRC-CVT proctors graded the programs' compliance with nationally recognized accreditation standards. The review was conducted in February at the Regional Center for Health-Professions building on the Northeast State at Kingsport campus. The Committee notified the department of the accreditation earlier this month.

"I was thrilled with the results of the accreditation," said Angie Slone, director of the Cardiovascular Technology program at Northeast State. The Commission on Accreditation of Allied Health Education Programs (CAAHEP) awarded continuing accreditation to both the Invasive and Non-Invasive Cardiovascular Technology programs at Northeast State. JRC-CVT and CAAHEP's Board of Directors recognized the program's substantial compliance with the nationally established accreditation standard. CAAHEP accredits programs in cardiovascular education, upon the recommendation of the JRC-CVT. Upon completion of the review, all program areas complied with JRC-CVT standards with no deficiencies noted.

Cardiovascular Technology focuses on the diagnosis and treatment of patients with cardiac and peripheral vascular disease. Invasive Cardiovascular technologists assist in invasive cardiovascular catheterization and related procedures in laboratories of medical facilities. Non-Invasive/Echocardiography technologists assist in echocardiography and exercise stress testing in laboratories of medical facilities.

"The two-year CVT program is ideal of Tennessee Promise students," said Slone. "A student who wants to pursue the cardiovascular technology major can complete an associate of applied science degree debt-free and start an ever-growing career in the health care field."

The CAAHEP cooperates with professional societies including the American College of Cardiology, American College of Radiology, American Society of Echocardiography to establish standards of quality for educational programs in Cardiovascular Technology. The Commission provides recognition for educational programs that meet or exceed the minimum standards.



## MSHA ran lean in '17 Operating revenue up, admissions down

By Jeff Keeling

A shift toward outpatient care and some loss of market share didn't hurt Mountain States Health Alliance's (MSHA) bottom line during fiscal 2017. Instead, a "continued focus on expense management" – which included a 6.5 percent reduction in full-time equivalents – helped MSHA finish the year that ended June 30 with operating income just shy of \$44 million. That marked a 40 percent increase from fiscal 2016's \$31.3 million, despite the system performing fewer surgeries and admitting fewer patients, and it yielded a \$6 million "team member incentive payout" where none was forthcoming last year.

The figures come from Johnson City, Tenn.-based MSHA's fourth-quarter report to bondholders, posted in mid-August. Kingsport, Tenn.-based Wellmont Health System had not posted its year-end report when the Business Journal went to press, but through three quarters, Wellmont had seen gains in admissions and surgeries from 2016. All figures for both systems are unaudited.

In its management discussion, MSHA noted that it has been working since late calendar 2015, in collaboration with physicians and payers, to reduce both "avoidable readmissions" and "lower acuity" admissions. The strategy mirrors trends in healthcare nationally. Along with avoiding unnecessary hospitalizations, it reduces the overall cost of care. And with payment reform apparently here to stay, the initiatives "assist Mountain States in continuing its success with the increasing prevalence of value-based purchasing incentives, from which Mountain States may generate incentive dollars or avoid penalties."

Indeed, despite inpatient admissions declining 0.8 percent year to year and overall "patients in bed" dropping 1.7 percent, MSHA had patient service revenue \$4 million higher than FY 2016 (both years' totals hovered around \$1.16 billion).

#### **Running leaner**

Even though the patients MSHA treated were on average sicker, the average length of stay for the year decreased a couple of percentage points, from 4.62 days to 4.53. According to the management discussion, despite "higher acuity" patients, including in Medicare, "the acuity adjusted acute Medicare Length-of-Stay declined by 3.3 percent, leading to substantial productivity improvement in the hospitals."

Those patients were cared for by fewer staff as well. The system had 7,330 FTEs (full time equivalent positions) in FY 2016 and just 6,850 in FY 2017. That left the "FTEs per adjusted occupied bed" – the primary measure of labor efficiency – at 4.34, down 4.6 percent from FY 2016's 4.55. Between salaries, physician salaries, contract labor and employee benefits, total expenses related to staffing were down 1.7 percent, from \$536 million to \$526 million.

#### Unexplained (though perhaps not inexplicable): Provision for bad debts plummets

One of the biggest shifts that contributed to an improved bottom line came without an explanation, at least in the quarterly report. Provision for bad debt dropped from \$137.7 million in FY 2016 to \$120.9 million. That change boosted a \$4 million increase in patient service revenue to a \$21 million increase in "net patient service revenue."

The swing helped offset another sharp revenue decrease. "Other operating revenue" declined from \$48.7 million in 2016 to \$34.8 million in 2017, most likely due to the wind down of CrestPoint, the Medicare advantage product. In short, without a huge decrease in bad debt provision, MSHA would have seen its operating income come in at about \$27 million – about 13 percent lower than 2016's figure.

#### Trends unlikely to reverse

If they remain competitors, MSHA and Wellmont are likely to see market share shift back and forth between them as it has in the past. MSHA's analysis, though, seems to point to that pie continuing to shrink as it relates to hospital systems' traditional bread and butter of inpatient admissions and surgeries.

As noted in the management discussion: "At a macro level, these volume declines can be attributed to (1) fewer elective surgeries and procedures performed due to a continued increase in high-deductible health plans and consumer awareness (2) large physician groups continue to transition from fee-for-service to risk-based coordinated care (3) continued shift from fee-for-service to managed Medicare and (4) population declines in the rural service area."

MSHA appears set to throw its lot in with those trends. The narrative noted that primary care clinic visits increased 3.3 percent in the fourth quarter (April-June). It also touted the fact that the system had 255 fewer readmissions in fiscal 2017 than in 2016. "Management collaborated with physicians and payers to reduce readmissions and to convert more services to the outpatient setting," according to the report.

MSHA continued its recent record of debt reduction. Longterm debt at the end of FY 2017 was \$926 million, down from \$964 million a year earlier and \$1.03 billion at the end of FY 2015. That represents a 10.2 percent decrease over two years after debt had risen or barely declined for a number of years.

(Jeff Keeling is vice president of communications for Appalachian Community Federal Credit Union and former associate editor of The Business Journal.)



The fifth in a series of "Operation Tomorrow's Workforce" articles by the United Way of Southwest Virginia

We cannot reap a harvest if we do not plant seeds, nor can we reap a harvest if we plant seeds but fail to care for them as they grow. We're not talking only about crops, though. The statement also holds true speaking metaphorically about Southwest Virginia's young people.

According to the McKinsey & Company report Education to Employment: Designing a System that Works, America, along with the rest of the world, is facing "two related global crises: high levels of youth unemployment and a shortage of people with critical job skills." To combat this, many communities have developed partnerships to form work programs that engage youth in jobs that teach skills and help them gain valuable work experience.

A few years ago, Virginia Produce Company (VPC) created a summer work program for high school students. Seeing the value of their investment they added an annual shift staffed entirely by high school students – supervised by a high school student, Jared Hall.

Hall, now a 19-year-old operations manager, has been with VPC for five years. "When I started here at 14, I worked out in the farms, and when I was 16, I started working in the offices and doing maintenance. The summer before my junior year, Moir Beamer, the CEO, asked me if I wanted to gather up a bunch of my buddies to come work with me to unload watermelons and put them in vans. Simple task."

It was not so simple at first.

"They were my friends, but they didn't have my same work ethic," said Hall. "I thought it was normal to work and to work hard because that's the way my dad raised me, but it wasn't something they knew; they didn't have that encouragement at home like I did. It took a few days for them to get the team mentality, but they got it. Before the summer was over, they had a strong work ethic and they were moving faster than I was."

But, the students in that summer work program in the Twin County region were the exception. In Southwest Virginia in 2015, around 3,800 16-24-year-olds were not in school or working according to the Annie E. Casey Foundation, and nationwide, only 30% of teens age 16 to 19 were employed.

Matthew Beamer, 29-year-old nephew of CEO Moir and Quality Control Manager for VPC has grown up working for the company. He said, "It's kind of alarming – the number of people I've seen who haven't had exposure to work. Work experience in a program like we have or even an entry-level job prepares you for the future. We feel like it's hard for the younger students to get a job that works around their school schedule and their obligations, but we feel like they should be given that chance and have opportunities to learn through employment. As long as we can get our young students started working, and encourage them to work hard and work well, they'll get the drive to keep going and work their way up – whether that's here at Virginia Produce, or somewhere else."

Hall agrees that employment programs like the ones he was involved with help students pave a realistic way to success. He said, "I think a lot of students have this idea of what their path to success looks like, but it's not realistic. They graduate from high school or college and they don't have any work experience to go with their diploma or their degree. It's good to get a degree, but it's also important to show SEE **WORKFORCE, 32** 

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#### WORKFORCE, CONTINUED

that you made it a point to work and that you have some transferrable skills. They learn work ethic and structure. They're encouraged, they find value in their work, and they learn that quality is important. They feel a sense of pride in their team. They gain confidence in themselves and their abilities. They feel good when they leave here – like they can do something with their lives. We're giving them a chance at a young age to see their potential. We are helping the next one in line."

Another regional company is also helping the next one in line – coincidentally, a regional supermarket chain.

Food City employs workers as young as 14, giving them a chance to learn those valuable skills that Hall mentioned. Kevin Stafford, currently Vice President of Marketing for Food City, began his career with the company at the age of 16 as a courtesy clerk in the store. His responsibilities included bagging groceries, retrieving carts from the lot, cleaning, and helping carry bags to customers' vehicles.

Stafford said, "When you're 16 and you spend all day pushing buggies, keeping things clean, bagging groceries – the first foundational thing you learn is to work hard. I understood that hard work pays off, but it gave me a real opportunity to see that the harder you work, the more opportunities will come."

Opportunities did come. Stafford, now 36, has worked for Food City for a little over 20 years, moving through positions in customer service, front-end management, and help desk operations. While navigating career shifts, he also started a family and went back to school to obtain his MBA. Eventually, he became director of front end operations for the entire company, and most recently made a shift to vice president of Marketing.

But he continues to look back on the experiences he had when he was 14 and 15 that taught him more than he would have ever imagined.

Stafford said, "A lady named Debbie that I worked for – she taught me about the importance of attention to detail. As part of closing duties when I was a courtesy clerk, we had to clean behind things. My supervisor – her name was Debbie – she would hide cookies behind the area where they stocked bags to make sure we were cleaning behind it."

Not only did his work at a young age teach him about attention to detail, managing his paycheck and arriving to work on time, but his work also advanced his social and emotional development.

Stafford said, "One thing that was amazing to learn was that you can make a difference in the lives of adults when you're just a young kid. One story that sticks with me is from that same time period when I was a courtesy clerk. We'd ask everyone with a buggy if they needed help out with their groceries. I asked this gentleman if he needed help out with his groceries; he looked perfectly healthy, but he told me he'd like for me to help him out. I got to his car and put his groceries in. He turned around with a tear rolling down his face and told me he had a disease and that it would have been extremely difficult for him to put those groceries in his car by himself. He said, 'You don't know what kind of difference you just made.'"

It's true that you reap what you sow. If we make the time now to strengthen our systems and create new opportunities for disconnected youth, we will reap the harvest of an advancing economy and a stronger workforce for Southwest Virginia's future.



#### **ON THE MOVE**

Kyle Sherman has been named regional sales manager for the West Coast district of Johnson City-based Mullican Flooring. In his new position, Sherman helps oversee the promotion of Mullican



Kyle Sherman

Flooring's products on the West Coast, and serves as a liaison to regional distribution partners who sell products to hundreds of retail stores across the Western United States. "We are excited to have Kyle join our national sales team," says Neil Poland, president of Mullican Flooring. "His successful record of driving sales, experience in tailoring business plans for distributors, and ability to mentor peers in the hardwood flooring industry makes Kyle ideally suited to capitalize on opportunities in Mullican's West Coast market."

Mattern & Craig Engineers & Surveyors, a civil and structural engineering and surveying firm has announced the addition of new professional staff to their Transportation Division. Jacob Carson, E.I.T. recently graduated from Tennessee Tech with a B.S. in Civil & Environmental Engineering. He has joined the Transportation Division in the Kingsport office.

portation Division in the Kingsport office. Sam Culbertson has joined the Transportation Division in the Kingsport office as a CAD Technician. He earned an Associates of Applied Science in Engineering Design from Northeast State Community College and also studied Electricity and Electronics at the Tennessee Technology center in Elizabethton.



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2017 "40 Under 40" Gold Sponso



Jacob Carson



Citizens Bank as branch service manager in Johnson City. Nesseth will serve the Tri-Cities community and will be responsible for meeting the financial needs of First Citizens' retail and business customers. She is a native of Bristol, Va., where she attended Virginia Intermont College and studied business management and computer science. She currently resides in Jonesborough. Nesseth has 13 years of banking experience with 11 years dedicated to the retail and business customer segment. Prior to joining First Citizens bank, she served in various roles such as branch team leader-assistant vice president of Regions Bank, market leader- assistant vice president for BB&T, and entertainment banker for 5/3 Bank in Nashville. In 2013, Nesseth received the Dale Carnegie highest leadership achievement award and recently graduated from Regions Bank Leadership Academy. She has a heart for community service and spent the last several years dedicating her time to organizations including Habitat for Humanity, American Heart and Stroke association, Bristol Parks and Recreation, Wounded Warrior Project, American Legion, VA Hospital, and the Jonesborough Senior Center.

Amelia Nesseth has joined First

Jennifer Beard has joined SunTrust Banks, Inc., as market president and commercial relationship manager for the Tri-Cities region. In her new role, Beard is responsible for providing the full



Jennifer Beard

complement of SunTrust's commercial banking products and services as well as coordinating the delivery of the investment banking and capital markets services offered to commercial banking clients.

"We're excited that Jennifer is returning home to the Tri-Cities as market president for SunTrust. Her deep client-facing experience and ability to operate in a collaborative way make her a great cultural fit to lead the local team," said Jim Vaughn, East Tennessee Region president for SunTrust.

With more than 16 years of financial

#### SEE ON THE MOVE, 34

#### ON THE MOVE, CONTINUED

services industry experience, Beard began her career as a commercial relationship manager with The Royal Bank of Scotland in London, England. Upon relocating back to the U.S., Beard joined SunTrust. Over her 12 year tenure at SunTrust, she accepted roles with increased responsibility within the bank's commercial and treasury divisions.

A native of Kingsport, she received her degree in corporate finance from East Tennessee State University.

**James Edwards**, PMP has joined TEC Industrial Maintenance & Construction as vice president of Business Development. Edwards graduated from Clemson University with a Bachelor's Degree in Mechanical Engineering. He is certified as a Project Management Professional (PMP) from the Project Management Institute. Edwards' professional career experience includes the oversite of brown-field and green-field chemical projects ranging from \$3 million to \$130 million TIC, various projects at US Federal Government sites and responsibilities as a Maintenance Manager in the Pulp and Paper industry among many other roles. Edwards will be responsible for leading the company's account management program, new business development and marketing efforts.

TEC Industrial Maintenance & Construction is a direct hire contractor that offers a full range of maintenance, construction

and fabrication services for clients in complex process, industrial and power generation markets.

#### **AWARDS & ACHIEVEMENTS**

### Steadman named chair-elect of state CPA society

**Mark Steadman**, CPA, of Johnson City, was recently elected Chair-Elect of the Tennessee Society of Certified Public Accountants (TSCPA), the professional association for more than 10,000 CPAs residing and practicing in Tennessee. Steadman's term began on June 25 at TSCPA's 87th Annual Meeting & Convention in Nashville.



Mark Steadman

Steadman is a professor of accountancy at East Tennessee State University. He has been a member of TSCPA for 34 years, holding various leadership positions within the society. He has previously chaired the Scholarship Committee and just completed a term as treasurer of the Board of Directors. As chair-elect, Steadman will serve on the TSCPA Board of Directors and Council, which is the governing body of the association and establishes policy for all society activities. He will concurrently serve as a member of the Board of Trustees of TSCPA's Educational & Memorial Foundation, which provides comprehensive continuing education for CPAs and awards academic scholarships to deserving accounting students



attending Tennessee's colleges and universities.

#### BTES employees appointed to 2017 TNCPE Board of Examiners

**Leslie Blevins**, Customer Relations Representative for Bristol Tennessee Essential Services (BTES); **Diane Smith**, Customer Service Supervisor for BTES; and **Chris De Troye**, System Engineer for BTES have been appointed by the Board of Directors of the Tennessee Center for Performance Excellence (TNCPE) to the 2017 Board of Examiners. Blevins, serving as a Master Examiner, is in her eighth year with the program, Smith will be serving her third year, and De Troye his first.

Each year, the TNCPE Award Program recognizes local, regional, and statewide organizations that demonstrate excellence in business operations and results. BTES received the top award – the Excellence Award – from TNCPE in 2012 and is one of only three organizations to ever receive the award twice, first receiving it in 1994.

The TNCPE Board of Examiners comprises experts from all sectors of the regional economy, including health care, service, nonprofit, manufacturing, education, and government. All members complete extensive training in the Baldrige Excellence Framework, a nationally recognized, systems approach to organizational performance.

Each year, the TNCPE Board of Examiners contributes more than 10,000 hours of volunteer service to organizations across Tennessee. In turn, examiners use expertise developed during



Diane Smtih, Chris De Troye and Leslie Blevins

TNCPE training and assessments at their own jobs, benefiting and improving organizations from within and working to achieve TNCPE's mission: To drive organizational excellence in Tennessee.

#### Ring named chair of ACMA Regulatory Steering Committee

David Ring, Corporate Manager of Governmental Affairs & Strategic Projects for Strongwell, was recently named Chair of the Regulatory Steering Committee (RSC) for the American Com-

#### SEE AWARDS & ACHIEVEMENTS, 36



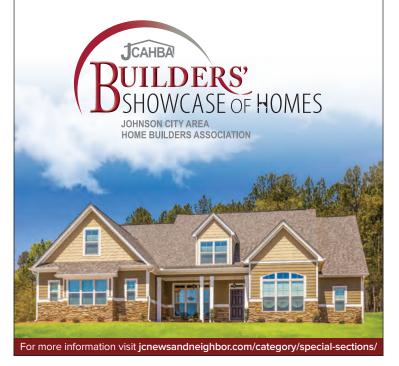
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#### AWARDS & ACHIEVEMENTS, CONTINUED

posites Manufacturers Association (ACMA). During his two-year term as Chair, David will lead the committee in its efforts to identify for the ACMA Board of Directors all regulatory and governmental legislation issues impacting composites manufacturers. Additionally, he will assist in providing analyses of these issues and their implications, action recommendations and oversight of program management.



David Ring

Ring has been with Strongwell since 1990, serving in various management roles. In his current position, Ring evaluates pending legislation to determine its impact on the organization and to develop a corporate position. He also acts as Strongwell's official representative to government agencies, developing positive relationships and advocating for Strongwell. He has served as a member of the RSC since 2010.

#### Frontier Health Programs Receives 6th Consecutive CARF Accreditation

CARF International has awarded Frontier Health its sixth consecutive three-year term of accreditation for 20 program areas including crisis intervention, crisis stabilization, detoxification, residential alcohol and drug treatment, intensive outpatient, outpatient, case management, community integration: psychosocial rehabilitation, intensive family-based services, out-of-home treatment and employment services. A three-year accreditation represents the highest level of accreditation given to an organization.

### Bank of Tennessee named one of the Best Banks to Work For in 2017

The Best Banks to Work For program, which was initiated in 2013 by American Banker and Best Companies Group, identifies, recognizes and honors U.S. banks for outstanding employee satisfaction. "I am so proud of our culture of customer, team and community spirit at Bank of Tennessee. This positive attitude permeates all we do and it is nice to be recognized as part of this elite group by the *American Banker*," said Roy Harmon, Chairman and CEO of Bank of Tennessee.

Determining the Best Banks to Work For involves a two-step process. The first step involves an evaluation of participating companies' workplace policies, practices, and demographics. In the second step, employee surveys are conducted to directly assess the experiences and attitudes of individual employees with respect to their workplace.

Bank of Tennessee President Dale Fair said, "A positive workforce environment is as important, if not more important, than compensation. Employee engagement and focus truly impacts the workplace culture. At Bank of Tennessee, employees remain our number one asset."



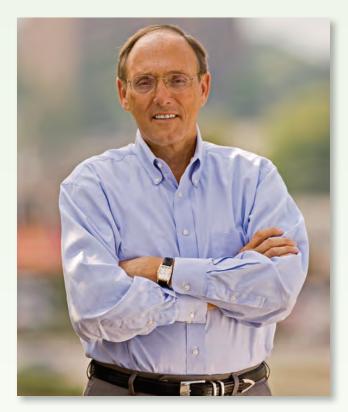
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# **Reforming Our Tax Code**

By Congressman Phil Roe



Think about life 31 years ago: most of us communicated solely by landline; the Internet wasn't widely available, and certainly not for commercial purposes; and Oprah Winfrey was just beginning her talk show career. Life has changed a lot in the last three decades, but our tax code hasn't kept up. According to the Tax Foundation, our tax code is more than 2.4 million words long, which is almost six times as long as it was in 1955; and nearly twice as long as it was in 1985. Every aspect of the tax code is complex - consider just education as an example. Today there are over 12 different overlapping tax benefits related to education, which means there are 100 pages of instructions to figure out if students qualify for help with tuition costs. The time for an update and commonsense change to our tax code is now, which is why Congress is working on comprehensive tax reform.

There is no question we need to lower taxes for people at all levels of income, from our job creators to hardworking taxpayers to our friends and neighbors who have fallen on hard times. As you may know, at 35 percent, America has the highest corporate income tax in the industrialized world. This actually incentivizes businesses that operate globally to create jobs overseas, and makes it harder for domestic companies to compete with foreign competitors. Excessive regulation and taxes are a deterrent to job creation and higher wages, and it's time for Congress to act to ensure Americans can keep more of their hard-earned pay and grow the economy.

Our proposed pro-growth tax reform agenda will lower rates for individuals and businesses on Main Street, prioritize job creation and make American businesses more competitive with their overseas competitors. House Republicans' plan will also help middle-class families by consolidating tax brackets and lowering tax rates, which should encourage more saving and investment. Businesses who have invested overseas will be encouraged to bring jobs to the United States, and domestic manufacturers will be put on at least a level playing field with their foreign competitors. According to the House Ways and Means Committee, if the United States economy averages a three percent growth in the next ten years, there would be millions of jobs created and income for a family of four would be thousands of dollars higher. In Tennessee alone, House Republicans' tax reform plan is projected to bring mediumincome households in Tennessee roughly \$4,000 more in after-tax income gains while adding more than 34,000 jobs across the state. With potential results like that, it's critical that we work together to get this done.

As I've said many times, our tax code is far too complex. So complex, in fact, that taxpayers spend \$99 billion each year complying with the individual income tax. House Republicans are going to work to replace our complicated and confusing tax code with a leaner, simplified and more competitive plan than ever before. We are proposing a plan so simple that, if adopted, taxpayers will be able to file their income taxes on a post card, rather than spend much of their time and money trying to follow our complicated tax laws.

House Republicans are committed to making tax season less stressful and complicated for American families who have many other things to worry about. By helping individuals and families file their taxes simply, hardworking taxpayers will be able to keep more of their paycheck each year. With President Trump's leadership, I am confident that we can accomplish a simplified and streamlined tax code that will put taxpayers first, create jobs, and grow our economy.

As always, feel free to contact my office if I can be of assistance to you or your family.

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