

AUGUST 2008

TILLMAN

SCHOOL OF BUSINESS



Dr. Kenneth M. Stokes

MESSAGE FROM THE DEAN

The Tillman School of Business provides students with a fundamental knowledge of business functions and processes as well as understanding of the market system. The programs of the Tillman School of Business prepare students for numerous career opportunities in the public and private sectors. In all majors, strong efforts are made to familiarize students with the problems and opportunities of modern economic life and to prepare them for intelligent citizenship and further educational development. The overarching vision for the Tillman School of Business is to become a regionally-recognized fully accredited school of business and a highly visible school of choice in North Carolina for those who seek the pursuit of excellence in business education and responsible leadership. Following the progress made last fall, the Tillman School of Business is advancing its strategic initiatives. Our students, faculty & staff have a strong sense of optimism & energy about our collective future & the possibilities that lie ahead for the School. I am especially grateful to those members of the faculty & staff who have assumed a progressive leadership role. This is a transformational year for the Tillman School as we embark not only upon our goal to become a leading business school in the region, but to more concretely contribute to the region's further development. We continue to implement key elements of the plan outlined last fall enhancing our reputation; improving the quality & value proposition of programs; student experiences, classroom instruction; strengthening faculty scholarship & outreach to our business communities.

FACULTY HONORS—TWO YEARS RUNNING

Dr. Kathy T. Best of Mount Olive is the 2008 recipient of the distinguished Dr. Thomas R. Morris Award for Excellence in Teaching at Mount Olive College. The award is given to a full-time faculty member who demonstrates excellence in working with students, the academic community, leadership in and service to the community, and models to a high degree the "virtuous" person. The student nominating this year's recipient stated, "Dr. Kathy Best is an outstanding teacher and a phenomenal person. She is passionate about her profession and uses a variety of teaching styles to peak students' interests. Dr. Best is also a wonderful role model; inspiring students to pursue their goals, not just wait and see if it happens." Dr. Best has been employed at Mount Olive College since August of 1981. She holds a PhD in economics; MA of economics; MA of applied

mathematics; and a BS in mathematics. She is a professor of economics and accounting. She is a member of the North Carolina Association of Certified Public Accountants and American Accounting Association. Best's community service involvements include: The Lighthouse of Wayne County, Inc.; The Mount Olive Exchange Club member; and the Mount Olive Downtown Restoration Committee.

Dr. J. Doug Hood, the 2007 recipient of the Mount Olive College Excellence in Teaching Award, received a commendation from North Carolina Lieutenant Governor Beverly. E. Perdue. The Lieutenant Governor wrote: "Thank you for helping to prepare Mount Olive Graduates for the rigors of the 21st Century -- your efforts are helping to build a stronger North Carolina."

TSB—NORTH CAROLINA SUCCESS IN MEXICO

During Fall break MOC business professors Hood, Cwik, Paek, Reimers and Appleton led by Dean Ken Stokes participated in a workshop focusing on economic development in the State of Yucatan, Mexico. In conjunction with Dean C. Dyer, Dean of the School of Arts and Sciences at MOC and Dr. A. Flores, rector of the University and Colleagues at the Universidad de Marista in Merida, they presented opportunities for Yucatan State to expand their globalization process with particular focus on the USA markets. MOC professors presented new strategies for development, a perspective on change management in development and the importance of corporations and public institutions in regional economic

development. Subsequently, Dean Stokes was invited to meet personally with Governor Ortega, Minister of Education Dr. R. Godoya and Minister of Planning Dr. A. Baqueiro where they discussed a future advisory role of the Tillman school of Business in the development process of Yucatan State. During fall break MOC business professors Hood, Cwik, Paek, Reimers and Appleton led by Dean Ken Stokes participated in a workshop focusing on economic development in the State of Yucatan, Mexico. In conjunction with Dean C. Dyer, Dean of the School of Arts and Sciences at MOC and Dr. A. Flores, rector of the University and Colleagues at the Universidad de Marista in Merida, they presented opportunities for

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INTERNATIONAL

Moldovan Embassy Delegation visit Tillman School of Business

While the Mount Olive College baseball team has risen to national stature, the Tillman School of Business is achieving a global reputation for its international project management expertise led by Dr. Ken Stokes, dean. A delegation from the Republic of Moldova's Embassy in Washington, DC headed by the Deputy Chief of Mission Andrei Galbur recently visited Mount Olive College seeking assistance from the Tillman School of Business in regard to a number of Moldovan economic development projects including unresolved project budgeted preparation issues, international financing, risk mitigation, and business modeling. Dean Stokes, a member of the Managing Board of the United States – Moldova Science and Technology Council, expressed his optimism that North Carolina companies could be competitive in bidding on the projects under consideration. The delegation and Tillman School of Business leaders also met in the Raleigh offices of the North Carolina Secretary of State. Dean Stokes recommended that “while the individual infrastructural projects are tremendously important, to position itself strategically Moldova also needs to undertake a nation-wide economic cluster mapping.” On behalf of Moldovan, Mr. Galbur expressed his deep gratitude to The Tillman School of Business remarking that “we have learned far more than we anticipated”. Further evidence of Moldova’s optimism for a continuing relationship with Mount Olive College came when Dean Stokes was invited by the Moldovan Academy of Sciences, to speak at the international conference on science to confer upon the development of knowledge-based economy.

CEO of Lowe’s to Speak at Inaugural MOC Event

Mount Olive College held the inaugural lecture of Tillman School of Business *Distinguished Speaker Series* on Friday, April 4. Robert Niblock, chairman and chief executive officer of Lowe’s Companies, Inc., will be the guest speaker. His topic will be leadership. Niblock joined Lowe’s in 1993. During his career with the company, he has served as vice president and treasurer, senior vice president, and executive vice president and CFO. Niblock was elected chairman of the Retail Industry Leadership Association in January 2008. He is a graduate of the University of North Carolina-Charlotte. The Distinguished Speaker Series at Mount Olive College is slated to become a highlight of the Tillman School of Business calendar, and an integral part in the life of eastern North Carolina’s business communities and beyond,” states Dr. J. William Byrd, president of the College. According to Dr. Byrd, leaders of the Tillman School, working closely with Mr. Robert L. Tillman, supporter of the series and former CEO of Lowe’s Companies, Inc., will identify speakers who have particular appeal for students and the regional social and business communities. It is expected that the Series will bring speakers of national and international renown to the College several times a year to provide timely insight, provoke thought and stimulate conversation about compelling regional, national and global issues and events. Dr. Ken Stokes, dean of the Tillman School of Business indicated that the Series will provide a strategic means to better serve eastern North Carolina’s diverse social and business communities and to attract alumni and friends. “By offering engaging opportunities that are unique and unavailable elsewhere, the Tillman School will succeed in attracting business associates, alumni and friends to campus, as well as enhancing the quality of student life,” Dr. Stokes stated. “The series will feature a number of highly regarded experts in the fields of leadership, business, the economy and global affairs.”

TILLMAN SCHOOL OF BUSINESS IS HOME TO 4 NEW FACULTY MEMBERS

TSB WELCOMES....

Dr. Curtis W. Roney of Wilson has accepted the position of Associate Professor of Management. Dr. Roney completed his Ph.D. in Management from Union Institute in 2001, and received his M.S. in General Administration from Central Michigan University in 1994. He completed his B.A. in Psychology from Bucknell University in 1964. Dr. Roney spent 30 years of his career as a strategic management consultant, and also served as an executive at Philips Industries and Holiday Inn. His most recent endeavor involved working as an associate professor at North Carolina Wesleyan College.



Dr. Leem Seop Shim of Calabasas, CA has accepted the position of Associate Professor of Computer Information Systems beginning August 11, 2008. Dr. Shim received both his Ph.D. and his M.S. in Computer Science from Illinois Institute of Technology, in 1991 and 1987 respectively. He received his B.S. in Electrical Engineering from Seoul National University, Korea in 1978. Dr. Shim has teaching experience from a number of colleges, and has most recently worked in industry. He is currently Vice President for 4 Corners Digital Media Companies, and prior to that he was President of HS Tech, Inc.



Dr. Bankole Olatosi of Camden, SC has accepted the position of Assistant Professor of Health Care Management. Dr. Olatosi received his Ph.D. in Health Services Policy and Management from the University of South Carolina in 2007. He received his M.P.H. in Public Health Administration and Policy from the University of Minnesota in 2004. Dr. Olatosi has also received an M.S. and B.S. in Biochemistry from Nigeria. He has most recently been a postdoctoral research fellow in South Carolina at the Rural Health Research Center. Prior to this, he was a graduate assistant at the Center.



Dr. Ronald Pressley of Newton Grove has accepted the position of Assistant Professor of Business/Human Resources. Dr. Pressley received his J.D. in Law from North Carolina Central University in 1995. He received his M.S. in Human Resource Development, and his B.S. in Business Administration, both from Western Carolina University, in 1987 and 1982 respectively. Dr. Pressley began adjunct teaching for Mount Olive College in January 2008. During this time, he has also been working at Central Carolina Community as an instructor for general educational development.

THE REAL ECONOMIC IMPACT OF HISPANICS IN EASTERN NC

By: P. Appleton, Tillman School of Business, Mount Olive College

- The Hispanics will make up more than 10% of the Wayne County population in 2009.
- Hispanics will contribute more than \$150 million to the economy of Wayne county in 2009
- Hispanics directly will pay over \$4 million of income, social security, medicare, property and sales taxes in 2009 in Wayne county.
- Hispanics spending power in Wayne county will provide over 1200 spin off jobs and some \$28 million in salaries to residents of Wayne county in 2009.
- Hispanics spending created spin off jobs will pay over \$3 million in all forms of taxes in 2009.
- Hispanics operate over 300 businesses in Wayne county.

THE REAL SITUATION

While the census of 2000 and the UNC Kenan Flagler Business School study of 2006 indicate that Hispanic contribution to the economy of Wayne County is important to the benefit of all residents, these studies underestimate the REAL economic impact of Hispanics to Wayne county and other counties of eastern NC.

Demographics

While the census of 2006 recorded Hispanics living in Wayne county at 6.7 % of the population, the Kenan Flagler study estimated that REAL numbers were some 20% higher due to the difficulty in counting immigrants and seasonal workers. Furthermore , this difficulty in recording the residence of both agriculture migrant workers and non documented workers appears to have led the Kenan Flagler study to again underestimate the REAL number of Hispanics living and contributing to the economy of Wayne county.

In the recent study by Dr. Peter Appleton of the Tillman School of Business at Mount Olive College it is estimated that even with the revised demographic figures by the Kenan Flagler study , Hispanic residents of Wayne county are still underestimated by about 20%. This study estimated that of the total actual residents of Wayne county about 9 – 12 % are Hispanic, 28-29% are Black and 59 – 61 % are White. Since 2000 when Whites and Blacks have been moving out of Wayne county , Hispanics have been moving into Wayne county. In fact, the official 113,000 population of Wayne county is only that which is counted in a census which does not necessarily include all Hispanics. In reality, if all Hispanics were included the true population of Wayne county would be over 116,000.

ECONOMIC CONTRIBUTION OF HISPANICS

Recorded Earnings

About 80% of the Hispanic residents of Wayne county undertake some or all of their work in the visible economy. They are employees of established companies, pay income and sales taxes, social security and medicare. Others operate visible businesses where they provide goods and services to all Wayne county residents. Their contribution of \$74 million in 2006 and estimates to 2009 of \$125 million to the economy of Wayne county is well documented by the Kenan Flagler study.

Non recorded income and business earnings

Some of the recorded Hispanic and most of the non recorded Hispanic residents of Wayne county are earning incomes from non recorded employment and business operations.(note: Whites and Blacks also earn substantial non recorded earnings)

In this recent study by the Tillman School of Business (TSB) at Mount Olive College it is estimated that 2 in 5 (40%) Hispanic residents of Wayne county are earning non recorded incomes from employment or business operations. Because it is non recorded these earnings are not included in official estimates of the economic contribution of Hispanics to Wayne county. While non recorded earnings do not contribute to state and federal taxes directly; their expenditure by individuals and businesses are not tax deductible as a business expense either; resulting in a higher tax payment by the employer. Sales taxes and property taxes through rentals are paid by all persons renting or purchasing goods or services in Wayne county irrespective of the source of the income.

THE REAL ECONOMIC IMPACT OF HISPANICS IN EASTERN NC (cont'd)

The TSB study indicates that by including the non recorded earnings of Hispanics , their economic contribution to Wayne county in 2006 exceeded \$100 million and by 2009 should exceed \$150 million ; a 33 – 50 % increase over previous estimates.

Of the non recorded incomes, over 60% are through the operation of an ongoing non registered business providing goods and services to the Hispanic community. The study found that non registered businesses owned by Hispanics total more than 300 in Wayne county alone and operate in construction, food preparation and distribution, car repair services, real estate services, travel and transportation services.(the 2005 business census reported less than 100) Many of these businesses have been in operation for many years and while they have the potential to serve the whole Wayne county community they tend to concentrate on the Hispanic market in order to keep a low profile with the authorities. While immigration status is important in some cases, it does not appear to be the primary barrier to expansion to serve the whole community. Over 70% of these non visible businesses are owned by documented immigrants.

The TSB study continues to evaluate the REAL economic impact of Hispanics in Wayne county with special emphasis on the economic impact of the non recorded Hispanic owned businesses and their potential to support the economic development of Wayne county and other counties of Eastern North Carolina. The study is working with Hispanic organizations and businesses in Wayne county to identify barriers to these business operations expanding to contribute further to the economic well being of Wayne county.

To date the TSB study concurs with some statements of the Kenan Flager study which state that tremendous economic benefits to Wayne county would be forthcoming by :

“Tapping the growing Hispanic consumer market by increasing the availability of goods and services that local businesses (Hispanic and non Hispanic) offer Hispanic consumers, particularly in Eastern North Carolina , where Hispanic purchasing power is only partially tapped due to the lack of products and services they seek.”

“Supporting the growth of Hispanic-owned businesses, which face many of the same challenges to startup and growth as do native entrepreneurs plus additional barriers of language, lack of credit histories and limited financial backing.”

And...

“Leveraging the state's growing Hispanic network to increase export trade to Latin America and attract inward investment by Latin American companies in North Carolina.” These conclusions are in various degrees of implementation by Hispanics and others in Wayne county and across Eastern North Carolina. The TSB study will continue to monitor and evaluate the expanding importance of Hispanic consumers and businesses in Eastern North Carolina.

THE OFFICIAL POSITION

In 2006 Wayne County had an official population of 113,000, essentially the same as it did in 2000. In 2006 official census numbers indicate a Hispanic population at 6.7 % , White at 62% and Black at 31% of the total. The same official statistics showed 6,739 firms established in Wayne county; 88% white owned , 9.5% black owned and 1% Hispanic owned. In 2005 an official census of firms indicated that 2301 non-farm firms were established in Wayne county. No breakdown by racial ownership was determined.

In 2006 a study by the Kenan Flagler School of Business at UNC concluded that North Carolina's Hispanic immigrants contributed more than \$9 billion to the economy through its purchases, taxes and labor.

Furthermore they concluded that if recent migration trends continue, the total economic impact of Hispanic spending in the state could increase to \$18 billion by 2009.

The Kenan Flagler study estimated that in Wayne county Hispanics had a purchasing power of over \$74 million in 2006 while creating 700 spin off jobs and providing some \$15 million of salaries to Wayne county mostly non Hispanic employees. By 2009 Hispanic spending power is expected to ride to over \$125 million , spin off jobs over 1200 and salaries to residents some \$28 million.

This study wishes to thank and acknowledge the financial support of the Tillman fund at Mount Olive College. Significant advice and support has come from Mr. W. Cartagena , Director of the Wayne County Hispanic Community development center and Father A. Rojas, of the Episcopal Farmworkers Center , Newton Grove. We also wish to thank the many Hispanics of Wayne county who have provided information and support for this study.

These are the findings of an ongoing study by Dr. P. Appleton of the Tillman School of Business at Mount Olive College.

These findings are in sharp contrast to official statistics provided by the 2000 and 2006 censuses and revisions offered by a 2006 study by the University of North Carolina, Kenan Flager School of Business.

CONTINUING DEVELOPMENTS**Academic Affairs**

- Student portfolio support system and analysis via a LiveText implementation with a roll-out beginning in July.
- \$550,000 in grants were written – none yet funded.
- TSB mini-grants were implemented with two faculty recipients likely
- TSB web site ‘renovated’ with many new interactive features yet to be fully implemented. The TSB-developed RFP was used to redesign much of the MOC website.
- ACBSP self-report is in the final stages of submission
- HCM year-on-year growth of 104%
- MIS year-on-year growth of 40%
- MOD year-on-year declined 4%

Launched the Distinguished Speaker Series (unfunded)

- His Excellency Ambassador N. Chirtoaca of Moldova
- Mr. Robert Niblock, CEO, Lowe’s Companies Inc.
- In the fall term -- His Excellency Ambassador A. Sarukhan, Mexico
- TSB is getting noticed locally in the news papers, nationally and internationally.

TSB Outreach

- The School began collaborating with:
 - Twenty-two Chambers of Commerce in eastern NC;
 - the Eastern Carolina Council of Government;
 - the North Carolina Eastern Region office;
- acquired expressions of support from the offices of US Senators Dole and Burr as well as Congressmen Etheridge; and

- In support of internship opportunities and collaborations negotiations are advancing with:
 - ◊ Washington Center, Washington, DC
 - ◊ United States – Mexico Chamber of Commerce, Washington, DC
- To enable or further outreach developments:
 - Acted as an emissary for NC Gov. M. Easley to government ministers of state in Yucatan, Mexico; Ukraine, and Moldova;
 - Met with and engaged Secretaries of key government ministries in Merida, Mexico as well as Gov. I. Ortega who extended to the TSB a request for the TSB to coordinate a NC trade mission to Yucatan – “Yucatan 2008”.
 - Signed a MOU with Universidad Marista de Merida, Yucatan, Mexico enabling opportunities extending to faculty and student exchanges.
 - Signed a MOU with the Dobrov Centre, Kiev, Ukraine to enable faculty researcher exchanges.
 - Conferred with the Moldovan the Minister of Education and Science, G. Duca and the cabinet who invited the TSB to:
 - Undertake national assessments in Moldova with a view to the establishment of TSB-like business schools in Moldova;
 - Assess Moldovan value-added agri-business supply chain management and financing;
 - Undertake a Moldovan national economic cluster and gap analysis;
 - Conferred with the Moldovan Embassy staff and the Ambassador on projects budgeted in excess of \$55M.
 - Received from the Office of Lt. Gov. B. Perdue a request for a “White Paper” on regional economic development.
 - Entered into early stage discussions with IBM on ways they may assist the TSB vis-à-vis curriculum development and support.



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Mount Olive Faculty co-sponsored
International symposium with
Universidad De Marista. (Fall '07)

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TSB FACULTY

In his first year with Mount Olive College, **Dr. Norman Crumpacker**, Assistant Professor of Management with the Tillman School of Business, has become absorbed in numerous student-centric activities that include roles of co-advisor of the International Student Club and mentor of the 2011 Honors Class. In addition to and in conjunction with student endeavors, Dr. Crumpacker serves on several institutional committees, including the Institutional Review Board, IRB Sub-Committee (Chairperson), Honors Program, and Global Ventures, and is an active member of Phi Beta Lambda's Professional Division and North Carolina Association of International Educators. Other scholastic activities include workshop presenter at the 2008 Leadership, Enrichment, Achievement and Development (LEAD) Conference and continued research pursuits in an emerging field that explores the relationship between vigor and academic performance. Additionally, Dr. Crumpacker is actively engaged in the business community and community at-large as a member of the Sunrise Kiwanis, the Sunrise Kiwanis Board and the Wayne Opportunity Center Board.

Assistant Professor of Business **Sonya McCoy O'Brien** was recently elected to the National Board of Directors for FBLA-PBL (Future Business Leaders of America - Phi Beta Lambda). Professor O'Brien remarked: "This will provide me opportunities to share my experiences as a local chapter adviser with the national office and board and to serve as a liaison to all the Southern region chapters that I will represent".