



Avanulo's Proposal to Support the City of Celina's Organizational Upgrade to Facilitate Organizational Healing, Alignment, and Optimization

25 December 2023

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Section 1.0 Overall Purpose

To enable the City of Celina to accomplish its service mission, within budget, while achieving employee retention and employee engagement numbers that are in the top half of city governments in the US.

Section 2.0 Background

- Facts about Celina from City-Data.com - <https://www.city-data.com/city/Celina-Ohio.html>.
 - The city of Celina is a community of about 10,900 people in Mercer County, Ohio. The population and the number of houses are both growing, slowly.
 - The city's median household income (\$53,681) in 2021 was well below the average in Ohio (\$62,262).
 - The city's median home value (\$147,631) in 2021 was well below the average in Ohio \$180,200).
 - The city's crime rate as of 2015 was about the national average.
 - The town is home to a four-year university extension (Wright State University).
- Celina is recognized as a great place to live – 2023 Ohio Magazine's recipient of "Bet Hometowns".
 - <https://www.ohiomagazine.com/ohio-life/best-hometowns/article/best-hometowns-2023-celina>.
- I love living in Celina – personal account of a Celina Resident – Dave Cahill, the author of this proposal.
 - "The community has good schools, well-maintained roads, a nice park system, and many notable city services."
- Over the past year and a half or so, tension between city leadership and workers in some departments, especially the Police and Fire departments has deteriorated. Trust and confidence have eroded. The issue has become personal, and mutual respect has decreased.
- Collaboration, Open communication, and Morale have all been adversely affected.
- Turnover in some departments has increased, in part due to local, state, and national employment factors, and in part due to the deterioration of working relationships.
- City services have not suffered because of this tension, but they could in the next 18-24 months if organizational alignment does not return to historic levels.
- The approach that Avanulo is proposing, which is based largely on proven elements of the Lean Improvement System known as the Toyota Production System, has been used extensively in government agencies and departments over many years to positive effect.
- Avanulo, a local consulting firm with global reach, specializes in healing organizations that have become misaligned. The city requested that Avanulo submit a proposal to help the city improve the alignment, morale, and effectiveness of its organization. This proposal is in response to that request.

Section 3.0 Strategy

- Implement the intentional culture known as Civitana as the archetype of the City's Organizational Operating System.
 - Do this with the assistance of a hands-on Avanulo Implementer, who can teach, coach, customize, design, and facilitate so that the systems implemented work effectively while remaining true to the city's Purpose, Vision, and Values (PVV) and, of course, the will of the people of Celina.
 - Begin by teaching City Leaders the core concepts of Civitana and customize the deliverables to align with the city's PVV.
 - Implement program elements that promote healing and effectiveness first to give organizational leaders and influencers the time needed to Think, Plan, and Lead in ways that bring about alignment and flow.
 - Follow closely with intentional culture systems that make the now healthier, more aligned, and more effective organization sustainable.
 - **Note – session times, duration, and content outlined in this proposal, can be modified and adjusted to accommodate the city's schedules, limitations, and availabilities.**

Section 4.0 Tactics

1. Create and Implement a Communication Plan to keep all stakeholders aligned.
2. Implement the 1440 Management System at all levels so the organization to practice the behaviors that build an aligned organization and to provide a time savings that can be used to fuel further improvement.
3. Implement Genchi Genbutsu (the Classic Gemba Walk) to reduce the Gap of Knowledge that exists in all organizations for leaders and workers.
4. Implement Carde, Avanulo's Leadership System, which is accompanied by two certifications awarded by Avanulo to thousands of leaders around the world.
 - 4.1. The Green Belt – known as the Civitana Practitioner in the Public Sector and the Op-Ex Practitioner in the Private Sector.
 - 4.2. The Orange Belt – known as Servant Leader in the Public Sector, and Lean Leader in the Private Sector.
5. Implement Situation Review – Situation Review is Avanulo's approach to linking an organization's Purpose, Vision, and Values (PVV) through its various missions, goals, and objectives, to the daily duties and tasks performed by those at the Gemba so that the right things, get done in the right way, in the right order.

Section 5.0 Deliverables

#	Deliverables
1	<p>Implement an approved Communication Plan & System to help align city Employees within the city organization and with city residents as appropriate</p> <ul style="list-style-type: none"> <input type="checkbox"/> Conduct a pre-launch planning meeting with the mayor and 1-3 top city leaders to review the plan, vet it, and make final adjustments to it before launch – 4-8 hours. <input type="checkbox"/> Provide Senior Leaders with a 1-day or 2-day leadership Workshop with the following content, <ul style="list-style-type: none"> ○ Overview of the socio-technical elements of Civitana and the Avanulo Way upon which Civitana is based. ○ Overview of Cadre and customization of it as needed. <ul style="list-style-type: none"> ▪ Alignment exercise that culminates in the signing of a leadership charter which declares the Senior Leader's commitment to the process. ○ Review and approval of the Communication Plan. <ul style="list-style-type: none"> ▪ Accept, reject, or modify the concept of employees as system influencers. ▪ Accept, reject, or modify the concept of a Residents' Advisory Board for Civitana. ▪ Accept and create or reject the implementation of a Leadership Code for the City of Celina. ▪ Accept, reject, or modify the plan to chronicle the 'Before State', In-Process State, and After State" as a three-episode mini-series of Avanulo's Leadership Podcast, the TPL Show – featuring city leaders, city workers, and members of the Resident's Advisory Board for Civitana. ○ This meeting typically takes between 6 and 16 hours. It can be held on two consecutive days, or half days over 1-2 weeks.

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2	<p>Implement the 1440 Management System</p> <ul style="list-style-type: none"> <input type="checkbox"/> Implement Tier 3 (Senior Leaders) of the 1440 Management System – 6-8 hours. <ul style="list-style-type: none"> ○ Train Senior Leaders in the concepts and process of the 1440. ○ Customize the 1440 to meet the needs of the City of Celina. ○ Be present for the first 3 meetings¹ to provide coaching. <input type="checkbox"/> Implement Tier 2 (Department Level) of the 1440 Management System – 6-8 hours per department. <ul style="list-style-type: none"> ○ Customize the 1440 to meet the needs of each department. ○ Introduction to the 1440 Management System – customize the Socratic Questions for their Tier 2 meetings and hold a practice meeting using this format. ○ Be present for the first three meetings² to provide coaching. <input type="checkbox"/> Certify a Celina City Employee or two as a certified 1440 Management system Guru. <ul style="list-style-type: none"> ○ Provide the additional training coaching and tools required to allow 1 or 2 Celina City Employees to become certified 1440 Gurus, who will then implement the 1440 for Tier 1 meetings and provide ongoing support and assistance to all groups holding 1440 meetings in the future. ○ If no one is identified to serve in this role, Avanulo will implement the 1440 at Tier 1 and serve as the City's 1440 Guru for the remainder of the agreement.

¹ Although Dave Cahill will make every effort to be present in person, his travel schedule may demand that he be present via "Zoom" call, or that he sends another member of Avanulo certified on the 1440 Management system.

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Section 5.0

Deliverables

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3	<p>Implement Genchi Genbutsu – Gemba Walks</p> <ul style="list-style-type: none"> <input type="checkbox"/> Train all leaders in classic Genchi Genbutsu, more commonly referred to as Gemba Walks – 6-8 hours. Up to 2 sessions, if needed. <ul style="list-style-type: none"> ○ The training includes a full explanation of the concepts and methods to Gemba Walks – the simple most important skill any leader can have. The training includes: <ul style="list-style-type: none"> ▪ The concept of the Gemba, the place where value is added for city residents. ▪ The three steps of Gemba: <ul style="list-style-type: none"> • Go There and See for yourself. • Ask why, humbly. • Show Respect – which has two essential elements: <ul style="list-style-type: none"> ○ Acknowledge the deep understanding that those at the Gemba have about the process, and ○ Act upon it. • The concept of Value-Added vs. Non-Value-Added. • Many tools for asking “why” humbly. ▪ 1 or 2 practice walks using the techniques learned. ▪ Details on how to become a certified Gemba Walker. ▪ Orientation to the city's Gemba Walk System. <input type="checkbox"/> Facilitate the establishment of a Gemba System so that there is a standard for number of walks made in a timeframe, a posting of follow up and status of completion, and display of simple metrics like average time to complete a follow up. <input type="checkbox"/> Certify all those who choose, or are required by the city, to become certified. <ul style="list-style-type: none"> ○ Those pursuing certification must meet the following qualifications: <ul style="list-style-type: none"> ▪ Attend the Training in its entirety. ▪ Make at least 4 Gemba Walks in the first 30 days after the training. ▪ Take an open-book test on the training. ▪ Read the book, “How to Do a Gemba Walk”, by Michael Bremer and discuss it with a certified Avanulo Sensei. ▪ Demonstrate good follow up from Gemba Walks through review of Gemba Notes. <input type="checkbox"/> Certify 1 or 2 city employees as Master Walkers. Master Walkers can train and certify Gemba Walkers, Coach Gemba Walkers, manage and improve the Gemba Walks system. To be a certified Master Walker, one must: <ul style="list-style-type: none"> ○ Conduct 25 Gemba Walks. ○ Teach and lead five Gemba Walkers to certification. ○ Make one significant contribution to the Gemba Walks system.

Section 5.0

Deliverables

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4	<p>Implement Cadre, Avanulo Leadership Development System (the Green and Orange Belts³)</p> <ul style="list-style-type: none"> □ Train every leader in the Cadre process – 1 day to 3 days of training. <ul style="list-style-type: none"> ○ Facilitate the achievement of a Green Belt – Civitana Practitioner for every leader assigned or invited to attend the leadership training provided by Avanulo. The following is required to earn a Green Belt: <ul style="list-style-type: none"> ▪ Attend Green Belt Training – 8 hours. <ul style="list-style-type: none"> • The Key Concepts of Organizational Noble Purpose • The 15 Design Elements of Intentional Culture. • The Five Truths of Improvement. • The basic leadership techniques of Cadre and Role Play <ul style="list-style-type: none"> ○ Hansei ○ Shoshin ○ Nemawashi ○ Poke-Yoke ○ KanBan • The 7 Basic Quality Tools, plus Five Whys with Three Legs and Five Hows. • How to develop and submit a Vetted Proposal (VT). • The Green Belt Case Study, Optimizing a Food Production Facility. • Commitment to the Green Belt Code. ▪ Submit one Vetted Proposal aimed at making life better for city residents (VP). ▪ Pass an open book test about the Green Belt material in the presence of an Avanulo-certified Sensei. ○ Facilitate the achievement of the Orange Belt – Servant Leader to all leaders in the organization who wish to achieve it or who are required to achieve it by the city. The following is required to earn an Orange Belt: <ul style="list-style-type: none"> ▪ Earn an Avanulo Green Belt. ▪ Attend Orange Belt Training – 8 hours. <ul style="list-style-type: none"> • The Intermediate Leadership Skills of Civitana <ul style="list-style-type: none"> ○ Kata (Developing Effective Leadership Protocols) ○ Yokoten (the Sharing of Best Practices) ○ Kamishibai (Visual Management) ○ Self-Development – the Six Sides of the Leadership Toolbox. ○ Interactive Leadership Skills <ul style="list-style-type: none"> ▪ Setting Expectations ▪ Developing Job Skills in Others ▪ Coaching for Success ▪ Giving Corrective Feedback ▪ Addressing Unacceptable Behavior ▪ Recognizing Positive Results. ▪ Pass an open book test about the Orange Belt material in the presence of an Avanulo-certified Sensei. ▪ Complete one approved contribution that is aimed at making life better for City Residents. ▪ Read the required readings (1 or 2 short books) and discuss them with an Avanulo-certified Sensei. ▪ Commitment to the City of Celina Leadership Code. <p>Pass a Board of Review comprised of two City Leaders, two Avanulo-certified Senseis, and the City's HR Professional.</p>

³ Leaders who earn a belt, will receive a certificate from Avanulo noting CEUs, as well as an actual karate-style belt with their name embroidered on one end of the belt, and the title of their belt embroidered on the other.

Section 5.0 Deliverables

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5	<p>Implement Situation Review.</p> <ul style="list-style-type: none"> □ Situation Review is Avanulo's approach to linking an organization's Purpose, Vision, and Values (PVV) through its various missions, goals, and objectives, to the daily duties and tasks performed by those at the Gemba so that the right things, get done in the right way, in the right order. <ul style="list-style-type: none"> ○ This process will facilitate a structured set of cascading objectives that include an appropriate balance of results, process metrics, and behaviors to ensure that the organization is aligned in its pursuit of the things that are most important to the city's residents. This process includes: <ul style="list-style-type: none"> ▪ Birilo – the establishment of the PVV and supporting KPIs or OKRs (depending on which approach your organization uses) – Senior Leaders attend a 6-hour session. <ul style="list-style-type: none"> • Determine the measures of success of this endeavor. We recommend the following three measures: <ul style="list-style-type: none"> ○ Annual Employee turnover over for any reason except disability or retirement. ○ Score on the Utrecht Workplace Engagement Survey. ○ The % of Gemba Walk Items closed within 30 days. ▪ Arbo (the Opportunity Tree) a visual and mathematical system for cascading objectives from the Purpose to the Gemba – Senior Leaders and Department Heads attend a 6-hour session. ▪ Kuplo, a process for linking the strategic and the tactical so everyone works on the right things – Senior Leaders and Department Heads attend a 4-hour session. ▪ Plan Guard – a simple and effective initiative management system that reduces time from ideation to results by 50% and provides an 85% success rate Senior Leaders, Department Heads and anyone who will lead an initiative attends a 3-hour session.

Section 6.0 Declaration of Contribution

1. Avanulo is confident that it can provide the City of Celina with the process, expertise, and tools needed to ensure that it meets or exceeds its Safety objectives for 2024 and beyond.
2. Avanulo has managed this kind of implementation in the past and is confident that its fully integrated organizational excellence model, known as Civitana, will help the City of Celina to achieve the improvements it seeks.
3. As with all consultants, Avanulo cannot directly secure this achievement and is predicting the result of this endeavor based upon that good faith assumption that the City of Celina will energetically and rigorously implement its processes and recommendations and will then relentlessly pursue organizational alignment and optimization.

7.0 Assumptions & Recommendations

1. The City of Celina is committed to establishing a top-notch organization that accomplishes its mission within budget, retains its workers, and maintains high levels of employee engagement.
2. Although any option will be successful, Avanulo recommends option 3 below as the best value for the city.

Section 8.0 Resource Outline & Fee Structure

- The fee for each option has travel and expenses baked in, so this is the total fee that the City of Celina would pay unless the City of Celina authorizes additional work or expense, which would be agreed upon/authorized in advance.
- Avanulo pricing is structured so that the more, and the longer, you engage us, the more affordable it is to do so.
 - As you can see from the proposals below, there are substantial savings when you engage Avanulo for longer periods and a greater scope of work.
 - Full implementations provide an evenness to our organization that results in lower operating costs, and we then pass those savings on to you.
 - Longer-term engagements also tend to provide results that are an order of magnitude higher than short-term engagements.
- Although any of the options provided will succeed, some options will have a greater impact and a greater value proposition. We have noted these in Section 7.0 above.

Section 9.0 Options and Fees per Proposal

#	Service Level (Dave Cahill serving as Lead Implementer)	Duration in Weeks	Days on Site Per Week	Remote Hours per Week	Gross Weekly Fee	Total Fee	Deliverables Provided	Anticipated Benefit
1	Stabilize the Organization	13	0.5	5	\$1,873	\$24,349	Comm Plan 1440 Mgt.	+5% Engagement -5% Turnover
2	Sustain our New Approach	26	0.6	5	\$1,592	\$41,393	Gemba Walks Green Belt	+10% Engagement Turnover @ 2019 avg. 45 days = Avg. Gemba Closeout
3	Set the Stage for Excellence	39	0.6	6	\$1,311	\$51,129	Orange Belt Situation Rev.	+20% Engagement Turnover at 10-year low 29 days = Avg. Gemba closeout

Section 10.0 Statement of Work

Avanulo will provide support for The City of Celina for the term selected. The Term of the agreement will begin upon notification by email and a commitment stated in the email that a PO will be cut within 10 days, and that the agreement will be signed by an empowered officer of The City of Celina within 10 days.

- Avanulo will facilitate, teach, design, coach, assist, implement directly, and lead as prescribed by The City of Celina.
- Avanulo will fill its service time with productive and value-added endeavors to forward the objectives of The City of Celina. Avanulo will modify its approach and methods as needed and as objectives shift.
- Avanulo will fill any role or complete any work for which it is qualified within the service time agreed upon, including stepping into organizational roles, or performing organizational duties as directed by The City of Celina.
- All Avanulo's expertise, tools, and systems are available to The City of Celina at no additional charge.
- When you engage Avanulo, you engage our entire ability to help you achieve your goals.

Section 11.0 Terms, Standards, and Conditions

Avanulo's Dave Cahill, or a well-qualified designee, commits to be available to The City of Celina as defined in the section below.

- Avanulo shall be available to The City of Celina within 14 days of agreement being reached.
- Fee payments will be made in weekly payments, with 30-day terms.
- Travel Expense is worked into the weekly fee. Travel expenses will not be incurred unless Avanulo is asked to travel to a location other than the plants and offices of The City of Celina that are in the system as of the date of the signing of this agreement.
 - Costs of materials like Xeroxing, costs to attend social or business functions on behalf of The City of Celina, and costs for reference materials needed to complete work assigned by The City of Celina, will be covered and reimbursable within 14 days of submission of receipt. Such costs are anticipated to be modest, and approval will be sought in advance.

4. Expenses incurred when traveling for The City of Celina to locations other than plants and offices, when not near those locations, or Avanulo's Offices in Ohio, will be reimbursable.
 - 4.1. The City of Celina will pay by timely reimbursement (14-day terms) for any travel, or business/project expenses incurred by Avanulo in pursuit of The City of Celina goals that are not built into the fee. Such expenses shall include, but are not limited to; air travel, hotel accommodations, airport parking, travel such as taxi, rental car, and gas at locations arrived at by air or train travel, meals, and food when at locations arrived at by air or train, destination parking, etc., to locations that are not nearby (100 miles or more distant) The City of Celina.
5. If The City of Celina declares **Force Majeure** during the agreement, it is relieved of this agreement, but must immediately pay for all the time worked, and all expenses incurred, but unpaid, in full.
 - 5.1.1. Declaration of Force Majeure must not be frivolous and must be invoked only for such reasons as are traditionally applied to **Force Majeure** with special consideration.
6. If The City of Celina finds Avanulo to be performing unsatisfactorily, it may cancel the project in exchange for immediate payment of; all time worked, and as yet unpaid, a full fee for the week in which the cancellation took place, a termination fee of equal to six weekly payments under the current agreement, and then, as a final payment, all appropriate expenses submitted previously and within 10 days of cancellation.
7. Avanulo proposes to work as a close-in partner of The City of Celina and, as such, to serve as a loyal service provider in ways that benefit The City of Celina while limiting the City of Celina's liability and risk.
8. The City of Celina will make the identified key players in the project, and relevant business information, reasonably available to Avanulo to ensure the timely and high-quality completion of work.
9. Avanulo shall perform this work as a contractor. No member of Avanulo shall be, or be considered, an employee of The City of Celina in any way. Avanulo is a separate entity. Avanulo shall take direction from our "customer point of contact", Jeff Hazel, or his designee.
 - 1.1. Avanulo shall interact always in its capacity as an agent of The City of Celina with the highest professionalism and decorum and shall be an exemplar in the demonstration of The City of Celina's core behaviors and values as well as its rules and procedures.
 - 1.2. Avanulo shall promote the good reputation of The City of Celina publicly and privately, now, and forever more, and shall act and communicate in ways that bring honor to The City of Celina and its products and employees.
 - 1.3. No dispute or conflict arising from the partnership of The City of Celina and Avanulo shall ever result in Avanulo publicly or privately, casting aspersions on the good name of The City of Celina or its employees or products.
 - 1.4. To the degree that is practicable, Avanulo agents shall use the products and services of The City of Celina to the exclusion of the products and services of its competitors.
 - 1.5. The City of Celina will allow Avanulo to link into its wireless or cable internet provider while working on-site so that Avanulo can send and receive correspondence, make Skype calls, and search the Internet for reference and resource material on behalf of The City of Celina.
 - 1.6. The City of Celina will provide Avanulo with reasonable and convenient access to the facilities such that Avanulo can carry out its mission.
8. The City of Celina shall have great control over the knowledge gathered by Avanulo during the relationship, with a bias toward protecting the interests of The City of Celina.
 - 8.1. All work products developed especially for the project are the sole property of The City of Celina.
 - 8.2. Avanulo may request to keep work samples and shall keep only those that are approved by The City of Celina.
 - 8.3. Avanulo will not share any information it learns while in the service of The City of Celina with any third party unless legally compelled to do so.
 - 8.3.1. Even when legally compelled to disclose discrete information about The City of Celina, Avanulo will act in an uncooperative fashion (within the limits of the law) to protect the interests of The City of Celina⁴.

⁴ Avanulo will sign any confidentiality or procedural documents required by The City of Celina.



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Section 12.0 Level of Support Selected by The City of Celina *(check at least one number and then, if desirable, check one lettered option)*

___ #1 – Stabilize the Situation (Dave Cahill as implementer for 13 weeks)

___ #2 – Sustain our New Approach (Dave Cahill as implementer for 26 weeks)

___ #3 – Set the Stage for Excellence (Dave Cahill as implementer for 39 weeks)

Section 13.0 Signature Section

Please initial all pages of this document in the lower right-hand corner. This offer expires on 25 January 2023.

Avanulo Representative	The City of Celina Representative
<p>I enter into the agreement contained on this and the preceding 8 pages of this document on behalf of Avanulo and have so affirmed with my signature below on this date of (Month/Day/Year) <u>December 25, 2023</u></p> <p>Name: <u>David I. Cahill</u></p> <p>Position: <u>Managing Partner</u></p> <p>Signature: <u>David I. Cahill</u></p>	<p>I affirm that I have the authority to enter into such an agreement, and I enter into this agreement contained on this and the preceding 8 pages of this document on behalf of city of Celina, and have so affirmed with my signature below on this date of (Month/Day/Year)</p> <p>_____ Additionally, and specifically, it is agreed by this signatory that a PO shall be issued by City of Celina to Avanulo, which references this agreement and indicates agreement to the terms outlined in this document.</p> <p>Name: _____</p> <p>Position: _____</p> <p>Signature: _____</p>