

Budget

Dublin City (047027) - Franklin County - 2014 - Straight A Fund - Rev 0 - Straight A Fund - Application Number (369)

U.S.A.S. Fund #:
 Plus/Minus Sheet (opens new window)

Purpose Code	Object Code	Salaries 100	Retirement Fringe Benefits 200	Purchased Services 400	Supplies 500	Capital Outlay 600	Other 800	Total
Instruction		800.00	200.00	0.00	0.00	0.00	0.00	1,000.00
Support Services		0.00	0.00	0.00	0.00	0.00	0.00	0.00
Governance/Admin		0.00	0.00	0.00	0.00	0.00	0.00	0.00
Prof Development		0.00	0.00	740,000.00	5,000.00	0.00	0.00	745,000.00
Family/Community		0.00	0.00	0.00	0.00	0.00	0.00	0.00
Safety		0.00	0.00	0.00	0.00	0.00	0.00	0.00
Facilities		2,400.00	600.00	0.00	0.00	0.00	0.00	3,000.00
Transportation		800.00	200.00	0.00	0.00	0.00	0.00	1,000.00
Total		4,000.00	1,000.00	740,000.00	5,000.00	0.00	0.00	750,000.00
Adjusted Allocation								0.00
Remaining								-750,000.00

Application

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Applicants shall respond to the prompts or questions in the areas listed below in a narrative form.

A) APPLICANT INFORMATION - General Information, Experience and Capacity

1. Project Title: The Dublin Partnership for Operational Excellence: Collaborating with OSU & Cardinal Health to Transform District Processes and Performance

2. Executive summary: Provide an executive summary of your project proposal and which goal(s) in question 9 you seek to achieve. Please limit your responses to no more than three sentences.

Dublin City Schools has a responsibility to judiciously allocate limited resources to the academic and operational areas of the District in order to maximize the return on investment our stakeholders have made in our schools and our students. Dublin City Schools will implement a proven and sustainable cost reduction methodology, known as Lean Six Sigma, through a partnership with The Ohio State Fisher College of Business - that teaches this discipline to corporate employees from around the world, and with Cardinal Health - a Fortune 50 company headquartered in Dublin that employs Lean Six Sigma to drive organizational efficiency. Bringing this private sector concept to our public school system, in cooperation with entities such as MoreSteam, will reduce operating costs on the business side of Dublin City Schools, resulting in savings that can be redirected to the classroom per the District's five year forecast.

14800 3. Total Students Impacted:

4. Lead applicant primary contact: - Provide the following information:

First Name, last Name of contact for lead applicant: Todd F. Hoadley, Superintendent

Organizational name of lead applicant: Dublin City Schools

Unique Identifier (IRN/Fed Tax ID): 047027

Address of lead applicant: 7030 Coffman Road, Dublin, OH 43017

Phone Number of lead applicant: (614) 760-4353

Email Address of lead applicant: hoadley_todd@dublinschools.net

5. Secondary applicant contact: - Provide the following information, if applicable:

First Name, last Name of contact for secondary applicant: N/A

Organizational name of secondary applicant: N/A

Unique Identifier (IRN/Fed Tax ID): N/A

Address of secondary applicant: N/A

Phone number of secondary applicant: N/A

Email address of secondary applicant: N/A

6. List all other participating entities by name: Provide the following information for each additional participating entity, if applicable: Mention First Name, Last Name, Organizational Name, Unique Identifier (IRN/Fed Tax ID), Address, Phone Number, Email Address of Contact for All Secondary Applicants in the box below.

Peter Ward The Ohio State University Fisher College of Business Fed Tax ID: [redacted] 600 Fisher Hall 2100 Neil Avenue Columbus, OH 43210 (614) 292-5294 ward.1@osu.edu Bill Owad Cardinal Health Inc. Fed Tax ID: [redacted] 7000 Cardinal Place Dublin, OH 43017 (614) 757-2849 bill.owad@cardinalhealth.com Timothy Kelley MoreSteam.com Fed Tax ID: [redacted] 9976 Brewster Lane? Powell, OH 43065 (614) 602-8190 tkelley@moresteam.com

7. Partnership and consortia agreements and letters of support: - (Click on the link below to upload necessary documents).

* Letters of support are for districts in academic or fiscal distress only. If school or district is in academic or fiscal distress and has a commission assigned, please include a resolution from the commission in support of the project.

* If a partnership or consortium will be established, please include the signed Straight A Description of Nature of Partnership or Description of Nature of Consortium Agreement.

UploadGrantApplicationAttachment.aspx

8. Please provide a brief description of the team or individuals responsible for the implementation of this project including relevant experience in other innovative projects. You should also include descriptions and experiences of partnering entities.

Dr. Todd Hoadley (Dublin City Schools) - Dr. Hoadley leads the 12th-largest school district in Ohio, working collaboratively with staff, students, parents, and stakeholders to provide students with a world-class education while meeting the facilities and financial challenges of a growing district. He previously served as superintendent at Olmsted Falls City Schools and Van Buren Local Schools. Dr. Hoadley has a bachelor's in mathematics from Bowling Green State University, where he also earned a master's degree and a PhD in educational leadership and policy studies. In 2010, he earned a Masters of Business Operational Excellence (MBOE) from the Fisher College of Business at Ohio State University. He leveraged his MBOE education at Olmsted Falls to lead several Lean Six Sigma projects designed to reduce expenditures on the business side of the operation in order to direct savings into the classroom. Dr. Hoadley's status as a Lean Six Sigma black belt and MBOE graduate uniquely position him to offer cost-reduction expertise to the district. Peter Ward (Fisher College of Business) - Ward is a professor of operations at Fisher, where he holds the Richard M. Ross Chair in Management and serves as chair of the Department of Management Sciences. Ward also serves as co-director of Fisher's Center for Operational Excellence and is the academic director and a sitting faculty member of the Master of Business Operational Excellence degree program. Before entering academia, Ward worked as a manager of systems and software engineering in the corporate manufacturing engineering function of Wang Laboratories Inc. and as an economist for the U.S. Bureau of Labor Statistics. He has a doctorate in operations management from Boston University and a master's of science in business administration from the University of Massachusetts, where he also earned his bachelor's of economics. Ward is an accomplished researcher whose work has appeared in leading operations management journals and has been recognized with a number of awards. In 2004, he won the prestigious Shingo Prize for research, a top honor in the operational excellence field. William Bill Owad (Cardinal Health) - Owad is the senior vice president of operational excellence at Cardinal Health, a Fortune 50 company with more than \$100 billion in annual revenue and more than 34,000 employees. There, he is responsible for the development and implementation of an enterprise approach to operational excellence, supported by a staff of nearly 150 employees and coaches. During his tenure, Owad served as the primary architect of the company's enterprise-wide deployment of Lean Six Sigma, which has yielded significant improvements in customer loyalty, employee engagement, operational performance, and working capital utilization. In less than a decade, Cardinal has realized more than \$750 million in cost and capital improvement savings through more than 6,000 projects. Owad has a bachelor's in pharmaceutical sciences and an MBA from the University of Toledo.

B) PROJECT DESCRIPTION - Overall description of project and alignment with Outcomes

9. Which of the stated Straight A Fund goals does the proposal aim to achieve? - (Check all that apply)

- Student achievement
Spending reductions in the five-year fiscal forecast
Utilization of a greater share of resources in the classroom

10. Which of the following best describes the proposed project? - (Select one.)

- New - never before implemented
Existing and researched-based - never implemented in your district or community school but proven successful in other educational environments
Mixed Concept - incorporates new and existing elements
Enhancing/Scale Up - elevating or expanding an effective program that is already implemented in your district, school, or consortia partnership

11. Describe the innovative project.

It is not a new idea, but it is an incredibly powerful one. Over decades, it has proven itself in companies from General Electric and Toyota to Starbucks and the Cleveland Clinic. It goes by many names: Operational excellence, continuous improvement, and Lean Six Sigma. It is moving rapidly across industries such as financial services, retail, and health care. Specifically, it is a systematic approach to problem solving that helps drive down costs, streamline work flows, and reduce wasted efforts. And it is time that K-12 education systems adopt this approach and deliver the resultant benefits to students and families. This project is focused on innovating Dublin City Schools operations to deliver the financial benefits enjoyed by many companies in the private sector. A selection of DCS staff will be trained in

the skills and tools of this operational discipline and immediately apply these methods across key areas of the system, ultimately freeing up resources to invest in the classroom. Importantly, this is not just a small group of individuals expected to do the hard work and generate all the benefits. A significant number of staff and faculty at multiple levels of the organization will be trained and teamed together, collaborating on specific improvement projects designed to transform processes. This reveals opportunities to reduce the resources necessary to achieve the required results. An organizational structure has been devised to ensure the proper strategic alignment, resource management, and committed leadership to propel this initiative. 1) DCS Operational Excellence Council - This team provides strategic and thought leadership to guide the initiative and measure progress towards stated goals. The council includes: Todd Hoadley, Superintendent; Stephen Osborne, Treasurer; Annette Morud, Director of Business Affairs; Peter Ward, Chair of Management Sciences at OSU; Peg Pennington, Executive Director for the Center for Operational Excellence at OSU; William Owad, SVP for Operational Excellence at Cardinal Health; plus 2 Dublin School Board members and 2 Dublin parents. 2) DCS Operational Excellence Team - This team will identify the strategic priorities for Operational Excellence consistent with the district's Five-Year Forecast, provide the resources and motivation to build momentum and ensure sustainability, and remove the policy and procedural roadblocks that can hinder teams. This team includes: Dr. Hoadley; Mr. Osborne; Eydie Schilling, Exec. Director of Learning & Teaching; plus 1 additional graduate of OSU's Master of Operational Excellence program (Dr. Hoadley is a graduate); 5 DCS school principals; 9 DCS faculty members; and the DCS Director of Continuous Improvement. 3) DCS Director of Continuous Improvement. This key leader is being identified within the existing administrative staff and will have their position realigned to focus on the goals and priorities of this initiative. An active participant in the OSU training at the heart of this initiative, and supported by the Operational Excellence Council and Team, this leader will function as a key driver for all the activity and momentum that this innovation requires. 4) OSU/Fisher College of Business Center for Operational Excellence Membership - Thirty-eight companies across varied industries have joined together with Fisher, not only to share best practices in Operational Excellence, but to advance the discipline and create "next" practices. The mutual commitment and shared learning that permeates this group of forward-thinking organizations will provide essential support and opportunities to collaborate with other members. It is through this governance and support structure that we will acquire the knowledge, develop the skills, and leverage the tools and practices to re-form operational processes to reduce costs and improve resource utilization while improving workflows and quality.

12. Describe how it will meet the goal(s) selected above. - If school/district receives school improvement funds/support, include a brief explanation of how this project will advance the improvement plan.

This approach to operational excellence is focused on perfecting operational processes, which directly impacts two key goals of the Straight A Fund. This methodology, in a very disciplined fashion, will allow our teams to examine the operations of the system to identify problems, streamline workflows, and eliminate waste. Here's how it will work against the two goals. Spending reductions in five-year fiscal forecast: Applying these principles will result in meaningful and measurable cost reductions. For example: The Evansville Vanderburgh School Corp., a 23,000-student district with more than 3,200 employees in Indiana, partnered with OSU to adopt and implement Lean Six Sigma practices across their district. To date, these efforts have yielded more than \$2 million in operational savings across areas such as transportation, energy, food service, IT, and communication. We have developed our own focus areas for assessment and impact, and will be able to deliver similarly significant savings across key areas of our operations. Utilize greater share of resources in classroom: The substantial savings in the operations across our system will allow us to redirect resources to the classroom, but this is not just a quantitative benefit. What has been historically or intuitively perceived as "good process" will be methodically examined and redesigned, simultaneously working to drive up the performance of those functional areas that provide essential support to our educational mission. The uncertainty of school levy success requires all districts to enrich the student experience with a limited set of resources, making operational efficiencies all the more critical. Our path forward reflects a proven pedagogical approach: Learn, Do, Teach. First, participants will learn the concepts and skills. As part of that learning experience they identify and do process improvement projects (see below.) As a result of their training and subsequent project experience, they ultimately are able to teach others in the practices of Lean Six Sigma. How do we get there? We are implementing a layered approach to developing lean thinkers who have the skills to form teams and lead efforts to identify and improve operational processes and efficiencies across the district. The structure: Layer 1: Through a dedicated session led by Cardinal Health, with the support of OSU, leaders from the Dublin Board of Education and district staff will gain a broad understanding of the Lean Six Sigma improvement methodology, concepts, and vocabulary. This enables them to support and track the efforts of those teams driving improvement efforts. Layer 2: Thirty key administrators (principals/district staff) will be trained at OSU in the key concepts and tools of Lean Six Sigma, enabling them to apply these principles as they work to improve the academic activities and performance in their buildings. Layer 3: Ten DCS staffers will enroll in OSU's Master of Operational Excellence program, acquiring Black Belt-level leadership and teaching skills in Lean Six Sigma. Layer 4: Twenty staffers will be trained at Cardinal Health in their Rapid Improvement training program, where they will learn and apply operational improvement skills. Layer 5: Fifty more staffers will receive core training in Lean Six Sigma concepts from MoreSteam.com and Fisher MBA students, enabling them to join teams and contribute to process improvement projects across the district. This layered approach will build the necessary knowledge and skills throughout the district. Teams will come together, effectively and immediately, to target and impact key areas of opportunity. Initial areas targeted for operational improvement include: Transportation optimization in routing and maintenance; Inventory reduction; Energy usage reduction; Custodial maintenance optimization; IT network streamlining; and HR staffing efficiencies.

C) SUSTAINABILITY - Planning for ongoing funding of the project, cost breakdown

13. Financial Documentation - All applicants must enter or upload the following supporting information. Responses should refer to specific information in the financial documents when applicable:

a. Enter a project budget

b. Upload the Straight A Financial Impact Template forecasting the expected changes to the five-year forecast resulting from implementation of this project. If applying as a consortia or partnership, please include the five-year forecasts of each school district, community school or STEM school member for review.

c. If subsection (b) is not applicable, please explain why, in addition to how the project will demonstrate sustainability and impact.

N/A

14. What is the total cost for implementing the innovative project?

750,000.00 * Total project cost

* Provide a brief narrative explanation of the overall budget. The narrative should include the source and amount of other funds that may be used to support this concept (e.g., Title I funding, RttT money, local funding, foundation support, etc.), and provide details on the cost of items included in the budget (i.e. staff counts and salary/benefits, equipment to be purchased and cost, etc).

Total project cost is \$955,500 comprised of: \$750,000 via Straight A funding, plus \$205,500 via in-kind investments from partners if Straight A funding is granted. Simply stated, our plan is to transform the way that Dublin City Schools manages the operations that support our educational mission. Specifically, our adoption of Lean Six Sigma as an operational imperative requires that our staff acquire the knowledge and skills that are at work -- streamlining processes, reducing waste, and saving money at as so many forward-thinking private companies have done. As such, the investment in this innovative project is an investment in our people, giving them the knowledge that they need to succeed, and the success that they need to deepen their commitment to our educational mission. We have described the layered approach that we will use to ensure that each group acquires the requisite knowledge, skills and tools to enable them to contribute to the success of this transformation. We use the word "investment" properly in this case. The outcome will be a continuous improvement culture and new behaviors that yield both immediate and on-going improvements in process, and savings in resources, without incremental funding after the first year. Layer 1 - Leadership Orientation: Dedicated session for leaders from the Dublin Board of Education and district staff to gain an essential understanding of the Lean Six Sigma improvement methodology, concepts, and vocabulary enabling them to guide and track improvement efforts. Budget: \$20,000 via Straight A funding. Layer 2 - Leadership Training: Multi-day sessions, plus project work, for thirty key administrators (principals/district staff) who will be trained at OSU in the key concepts and tools, and in the successful implementation of Lean Six Sigma. Budget: \$120,000 via Straight A funding. Layer 3 - Masters Training Program: Ten DCS staffers will complete OSU's one-year Master of Operational Excellence program, acquiring Black Belt-level leadership and teaching skills in Lean Six Sigma. This is a critical layer to ensure that we have the depth of knowledge, in the right positions, to effect the transformation that will yield targeted results. Budget: \$560,000 via Straight A funding. Layer 4 - Rapid Improvement Training and Events: Twenty staffers will be trained in Lean Six Sigma skills via MoreSteam, and, at Cardinal Health in their Rapid Improvement training program, where they will develop and apply operational improvement skills. Budget: \$15,000 via Straight A funding. Plus: In-kind investment from partners totaling \$163,000 if Straight A funding is granted. Layer 5 - Core training in Lean Six Sigma methods/tools: Fifty staffers will receive core training in Lean Six Sigma concepts from MoreSteam.com and Fisher College MBA students, enabling them to join teams and contribute to process improvement projects across the district. Budget: \$15,000 via Straight A funding. Plus: In-kind investment from partners totaling \$32,500 if Straight A funding is granted. Incremental learning, collaboration and support through membership in the OSU Center for Operational Excellence: Budget: \$10,000 via Straight A funding. Plus: In-kind investment from partners totaling \$10,000 if Straight A funding is granted. Substitutes for staff members (non-administrators) who participate in training activities. Budget: \$4,000 salaries, \$1,000 benefits via Straight A funding. Supplies (including meals) for training participants not already provided by Cardinal Health or OSU. Budget: \$5,000 via Straight A funding. To lead this project throughout this fiscal year and beyond, a district administrator will be reassigned as Director of Continuous Improvement. This will be at no additional cost to the district, as this person is already employed within the district.

15. What new/recurring costs of your innovative project will continue once the grant has expired? If there are no new/recurring costs, please explain why.

107,000.00 * Specific amount of new/recurring cost (annual cost after project is implemented)

* Narrative explanation/rationale: Provide details on the cost of items included in the budget (i.e. staff counts and salary/benefits, equipment to be purchased and cost, etc.). If there are no new/recurring costs, please explain why.

Once grant funding has expired, all reoccurring costs will be both optional and completely sustainable, paid for through anticipated operational savings generated by year one and future Lean Six Sigma projects. Optional re-occurring costs may include additional participation in Fisher MBOE program (1-2 individuals per year - \$97,000) and continued membership in the OSU Center for Operational Excellence (estimated cost is \$10,000/year). Moreover, this project represents DCS' commitment to implementing a sustainable, district-wide cost reduction strategy. DCS has made a commitment to the principles of Lean Six Sigma as a new operational framework. The up front investment the District will make in the first year of the project will be in the form of teaching and training staff. It is imperative we build the organizations' capacity to identify and complete Lean Six Sigma projects. This grant will accelerate the adoption and application of Lean Six Sigma principles, and we anticipate a substantial cost savings will be realized in a relatively short amount of time. These savings will be re-purposed and directed into the classroom. A portion of the future savings will also be reinvested in the program in order to facilitate additional training, as identified above. We anticipate about 25% of our annual savings will be allocated toward additional training, furthering the project's sustainability. We eventually plan to have at least two-percent of our more than 1,800 employees go through training and emerge with a black belt level of Lean Six Sigma expertise. This 100 percent sustainable project will shift the business side of the District's operations to more closely mirror the corporate cultures present in our community in the many national and international businesses based in Dublin. While there should be no new costs associated with this grant, there will be recurring costs once the grant expires. As listed above, these costs include future MBOE program expenses, maintenance of the Fisher College of Business Center Operational Excellence membership, and some ancillary costs associated with conducting staff training. As stated, these are optional recurring costs that we look upon as a continued investment in District personnel, which will ultimately fund themselves by producing significant cost savings through future Lean Six Sigma projects.

16. Are there expected savings that may result from the implementation of the innovative project?

550,000.00 * Specific amount of expected savings (annual)

* Narrative explanation/rationale: Provide details on the anticipated savings (i.e. staff counts and salary/benefits, equipment to be purchased and cost, etc.)

Financial savings is not simply a goal of this project, rather it is an expected outcome. Lean Six Sigma projects and Operational Excellence programs have a documented track record for producing this result, and DCS will leverage these proven principles to deliver meaningful and measurable savings across our operations. As stated in Q18, 10 DCS employees will participate in the December 2013 Master of Business Operational Excellence (MBOE) Cohort, through the Fisher College of Business. During this program, each DCS employee will complete a capstone LSS project in a specific area of DCS operations that has strategically been selected because of anticipated financial savings opportunity. Reduction of energy (electric & gas) usage across the District's 22 school facilities, have been identified as a target area. Current annual District expenditures for electric and gas total just over \$2 million. For profit companies have offered services and predicted a 20% savings potential. However, a large part of the savings would be claimed by the for profit consultant for services rendered. As an MBOE capstone project, the District believes it can reduce electric & gas use by 10%, thus saving the District \$200K. Additionally, through this project's multiple training cycles, additional LSS projects, focused on energy consumption, will identify and garner additional financial savings. A second strategically selected area for MBOE capstone emphasis is in the area of transportation. Current district operations consist of 140 buses and a triple route system. Through LSS projects that model the project completed by the Evansville School system (see Q 20), DCS expects to garner a \$200K reduction in transportation fuel costs. This will occur through route optimization, regrouping of neighborhood bus stops, and driver training, which promotes skills and behaviors that increase fuel economy. This \$200,000 saving represents 2% reduction in District transportation costs. A third area identified for an MBOE capstone project focuses on reducing inventory that is stored for long periods of time at the District's 10,000 s.f. Warehouse. This supply chain project will focus upon reducing inventory levels through "Just in Time" ordering. A cost avoidance savings of \$50K is expected based upon similar LSS inventory projects in private sector settings. A fourth area, already identified for a MBOE capstone project, falls in the area of IT staffing. Currently, the District uses an electronic work ticket system to manage and track IT issues. Currently, over 350 open tickets exist with an average close time rate of 32 hours. The District has considered hiring additional IT staff to reduce the number of open IT tickets and reduce the average close time rate. However, additional IT staffing is contrary to the District's goal of redirecting more funds to the classroom. As such, multiple LSS projects will be conducted in the IT department to improve both of the metrics. This is expected to create cost avoidance of \$100K (salary & benefits) by not hiring additional IT staff. Finally, as previously noted in Q12, lean six sigma projects will be conducted in the areas of custodial maintenance and human resources. While it is undetermined at this time if these areas will be the focus of MBOE capstone projects, they will assuredly be the focus of multiple local efforts utilizing the lean six sigma framework.

17. Provide a brief explanation of how the project is self-sustaining. If there are ongoing costs associated with the project after the term of the grant, this explanation should provide details on the cost reductions that will be made that are at least equal to the amount of new/recurring costs detailed above. If there are no new/recurring costs, explain in detail how this project will sustain itself beyond the life of the grant.

Lean Six Sigma, as an overall operating approach, is by design and definition self-sustaining. Ultimately, it manifests as a way of thinking and behaving that reflects an astute understanding of how work flows, and a continual drive to optimize results and to minimize resource requirements. Importantly, this is not a "committee on cost cutting." Those efforts regularly fail to produce sustainable results, and often negatively impact what the organization achieves and produces. Lean Six Sigma is a proven methodology that has been significantly improving processes and measurably saving money for major companies around the world for decades. Dublin City Schools is committed to this operating framework, and to bringing those same benefits to the students and families of our community. We have partnered with Ohio State, Cardinal Health, and MoreSteam.com who not only believe in the power of this approach - and have the ability to teach and support DCS staff - but share our vision and commitment. We have structured a governance and operating model to drive the adoption, and the continuation of this approach across the district, over time. A key component of the Lean Six Sigma operating model is tracking and measurement. From the very beginning we will be benchmarking and measuring the improvements and impact of these efforts, along with the resultant savings that can be re-invested into our classrooms. Superintendent Hoadley is a graduate of the OSU Master in Operational Excellence program - the first of its kind, and this program is still the leading educator and producer of Lean managers. This initiative will put selected DCS staff through this same program, who then emerge as Lean thinkers and teachers who will be key leaders of this initiative going forward, year after year. This specific training enables them to not just "do" continuous improvement, but to "teach" it throughout the organization. This allows a rapid shift to internal capacity-building within DCS that is driven by these key leaders. Our approach to educating and training layers of staff across the district provides them with the proper knowledge and skills to contribute to our operational improvement efforts immediately, and over time. As such, we accelerate the adoption and implementation of this methodology, and further support the shift to internal capacity-building so that the initiative pays dividends sooner, and longer. Just as important, and strongly recommended by our partners, we are assessing our current staff and identifying a dedicated DCS Director of Continuous Improvement who, with their position re-defined, will drive our operational excellence efforts forward with the oversight and support of the DCS administrators and our operational excellence partners. Following the accelerated start-up of this initiative, we will continue to put additional staff through training to continue our drive to operational excellence. However, as noted, the incremental costs of this on-going education is self-funded by the district through the savings realized from the initiative itself.

D) IMPLEMENTATION - Timeline, communication and contingency planning

18. Fill in the appropriate dates and an explanation of the timeline for the successful implementation of this project. In each explanation, be sure to briefly describe the largest barriers that could derail your concept or timeline for implementation and your plan to proactively mitigate such barriers. In addition, the narrative should list the stakeholders that will be engaged during that stage of the project and describe the communication that occurred as the application was developed.

Describe the ongoing communication plan with the stakeholders as the project is implemented. (Stakeholders can include parents, community leaders, foundation support and businesses, as well as educational personnel in the affected entities.)

* Proposal Timeline Dates

Plan (MM/DD/YYYY): 10/28/2013

* Narrative explanation

The first key milestone of the Dublin Partnership for Operational Excellence already is under way: The identification of the district's Director of Continuous Improvement leader. Selecting this leader will ensure all components of operational excellence training in the future are managed by a dedicated district employee. Because this position will not result in an additional hire, the district must take steps to realign the leader's responsibilities to manage the additional workload, which likely will result in the redistribution of duties in his or her department. Early identification of this leader and clear communication with the affected team will mitigate potential disruptions, which is the largest barrier to this step. The district, in this planning phase, also will work with the Fisher College of Business to identify and enroll its selected group of students in the Master of Business Operational Excellence program, wherein they will be subjected to the same process and rigorous scrutiny as MBOE candidates from the industry and health-care cohorts. To avoid potential a potential barrier, due to processing and interview scheduling, these candidates are actively being identified at this time, as are the "capstone" projects that will be associated with each student (see questions 11 and 23). Designing these projects in such a way that they link directly to the stated goals in question 9, is a crucial step in this initiative's strategy. At the same time, the communication strategy for this partnership must be aligned with the district's strategic messaging "umbrellas," which are: student achievement, value, and efficiency. The successful planning, implementation, and sustainment of this initiative is directly linked to the efficiency component of this philosophy, but the successful communication of this messaging requires a thorough understanding of the different lenses with which various stakeholders will view the information about the project. Our district is in a thriving business center and is home to large businesses such as Wendy's, Ashland Chemical, and Cardinal Health, but also home to countless small businesses. The majority of businesses in our District employ fewer than ten people. More than 65% of our residents hold at least a bachelor's degree. Dublin is home to many high-ranking businessmen and women. We have many Lean Six Sigma white, yellow, green, and black belts living and working in our community. The communication we will develop around the implementation of the project will incorporate terms and language familiar to the Lean Six Sigma trained, while remaining accessible to the majority of individuals with no background in the program. This is the type of information which will be communicated through the planning stages of the project.

Implement (MM/DD/YYYY): 12/08/2013

* Narrative explanation

The implementation of the Dublin Partnership for Operational Excellence plan requires a gradual rollout of each of the "layers" identified in question 11. Lack of Board of Education understanding is a potential barrier and in an effort to foster active "buy-in" from top district leadership, implementation will begin with a one-day leadership training session with DCS board members and district staff, hosted by Ohio State. This ensures the local community's elected leadership will possess the basic skills to understand and communicate with operational excellence leaders during the implementation process. The district is in talks with Ohio State to arrange this session to mitigate potential scheduling conflicts. The next crucial step comes with the December 2013 kickoff of the MBOE master's program at Ohio State, where students will develop the ability to see problems, formulate problem statements, and appreciate that a holistic system is required to sustain change. As with all MBOE training sessions on-campus at Fisher College of Business, this will require students to spend three business days off-site. To mitigate any barriers with potential scheduling conflicts, Fisher has secured space for this first session and dates are being communicated with potential MBOE candidates. Subsequent training sessions for Cardinal Rapid Improvement Event Leaders and MoreSteam.com Yellow Belts will begin in the spring of 2014, culminating when the Cardinal trainees host their first on-site problem-solving sessions in June. During this training and implementation process, the presence of DCS trainees will place additional capacity needs on Cardinal's coaches. Cardinal, however, is building this additional coaching into its own employees' skill development requirements for Master Black Belt attainment. The final launch of a major training program associated with the partnership will take place in June with the beginning of a five-day training program for up to 25 principals and administrators. This ensures strategic priorities are "translated" effectively and efficiently from the district-wide level into the classroom. To avoid any potential scheduling barrier, the session will be hosted after the conclusion of the student's school year, and dates will be communicated to participating administrators by February 1st. In order to overcome the potential barrier of resistance to change of adult behavior by non-trained district personnel, one of the most important aspects will be successful repeated communication about the project amid the implementation phase. In order to successfully facilitate an internal and external culture shift regarding the perception of the business side of our district, a consistent flow of information, will be coordinated by the district's director of communications, and will take place in the form of face-to-face conversations with stakeholders and the dissemination tools available to us. District officials will have the opportunity to explain the implementation of the program in person to groups such as The Board of Education, PTO Presidents, The Business Advisory Council, The Senior Citizens Council, The Dublin Parents of Black Students Association, The Teachers Advisory Council and more. These conversations will begin in the planning stages, but continue through implementation and the report out phase. The project milestones are great examples of the types of things we will be communicating on a regular basis.

Summative evaluation (MM/DD/YYYY): 12/08/14

* Narrative explanation

The one year Master of Business Operational Excellence program, at the core of the Dublin partnership, concludes in December 2014 with student report-outs on the individual projects they have undertaken. The depth and rigor of these projects not only will produce meaningful, measurable results - and, in some instances, instant operational efficiencies - but also will be used to tie other levels of operational excellence training (Cardinal, Yellow Belt) back to district strategic priorities. The completion of these projects in December 2014 also will coincide with the final quarterly meeting of the Operational Excellence Council (see question 11), which is in charge of tracking and evaluating the progress and success of the individual projects at all levels. All along the planning and implementation stages and, crucially, as projects reach the end of their first-year cycle, details on goals and success rates will flow from the following district conduits: Its web site at dublinschools.net, the Dublin City Schools Today television show, the Dublin City Schools Today printed newsletter, individual school building newsletters, the District's mass email system, Facebook, Twitter, YouTube, the Superintendent's bi-monthly newspaper column, newspaper stories and more. The combination of two-way conversations and district information flow will ensure tens of thousands of people will be reading about the successful implementation of the project. The communications plan includes regular communication with the nearly 2,000 employees of Dublin

City Schools. In addition, The District's Public Information Office will work with the marketing and communications departments at the Fisher College of Business and Cardinal Health to ensure those internal constituencies are aware of the project's results. Importantly, the conclusion of the partnership's first year will by no means represent the end of the initiative - rather, the very beginning. Culture change is a gradual, difficult process that will take years to complete (see question 23) but is much more likely to succeed and self-sustain with a defined structure and communication plan in place.

19. Describe the expected changes to the instructional and/or organizational practices in your institution.

The cultural change this initiative will drive is its most compelling reason for implementation and evidence for its sustainability. In any organization, particularly one with the structure and scope of K-12 education, habits and behaviors have spent decades developing and emerging as the cultural norm. Too often, inefficiency and waste run rampant but are accepted as "business as usual" and are, as a result, unchallenged. The Dublin Partnership for Operational Excellence aims to create a core group of trained administrators, staff, and faculty with the skills and leadership abilities to challenge and change these inefficient processes in a way that ultimately empowers and equips everyone around them. This, in turn, will ignite a drive to constantly seek new opportunities to generate cost savings and drive more dollars to the classroom, cementing the initiative's sustainability for years to come. This change will not be easy, which is why roughly 5 percent of all DCS faculty, staff and administrators will engage in some level of direct operational excellence training and education in the initiative's first year alone, and why 25% of documented future savings will be earmarked toward training additional DCS employees in the Lean Six Sigma methodology. As teams begin executing and completing the range of projects identified as strategic priorities under this initiative, a new model for problem solving will emerge and take hold. The hierarchical nature of some organizations, particularly education and health care, inadvertently can encourage operational inefficiencies. This measured approach to identifying, analyzing, and solving problems not only will identify them at an earlier stage but "reframe" them as an opportunity to improve processes. The self-directed nature of the continuous improvement events hosted by the Rapid Improvement Event Leaders will instill a crucial sense of group ownership, removing the "blindness" that can exist when teams exist in functional silos with little awareness of how the larger system works. On a granular level, this initiative will see the introduction and adoption of new tools, including the "A3" method, an organized and visual approach to problem solving, and value-stream mapping, a group activity that aids in highlighting process inefficiencies and redundancies. These and others will be part of a new "language" for the district, but will become part of tools and behaviors exercised and developed not just by those in operational excellence training. The current administrator, re-assigned to the new role of Director of Continuous Improvement, will be critical in ensuring this culture, and its associated behaviors and processes, are thoroughly embedded, from top district leadership to staff and faculty. This will require a "bi-directional" flow of ideas and information as the director not only helps district-wide initiatives be implemented at individual schools and departments but also becomes an advocate for projects identified at those levels to ensure alignment with strategic direction and administrator "buy-in."

E) SUBSTANTIAL IMPACT AND LASTING VALUE - Impact, evaluation and replication

20. Describe the rationale, research or past success that supports the innovative project and its impact on student achievement, spending reduction in the five-year fiscal forecast or utilization of a greater share of resources in the classroom.

The process efficiency, problem-solving, and collaborative competencies this partnership will develop in DCS have delivered revolutionary results over the last 40 years in operations including Toyota and Boeing, along with leading health-care institutions such as Virginia Mason and the Cleveland Clinic. When Public Education, as in manufacturing, health care, government, sees competition increase and available financial resources dwindle, the need for operational effectiveness becomes even more crucial. At Fisher College of Business, educators have more than 75 years of collective experience in operational improvement that they have leveraged in coaching students through 100-plus projects since the Master of Business Operational Excellence program's inception in 2009. About one-third of MBOE students are able to deliver more value back to their companies than the cost of the course before they've even graduated. Post-graduation, as much as 70 percent of students have returned greater value to the organization than the cost of tuition over the life of the project. In one MBOE project, a software developer reduced lead time from one hour to 10 minutes, and cut its error rate to 5 percent from 35 percent. In another project, a jet engine manufacturer reduced inventory in a single plant by more than \$12 million in a single year through improved processes. Another manufacturer slashed capital cost requirements by 90 percent with no additional capacity. The MBOE transformation that presents the most compelling evidence for the short-term and long-term benefits of the Dublin partnership took place in 2011 with southern Indiana's Evansville Vanderburgh School Corp. Facing an \$18 million two-year shortfall, Evansville enrolled 11 administrators in the MBOE program, where each student took on a specific problem in the district through his or her capstone project. These ranged from finding stability in a transportation budget gutted by facing a \$1.3 million reduction, to tracking IT service phone calls and sorting out gaffes in paperwork. Before even graduating from the program, cost savings through the projects returned \$1,100 to the district for every \$1,000 spent. In the nearly three years since students enrolled in the program, Superintendent David Smith estimates Evansville has realized at least \$2.5 million in soft and hard cost savings and cost avoidances. DCS consortium partner Cardinal Health, meanwhile, has fueled remarkable improvements throughout the organization with its own operational excellence training program, elements of which will be used for the partnership. In nearly a decade, Cardinal has expanded its operational excellence implementation from an effort tied to driving supply chain efficiencies to enterprise-wide culture change. The company estimates it has achieved more than \$750 million in cost and capital improvement savings as associates have undertaken more than 6,000 projects. Cardinal has a proven track record not only of developing operational excellence leaders but in sustaining improvements long past initial execution. Cardinal Health isn't the only major economic engine in the state of Ohio with a continuous improvement strategy. Gov. John Kasich upon taking office in January 2011 made creating a more efficient state government a top priority of his administration, which led to the creation of the Department of Administrative Services' LeanOhio, has empowered its employees to lead more than three-dozen continuous improvement events with remarkable results. Among them: DAS has increased the speed of IT procurement purchasing by 50 percent; the state's tax appeals backlog has plunged to 3,000 entries from 18,000; vendor payment lead time in the state Attorney General's office has been slashed by two-thirds; and audit time at the Department of Job and Family Services dropped to 38 days from 124.

21. Is this project able to be replicated in other districts in Ohio?

Yes

No

22. If so, how?

The replication of the DCS partnership is evidenced by both nature and history of operational excellence practices. These Lean Six Sigma problem-solving tools and leadership behaviors are founded upon the fact that all organizations - regardless of industry - are challenged by the need to be as efficient as possible with a limited set of resources. Additionally, such efficiency is not possible unless everyone, from leaders at the very top to those with the smallest roles, is united around a common set of values and goals. Successful efforts to achieve efficiency and generate top-to-bottom "buy-in" have, as evidenced in question 20, been seen in industries ranging from automotive manufacturing to health care to government. Continued fiscal pressure and the desire to be effective stewards of public dollars make education a logical and much-needed next step for this evolution. The structure of the Dublin partnership is replicable in any Ohio school district with a similar mindset toward problem solving as a financial strategy could use this DCS partnership model and replicate it with a similar layered approach: Leveraged support of a local Lean Six Sigma training provider, local corporate partner, top leadership within district, a core set of operational excellence leaders, and training for all members of their project teams - all centered on a group of projects, identified by the local district, designed to drive operational efficiencies and redirect financial resources into the classroom. At least six months of preparation would likely be required to: 1) Determine key operational inefficiencies to be targeted through Lean Six Sigma core projects, 2) Select a district operational excellence implementation leader 3) Identify a local Lean Six Sigma training partner (2 or 4 year university with a Business program) 4) Conduct a multi-layered training program for district employees (low level, mid level, and in depth training programs stratified by employee need should be offered), and 5) Educate local stakeholders on strategic direction of operational excellence implementation.

23. Describe the substantial value and lasting impact that the project hopes to achieve.

While each of the large-scale projects that anchor the first year of the Dublin Partnership for Operational Excellence will contribute to the district's cultural transformation, they will, first and foremost, be distinctly measurable in their progress. Transportation optimization in routing and maintenance: A major opportunity for savings exists in improving the flow of the district's 140 buses and the regularity of their maintenance. Measurable success will be seen in reduced fuel usage, a longer life for district vehicles, and a resultant reduced need for capital expenditures in this sector. Inventory reduction: Continuous improvement efforts historically have assisted organizations in a range of industries realize a decrease of 50 percent or more in inventory. By aligning procurement more accurately and efficiently with district needs, this project ultimately will produce measurable impacts on both the district balance sheet and storage space. Energy usage reduction: An analysis of usage patterns and behaviors of faculty, staff, and students and a corresponding modification program could produce measurable savings on gas and electricity usage cost early in the life of the project. DCS, which spends \$2 million a year on energy, initially is targeting a reduction of 10 percent. Custodial maintenance optimization: More efficient processing and completion of custodial work orders in the district's queue will yield significant savings in the form of hiring cost avoidance, while a plan to more efficiently clean district classrooms will be evaluated by its impact on head count in the form of attrition. IT network streamlining: Managing and reducing the level of the district work-order backlog for technological needs represents a cost-savings opportunity by eliminating the need to hire additional personnel, which will be measurable by department head count. Human resources staffing efficiencies: The district's spring teaching hiring process currently takes two months and, on some occasions, results in the loss of qualified candidates to other districts. Improvement of this process, measured by a shortened lead time, will improve the caliber of DCS faculty. All of these projects will contribute to ongoing district savings and, in the spirit of operational excellence, uncover additional opportunities for continuous improvement over time. The cumulative savings they generate will allow for the redirection of resources to the classroom, fulfilling both stated goals of this initiative.

24. What are the specific benchmarks related to the fund goals identified in question 9 that the project aims to achieve in five years? Include any other anticipated outcomes of the project that you hope to achieve that may not be easily benchmarked.

Importantly, the primary benchmarks for this innovative project will be financial. Given the nature of Lean Six Sigma (LSS) the discovery and realization of new savings, and continuous improvements in process and performance, is ongoing. It is precisely why so many private companies have adopted this methodology, and they continue to reap increasing benefits year after year. As part of our operational transformation, we have initial projects identified that will reduce expenditures in the District's General fund. So, the five-year financial forecast will be the main document used to track data and compare to baseline (FY14) performance. Our five-year financial forecast shows that, just among these initial projects, the cumulative savings should exceed \$2 million (\$2,115,000 net) over five years. Details on several of these initial projects, and the related benchmarks that will be used to drive and track our progress, are shown below as examples. Reduce energy consumption - specifically electric and gas - across the District's 22 facilities: A \$200,000 (10 percent) annual savings has been established as a goal. Monthly utility bills are available, and these documents allow the district to establish a historical monthly average for each of the sites. These utility invoices serve as additional baseline data and will allow the Director of Continuous Improvement to track the success rate of each energy reduction project monthly. Utility costs are considered a purchase service within the District's General Fund, so from a long-term perspective, the Treasurer will track the success rate of expected savings by monitoring purchase service expenditures in FY15. Transportation - a cost-reduction program targeting fuel consumption: The transportation budget for FY14 is \$9.6 million. This project's success marker is savings of 2%, or \$200,000 annually. Historical fuel purchase invoices will be used to establish baseline performance in the District's General Fund supplies and materials account. To evaluate this project's success, the Director of Continuous Improvement will track short-term fuel savings by comparing future and historical invoices, and long-term savings by comparing FY15 General Fund Expenditures against expenditures in previous fiscal years. The annual T1 and T2 reports will serve as additional success markers for long-term effectiveness. Inventory reduction in our 10,000 sq. ft. warehouse: An expected savings of \$50,000 has been identified and will be tracked annually by the Treasurer through an analysis of the General Fund's supplies and materials account. IT staff optimization and work flow: Despite the continued growth within our district, an LSS team will work to improve IT operations and service without adding to the staff in the FY16. Success markers for this project will be to reduce the number of open tickets at a given time to 100 from the current average of 350, and to reduce ticket-closing time to 15 hours from 30. Preventing the addition of this IT employee will garner \$100,000 in FY16 salary and benefit savings. The Treasurer, who monitors the effect of the staffing plan on the five year forecast, will track this long-term success marker. The Director of Continuous Improvement, along with the District's Treasurer, will be tasked with monthly tracking of expected financial savings of each of the current Lean Six Sigma projects. At the same time, our Treasurer will begin working with our senior staff to identify (and document) where and how these incremental savings will be reinvested into our classrooms, documenting critical benchmarks as part of this process. The Director will lead our continuing

efforts to uncover additional opportunities that will yield similar savings beyond those identified above. A key part of this effort will be to establish key benchmarks to guide those ongoing efforts, and to document them in a fashion that will support replication in other districts across Ohio.

25. Describe the plan to evaluate the impact of the concept, strategy or approaches used.

* Include the method by which progress toward short- and long-term objectives will be measured. (This section should include the types of data to be collected, the formative outputs and outcomes and the systems in place to track the program's progress).

* Include the method, process and/or procedure by which the program will modify or change the program plan if measured progress is insufficient to meet program objectives.

Q24 detailed a micro-level plan for measuring all major short-term and long-term objectives associated and gave explicit timelines, data points and associated benchmarks. Moreover, we presented a plan for how the district's treasurer will monitor the financial goals of this initiative as the Director of Continuous Improvement tracks short-term success markers. At the macro level, the core evaluative process for all major projects within the Dublin partnership will follow a framework developed by faculty at Ohio State. This framework establishes a "tollgate" system of deliverables, which will be required by each DCS employee participating in the MBOE program, on a pre-identified timeline during the yearlong training. To ensure achievement of tollgate deliverables, an operational excellence coach will be assigned to each DCS employee participating in the MBOE program. This coach, along with OSU faculty, will assist in identifying and tracking both short-term and long-term metrics, which correlate to the individual capstone project. This coaching component and individual guidance not only ensures achievement of the goals identified in Q9, but also ensures each DCS employee obtains the knowledge and skills necessary to be a long-term leader in Operational Excellence for the district. All told, we have quantitative measures to track progress and impact financially, and qualitative assessments via the tollgates, coaching, and guidance from world-class operational excellence experts who are part of this partnership. DCS has a long history of being on the cutting edge of innovation as witnessed by the number of school districts that routinely view our academic programming. As stated in Q9, the goal of this initiative is to reduce expenditures and to redirect a greater share of resources into the classroom. Administration will utilize the \$2,115,000 five-year savings, produced by this initiative, to hire literacy and math coaches for elementary and middle school levels. The impact achieved from re-investing savings back into the classroom will use the same key measures, results from state and local assessments, which are currently used to measure academic performance. As important as it is to evaluate the impact of our efforts, we believe that assuring the impact of this investment is critical as well. The long-term impact and sustainability of the Dublin partnership has been insulated against even the most severe of unexpected challenges. This is because 1) the Dublin partnership surrounds DCS employees with world-class operational excellence experts, 2) the planned training opportunities within this initiative touch such a large number of DCS staff members, and 3) the district has committed 25% of future annual savings toward additional training. Ultimately, the macro-level success of the Dublin partnership will best be determined five years from now as one examines district operations and witnesses a sustained journey toward the larger goal of operational excellence. Over time, all Straight A-funded projects will be considered successful only if the initiative is truly innovative, totally sustainable, and transferable to other school districts and K-12 education providers. It is our belief that the Dublin partnership is innovative, sustainable and transferable to other school districts across our state and nation. In order to best help with the transferability of this concept to other school districts, the Dublin partnership has committed to comprehensive documentation of this initiative and will share all documents, materials, and learnings from each LSS project on a newly developed website, which will be maintained and continually updated by our Director of Continuous Improvement. Furthermore, DCS employees who participate in the MBOE program and expertise in the concepts and tools of operational excellence will be made available to assist other school districts in their operational excellence journey.

By virtue of applying for the Straight A Fund, all applicants agree to participate in the overall evaluation of the Straight A Fund for the duration of the evaluation timeframe. The Governing Board of the Straight A Fund reserves the right to conduct evaluation of the plan and request additional information in the form of data, surveys, interviews, focus groups, and any other related data to the legislature, governor, and other interested parties for an overall evaluation of the Straight A Fund.

PROGRAM ASSURANCES: I agree, on behalf of this applicant agency and/or all identified partners to abide by all assurances outlined in the Assurance section of the CCIP. In the box below, enter "I Accept" and indicate your name, title, agency/organization and today's date.

"I Accept" Todd F. Hoadley, PhD Superintendent Dublin City Schools