TENNESSEE DEPARTMENT OF TRANSPORTATION CIVIL RIGHTS DIVISION

2nd Quarter | 2017



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TDOT CIVIL RIGHTS DIVISION

Small Business Development Program 505 Deaderick Street, Suite 1800 James K. Polk Building Nashville, Tennessee 37243 (615) 741-3681 or 888-370-3647

John C. Schroer

Commissioner of Transportation

Prepare and get Organized!

Director of the Small Business Development Program

Give me six hours to chop down a tree and I will spend the first four sharpening the axe.

Abraham Lincoln

ased on some issues we have seen in our office lately, I knew I wanted to write my next article centered on preparation - specifically on DBEs being adequately prepared to bid, work and complete TDOT contracts, before they even think about stepping foot on the jobsite. Once I had the topic in mind, step number two was to find a good quote to catch everybody's attention. "Be Prepared," while a great line for the Boy Scouts, seemed too simplistic and cliché for what I wanted to convey. So with a little magic from my old friend Mr. Google, I found the above quote.

I faintly remember seeing this quote before, and after rereading it, the more I like what it says. I'm also thinking that whoever came up with "Work Smarter, not Harder" totally ripped it off from our 16th President. And what this quote says to me is instead of just jumping in with both feet to tackle a problem or complete a task (or if we apply it to a small business, complete a project) first, you need to step back and analyze the situation to make sure everything you need to

Director, Civil Rights Division

sufficiently complete your task is in order.

So I thought I would present some tips to help you chop down your own tree:

Make a plan. Step back and evaluate everything that may come up before, during and after the contract - even if it seems like the proverbial curveball. Murphy's Law says it is bound to happen sooner or later so best to be prepared when it does. Think of your plan as a map. How will you know which way to go and when you will arrive if you don't know where you are going in the first place?

Write it down. Create a checklist or to-do list. This goes hand in hand with making your plan. Make a list of all the items you know must be done and check them off as needed. Add a section for items that may be needed (these may not happen on every job, but is good to have them written down with a plan to resolve in case it does). Start this before you even bid. Are you prequalified? You can't get a TDOT job if you aren't. Are you currently registered at the Secretary of State's office? Can't work without that either. We have seen both these scenarios in the past few months and they've prevented DBEs from getting contracts.

Ask yourself some questions - Ask: What is the one thing I can do right now that will make me the most successful at the job at hand...and then do it, Also ask yourself such questions as: Am I working other jobs that may start at the same time? We've seen several DBEs bid on multiple items only to drop some of them because they have over-extended themselves. That's not something the prime contractor will soon forget, and prime contractors talk to other prime contractors so word gets around. Also, have someone at your business review your plan to see if they have questions as well. It's always better to have two sets of eyes on something this important. You may have blind spots you aren't even aware of.

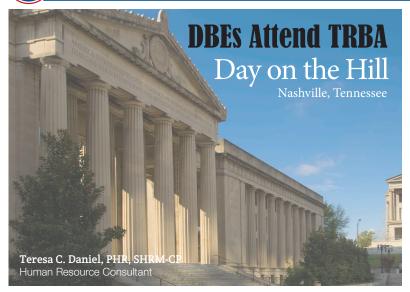
It's easy to get excited when you get a contract. It's also easy to think that because you have the equipment and manpower to complete a job, you can just jump in and get started without analyzing the unique circumstances that surround every job. But I hope you will first take a second to step back, breathe and think about good ol'

Deborah Luter

David Neese Director of the Small Business **Development Program**

DBE Supportive Services

Tyler Construction Engineers, P.C. 1-888-385-9022



ennessee Road Builders Association (TRBA) conducted its 12th Annual Day on the Hill in Nashville on February 14, 2017. The DBE's day started with a briefing at the Waller Law Firm to explain the flow of the day. Kent Starwalt, TRBA Executive Vice President, thanked them for attending and for their participation.

The Day on the Hill proved to be a very interesting and enlightening experience. Although it was the first time for several of the DBEs to attend the TRBA Day on the Hill, the DBEs felt that their visit was a

great opportunity to meet new people and build important relationships. Throughout the day the DBEs were very engaged in various activities.

The majority of the day was spent meeting with lawmakers, networking, and learning more about the specifics of The IMPROVE Act for Tennessee. Each DBE also had an opportunity to meet with their state representative and state senator to discuss the IMPROVE Act. The DBEs took advantage of their opportunity to network with prime contractors and learn more about business development opportunities across the state.

The day concluded with a reception at the Waller Law Firm for prime contractors and DBEs to continue networking.

The DBEs look forward to being a part of future TRBA programs. We would like to give a special thanks to both Kent Starwalt, Executive Vice President, of TRBA and Rebecca Wood - 1st Vice President TRBA for inviting the DBEs to be included in their annual Day on the Hill event. These type of events allow relationship building opportunities and is a way for DBEs to gain knowledge, shake hands and get to know key decision makers throughout the state. The DBE's felt that a "Day On The Hill" was time well spent!

Tips on Estimating Equipment Costs More Accurately

Equipment costs may comprise a large portion of your job costs. Therefore, it's important to accurately determine the cost for each piece of equipment.

Victor C. Tyler, P.E., M.ASCE, NSPE Construction Business Management Expert

oo many companies either do not utilize standard industry formulas in calculating equipment costs or they use an incomplete process of determining these costs.

For company-owned equipment to be a profit center, owners must have a goal of reducing operating and ownership costs. This can be challenging for many companies if they do not record and track their costs in addition to the original purchase price. In order to boost accuracy, equipment owners should collect data on fuel consumption, time used in production, idle time, repair and maintenance at least on an annual basis.



Tracking the above costs allow owners to know, understand and control equipment cost better. Gathering this data on each piece of equipment makes it possible to calculate the cost per hour, thus enabling owners to know where money can be saved. If an estimator is not using accurate equipment cost rates, then these costs will be paid from the anticipated profits of the job, resulting in profit fade. There's an old adage, "If you can't measure it, you can't manage it."

Your equipment rates are a part of the equation for bidding a job. To increase your bid confidence, start capturing all your costs related to owning and operating each piece of equipment you own.

If you are a TNUCP DBE and need assistance in accurately calculating your equipment cost rate, contact the TDOT Supportive Services at <u>DBE</u>
<u>Supportive Services@tyler-engineers.com.</u>

Leverage 5 Critical Essentials to Transform Your Business!

Curtis Webb, Strategic Marketing & Business Development Expert

very business owner's challenge is to grow their profits. If your business is running flat, revisit what I call the 5 critical essentials. These are critical areas that will transform a flat business into a profitable one!

1) Relationships - Use your close relationships as an additional resource to keep you abreast on what's going on in the marketplace. Do you perform subcontractor work? Your first call in finding additional job opportunities can come from the ones you've work with before. Don't do the "one and done" or wait on them to call you, be aggressive and call all your relationships. Let them know you are available. Need additional staff? They

may know personnel that could be a perfect fit for you. Key relationships are worth gold!

- 2) Service When was the last time you took a survey from your customers on your job performance? Your excellent service should be advertised on your website through customer testimonies. Give your customers a reason for them to choose you as their service provider by showcasing your excellent service!
- **3) Quality** Don't take it for granted that everyone's quality is equal, it is not! The quality of service or products you offer can be leveraged into a marketing pitch that can get new customers interested in you. Tell your

customers what they gain by hiring you!

- **4) Dependability** Can I count on you to show up? Many businesses struggle with this simple task. Be known for your dependability. Highlight it on your website and other marketing materials!
- 5) Price Most business owners use low price to gain new customers. This is only good if you truly understand your correct cost. Any competitor can adjust their prices which makes it very difficult to gain a consistent competitive advantage using price only. Be strategic in your pricing and not just cheap to be cheap. Know that you are still profitable!

Leverage all 5 of these key essentials to transform your business!

—Provide excellence, stay consistent, and above all ...Be Epic!

Marshall Tabb.

Financial Management & Leadership Coaching Specialist

his is a great question for company leadership. So just what is a Rock Star? Well, I'm glad you asked!

A Rock Star is an employee who is highly respected by others because he or she shows respect. Rock Stars lead by example and encourage others to lead as well. Rock Stars can be identified by these traits: Work Ethic, Passion, Enthusiasm, Respect, Loyalty, Honesty and Integrity. Rock Stars are good at leading others but can also be followers when necessary.

Noted author John C. Maxwell said a person's character is more than talk. Anyone can say he or she has integrity, but their action is the real indicator of character.

A distinctive characteristic of a Rock Star is charisma. Dan Reiland, of IN-JOYA says charisma is "being more concerned about making others feel



good about themselves than you are making them feel good about you." As a company leader —recruiting, hiring, developing and producing Rock Stars should be a priority! Rock Stars boost morale, which leads to higher employee productivity.

Attracting Rock Stars

One would think the most obvious way to attract a Rock Star is money. While money is certainly a motivator, studies show 1 in 3 employees would give up \$5,000 just to be happy at work. Attracting Rock Stars starts with you as leader. Are you known as a leader who appreciates, accepts, approves and pays attention to employees? Do employees know you trust, value and believe in them? What is the '411' regarding your company's culture?

Are you an Autocratic (Me the Boss) or Democratic (We Together) type Leader? These values and traits are important in attracting Rock Stars to your company.

Retaining Rock Stars

Retaining a Rock Star can be challenging as these employees are constantly in demand by high performing companies. It is so critical for you to create an environment that embraces and promotes personal and team growth. Rock Stars are eager to support your vision as leader when it has been clearly defined and they feel their efforts are contributing to the company's success. Always be creative and innovative as leader!

Still don't know how many Rock Stars are on your team....start by looking in the mirror.

The Value and Burden of Pre-Qualification Programs

As the construction industry continues to recover from the past few years of slow to no growth, subcontractors are now facing new hurdles.

Victor C. Tyler, P.E., M.ASCE, NSPE Construction Business Management Expert

ust as money is increasingly flowing back into the construction industry, project owners are demanding both the general (prime) contractors and subcontractors to be financially pre-qualified.

This financial pre-qualification process may create a burden on contractors still somewhat weakened from the past several years of historically low margins on past projects. Burden or not, there



is little choice other than to participate in the pre-qualification process. To complete this process is not for the faint-of-heart, especially if a contractor has weak financial statements. The paperwork required can be excessive, but astute businesses will already have most of the information readily available (such as company management, qualifications of key employees, project history, documented safety record), in addition

to fully disclosing financial and tax fillings.

Another, often overlooked opportunity for contractors during this process is taking time to tell their business story, the good and the not-so-good parts. Writing your business story is a huge way you can reach out to owners and contractor qualification managers to market your company. The openness of your written story helps reduces the risk of hiring you in their minds. It can be a business development as well as financial process.

In summary, these financial pre-qualification programs are an opportunity for you to assist your potential customer in weeding out poor, low performing competitors. Basically, the burden of pre-qualification is another way for you to win better work with fewer competitors. Now that's value.





Security Awareness For Small Business Owners

It's that time of the year when those in the DBE community are pulled in many directions to meet those deadlines. It's time to submit that bid! It's time to make payroll! It's time to file that return! It's time to make a deposit!

Jay B. Mercer, QuickBooks Pro-Advisor & Tax Specialist

n all the rushing that occurs in running your business, don't forget to protect yourself. Here are a few pointers that you should know: The Internal Revenue Service, State Revenue officials, your tax software provider, and your tax preparer are all working hand-in-hand to protect you from identity theft. Unfortunately the cybercriminals are constantly evolving and so must the effort to combat identity theft.

We need you to join in the effort. By taking a few simple steps, you can better protect your personal and financial data online, at the office and at home.

Please consider these steps to protect yourselves from identity thieves:

Keep Your Computer Secure

- Use security software and make sure it updates automatically; essential tools include:
- Firewall
- Virus/malware protection
- File encryption for sensitive data
- Treat your personal information like cash, don't leave it lying around
- Screen companies to find out who you're really dealing with
- Give personal information only over

encrypted websites – look for "https" addresses

- Use strong passwords and protect them
- Back up your files Avoid Phishing and Malware
- Avoid phishing emails, texts or calls that appear to be from the IRS and companies you know and trust. Go directly to their websites instead
- Don't open attachments in emails unless you know who sent it and what it is
- Download and install software only from websites you know and trust
- Use a pop-up blocker
- Talk to your family about safe computing

Protect Personal Information

Don't routinely carry your social security card or documents with your SSN. Do not overshare personal information on social media. Information about past addresses, a new car, a new home and your children help identity thieves pose as you. Keep old tax returns and tax records under lock and key or encrypted if electronic. Shred tax documents before trashing.

Avoid IRS Impersonators

The IRS will not call you with threats of jail or lawsuits. The IRS will not send you an unsolicited email suggesting you have a refund or that you need to update your account. The IRS will not request any sensitive information online. These are all scams, and they are persistent. Don't fall for them. Forward IRS-related scam emails to phishing@irs.gov.

Report IRS-impersonation telephone calls at <u>www.tigta.gov.</u>

Additional steps:

- Check your credit report annually; check your bank and credit card statements often;
- Review your Social Security Administration records annually

Sign up for My Social Security at www.ssa.gov.

 If you are an identity theft victim whose tax account is affected, review <u>www.irs.gov/identitytheft</u> for details.

Time for a Team Retreat!



Teresa Daniel of Tyler Construction Engineers, P.C. shown here presenting during an Abbie Jones Consulting team retreat

eadership and commitment to developing your team can mean big business for small business owners. It's all about staking your claim, sharing your mission and vision to empower your team. Small business owners must understand the value of developing their team to drive positive and profitable outcomes for their business.

This is exactly how Abbie Jones, president and owner of Abbie Jones Consulting, a land surveying and civil engineering consulting firm, kicked off the new year with the AJC Team Retreat. Approximately one year ago, during a strategic planning session, Abbie shared her vision of a retreat for her team with Tyler Construction Engineers consultant group. Abbie's vision was to have a more cohesive and productive team. Tyler Construction Engineers partnered with Abbie to plan and tailor a two-day team retreat to fit her business.

The two day retreat was held at Barren River Lake State Resort Park and consisted of two full days of business development and team building.

Tyler Construction Engineers consultants Marshall Tabb and Teresa Daniel facilitated a Teamwork presentation on day two of the retreat.

Congratulations Abbie Jones!

Abbie Jones received the National Association of Women In Construction's local Diamond Award. Abbie was honored on March 9, 2017 in Lexington Kentucky at the NAWIC Blue Grass Chapter Construction Industry Night. The award is given to local leaders in the construction industry and the community for their outstanding achievements and commitment. *Great job!*

Some of the highlights of the presentation included the following:

- Identifying the Company's Culture
- Lessons on Effective Team Work
- Leadership Comparisons
- Identifying Continuous Improvement Opportunities
- Respect for Team members
- Self Awareness
- Culture Awareness

The Teamwork presentation also included team building activities to help promote honest and respectful team dialogue for effective team communication. The session included the following team building activities:

- Sharing Personal and Professional Goals
- Personal Motivators
- Communication Style

The teamwork retreat concluded with a planning session for the team to develop an action plan to identify action items, time frames and accountability.

Hats off to Abbie Jones Consulting for committing to business development, professional development, and for a successful team retreat!

Do you see a retreat in your team's future? Is your business next?

Use the link below to contact Tyler Construction Engineer P.E. to discuss an assessment of your team's effectiveness and if your team could benefit from a team building retreat.

DBE Supportive Services@tylerengineers.com



Upcoming Seminars & Workshops for 2017

Topic - Profitable Pricing: Understanding Revenue, Markup & Pricing

Facilitator - Tyler Construction Engineers, P.C. Victor C. Tyler, PE, M.ASCE, NSPE

NASHVILLE

Date: April 11, 2017

Time: 8:30 am - 12:30 pm

Location: 2 International Plaza

Building - 1st Floor Conference Rm

MEMPHIS

Date: April 12, 2017
Time: 9:00 am - 1:00 pm
Location: Renaissance Business
Center, 555 Beale Street Memphis

CHATTANOOGA

Date: May 16, 2017
Time: 12:30 pm – 4:30 pm
Location: Hamilton County
Business Development Center, 100
Cherokee Blvd.

KNOXVILLE

Date: May 23, 2017 **Time:** 1:00 pm – 4:30 pm **Location:** Knox Burlington Library

Meeting Room 4614, Asheville

Highway

Topic Overview

Find out how your firm can increase project profitability, shorten billing cycles, and reduce overhead costs! When you develop a business plan, financial projections and cash flow analysis are among the most critical elements. Businesses have to demonstrate the profit potential of the enterprise in order to convince a lender or investors to provide needed funding.

This workshop will review the major elements of a strategic pricing plan:

Projected profit and loss statement

- Projected cash flow
- Using historical financial information to evaluate profitable patterns
- Overhead and budgeting
- Using Markup vs. Margin to yield desired profit
- Finding your ideal customers so you can estimate less and win more profitable work

Additionally, the instructor will discuss a business owner's Exit Strategy Plan (for merger, acquisition, liquidation, or retirement income). For any owner or investor in a business, the questions are the same when it's time to move on. How are you going to get your money out of the business? And how much of this money are you going to get?

Topic - Strategic Business Growth: Piecing It All Together

Facilitators - Tyler Construction Engineers, P.C.

NASHVILLE

Date: June 13, 2017 **Time:** 8:30 am – 12:30 pm

Location: 2 International Plaza Building

1st Floor Conference Rm

MEMPHIS

Date: June 14, 2017
Time: 9:00 am – 1:00 pm
Location: Memphis Renaissance
Business Center, 555 Beale Street

CHATTANOOGA

Date: July 11, 2017 **Time:** 12:30 pm – 4:30 pm

Location: Hamilton County Business Development Center, 100 Cherokee

Blvd.

KNOXVILLE

Date: July 18, 2017 **Time:** 1:00 pm – 4:30 pm

Location: Knox Burlington Library Meeting Room 4614, Asheville Highway

Topic Overview

Running a small business is very challenging. Whether you are just starting your own firm or have been running your firm for many years, this workshop will help you get out of the crisis management trap many owners find themselves in. You will learn what strategic business planning and business modeling is all about, why it is important, and how to create a strategic action plan for your firm. Instructors will guide you through the process of building a strategic business action plan and organizing for successful implementation.

This workshop examines seven distinct categories:

- Business Model Design
- Marketing/ Business Development
- Leadership
- Financial Health
- Human Resource Management
- Project Management
- Information Technology

You'll have a vision of where your firm is headed, strategies to get there, goals to measure progress, and action plans that identify a task, its measurement period and a person responsible for completion of it. This workshop will be facilitated by industry-leading experts who will help you to understand how to increase your market share and win the right contracts that will grow your business.

Bring Training To Your Organization
If you have multiple employees who
can benefit from our training offerings,
we bring onsite seminars to your office
upon request. Facilitators have many
years of successful consulting experience to small businesses (No cost to
TNUCP-Certified DBE firms)

Mark your calendar for our TDOT DBE Small Business Annual Meeting, **August 28-29, 2017** —Nashville

New DBEs Welcome

Region 1

Ritter Farms Services, LLC Tonua Ritter

Wholesale Trade Agents and Brokers

Region 2 - N/A

Region 3

Striker Advisory, LLC Anca Pop

Custom Computer Programming Services; Computer Systems Design Services; Computer Facilities Management Services

TriStar Digital Connections, LLC John Perona

Electronic Stores

Region 4 - N/A

Recently Renewed Firms

Region 1

B & B Lawn Services, Inc.

Mr. Baffin R. Harper, Sr.

Poured Concrete Foundation and Structure Contractors, Erosion Control, Commercial Landscaping and Mowing, Traffic Control, Clearing & Grubbing

First Place Finish, Inc.

Laurel Patrick

New Single-Family Housing Construction, New Multifamily Housing Construction, New Housing Operative Builders, Residential Remodelers, Industrial Building Construction, Commercial and Institutional Building Construction, Highway, Street, and Bridge Construction, Other Heavy and Civil Engineering Construction, Landscaping Services, Flagging (i.e., traffic control) Services

Dayenesi, Inc. Daksha Shah

Engineering Services

Tri-Cities Bilingual Consulting Neila Rodriguez

Translation and Interpretation Services

Region 2

Gibco Construction, LLC

Sharon Gilbert

Excavating and Trucking; Spread Rock

Pecs Construction

Timothy Pruett

Asphalt Paving, Trucking and Light Concrete Work (Concrete Curbing, Sidewalks) Silt Fencing, Chain Link Fencing, Erosion Control, Traffic Control, Supplier of Liquid Asphalt and Aggregate Stone

Region 3

Ace Contractors, Inc. Chandan Chaudhuri

Construction (mainly concrete & asphalt); remodeling work (framing, roofing and grading)

K2 Environmental, LLC

Kristin Knoll

Environmental Consultant Services; **Engineering Services**

Logan Patri Engineering, Inc.

Narasimha Rao Patri

Consulting and structural engineering

Water Quality & Erosion Control of TN **Jean Matthews**

Engineering Services, Environmental Consulting Services, exterior finish systems, and texture coatings

Region 4

Airfield, ETC., Inc.

Stephanie Poole

Highway, street and bridge construction, traffic control, concrete work, electrical contractor

Green Thumb of Dyersburg, LLC Phullis Kraus

Landscaping Services

SMS Contractors, Inc.

Claudette Sanders

General Construction (specializing in Trucking, Clearing and Grading, Rip-Rap, Structural Steel, Coatings and Painting, Demolition, Drainage Systems, Masonry, Temporary Barricade, Sidewalks, Ditch Paving and Box Culverts



Scheduled Letting Dates 2017

May 12, June 23, August 18, October 6, December 8

TDOT DBE Supportive Services

BUSINESS DEVELOPMENT AND TRAINING TECHNICAL ASSISTANCE

BUSINESS ASSISTANCE

- Business Planning
- Financial Analysis
- Leadership Development
- Business Coaching

ONE-ON-ONE TRAINING

- Strategic Marketing
- Accounting Software
- Construction Accounting
- Bidding & Estimating
- Project Management
- Contracts & Specifications
- Construction Plan Reading
- Project Controls

"... I have looked in the mirror every morning and asked myself: 'If today were the last day of my life, would I want to do what I am about to do today?' And whenever the answer has been 'No' for too many days in a row, I know I need to change something."

- Steve Jobs

Civil Rights Division Small Business Development Program Team

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