



**NOCRSA**  
STATE WORKSHOP  
NC STATE UNIVERSITY · RALEIGH, NC

# THE POWER OF PURPOSE

Presented by Paul Brailsford

September 24, 2010



BRAILSFORD & DUNLAVEY

# Outline

- ❖ Introduction
- ❖ Getting Things Done Through Value Creation
- ❖ The Power of Purpose

# When Do Schools Build?

- ❖ When Student Supply Is Up, Schools Build to Accommodate Growth
- ❖ When Student Supply Is Down, Schools Build to become More Competitive
- ❖ When Student Supply is Stable, Schools Build to Support their Mission



# Targeting Outcomes

## THE TOYOTA CAMRY STORY

- ❖ Mid '80's: Auto Industry is in Recession
- ❖ Toyota Camry & Honda Accord Competed for Market Position
- ❖ Accord Outsold Camry Every Year
- ❖ Toyota's Guiding Objective: Beat Accord in Head to Head Sales Competition



# Targeting Outcomes

## THE TOYOTA CAMRY STORY

### ❖ Toyota's Initiatives

- Attempt to lower the cost of production to beat Accord's price
- Produce a superior product at Accord's price point by improving product quality without increasing production costs

### ❖ Result: Failure

- Honda remained the most cost effective producer
- Accord continued to outsell Camry



# Targeting Outcomes

## THE TOYOTA CAMRY STORY

- ❖ Revised Objective: Maximize Net Revenue for the Product Line
  - Competitor analysis identifies a gap!
  - Maxima costs \$6,000 more than the Accord & Camry
  - Fill the gap with a new price point concept
- ❖ The “Family Camry” is Born
  - Larger more powerful car
  - Quieter and more comfortable ride
  - Price increased by \$3,500, production costs increase by only \$2,000



# Targeting Outcomes

## THE TOYOTA CAMRY STORY

### ❖ Results

- Gross margin per unit increased
- Record unit sales achieved
- Net revenues for the Camry product line were maximized within a recession economy!



# Targeting Outcomes

## THE TOYOTA CAMRY STORY

### ❖ Lessons Learned

- Targeted outcomes drive institutional strategies and decision making.
- Cost and value are not the same thing and value is more important than cost.
- Entrepreneurs know how to create value.
- A good sales person knows how to package benefits





# Our Current State

1. Unemployment
2. State Budgets
3. Home Values
4. Access to Loans
5. Pressure to Increase Tuition
6. Enrollment Uncertainty
7. Annual Giving



**Fear  
Indecision  
Paralysis**

# Our Current State

## ARIZONA STATE UNIVERSITY

- ❖ Campus Recreation Outsourcing on the ASU Tempe Campus



February 12, 2009

### REQUEST FOR PROPOSAL

CAMPUS RECREATION OUTSOURCING ON THE ASU TEMPE CAMPUS

RFP # 280901

DUE: 3:00 P.M., MST, TUESDAY, MARCH 17, 2009

|                                 |                          |
|---------------------------------|--------------------------|
| Date of Pre-Proposal Conference | 02/23/09                 |
| Deadline for Inquiries          | 5:00 P.M., MST, 03/10/09 |
| Time and Date Set for Closing   | 3:00 P.M., MST, 03/17/09 |

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Rev: 2/5/2009

# Understanding Value Creation

## ON-CAMPUS AUXILIARY ENTERPRISE DRIVERS

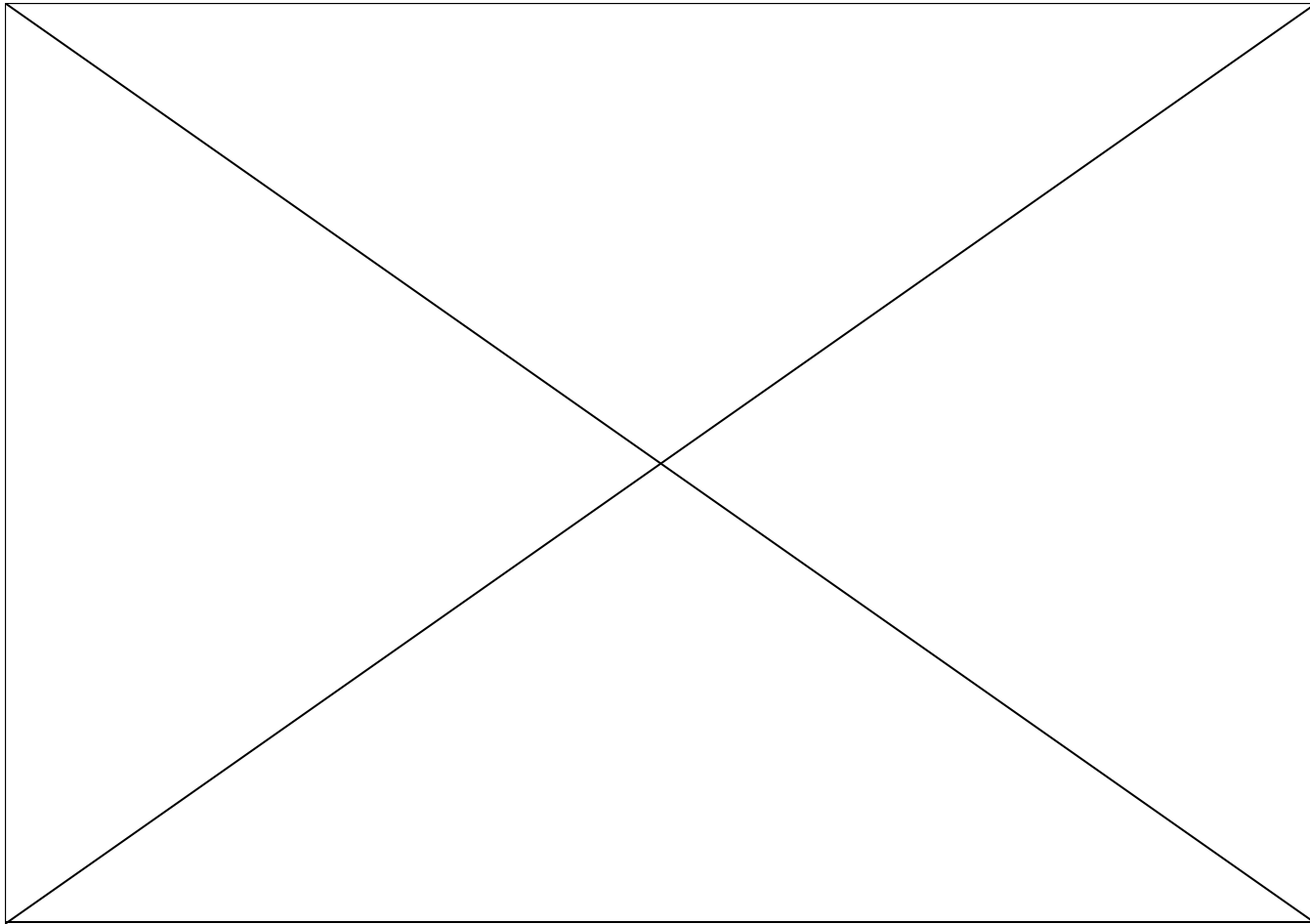
- ❖ Net Operating Income  
Determines Baseline Feasibility
- ❖ Strategic Value Drives Priorities

- Educational Outcomes
- Enrollment Management
- Campus Community
- Financial Parameters

- ❖ Managing Residual Value to Zero  
is the Historical Objective



# The Power of Purpose



# The Power of Purpose

## ORGANIZATIONAL FLOW AND ESPRIT DE CORPS

- ❖ Focus on a Common Objective
- ❖ Hyper-Effective Communication
- ❖ Movement in Concert



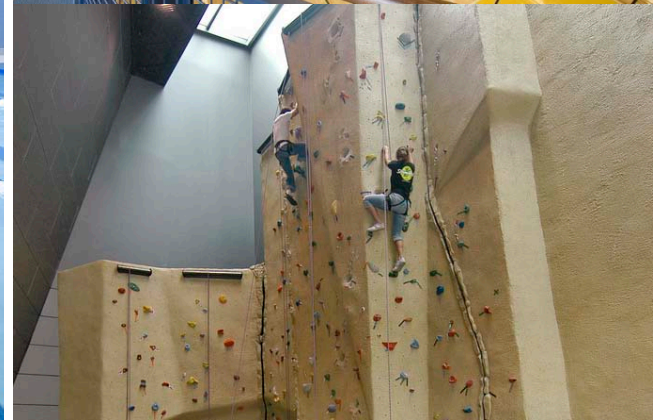
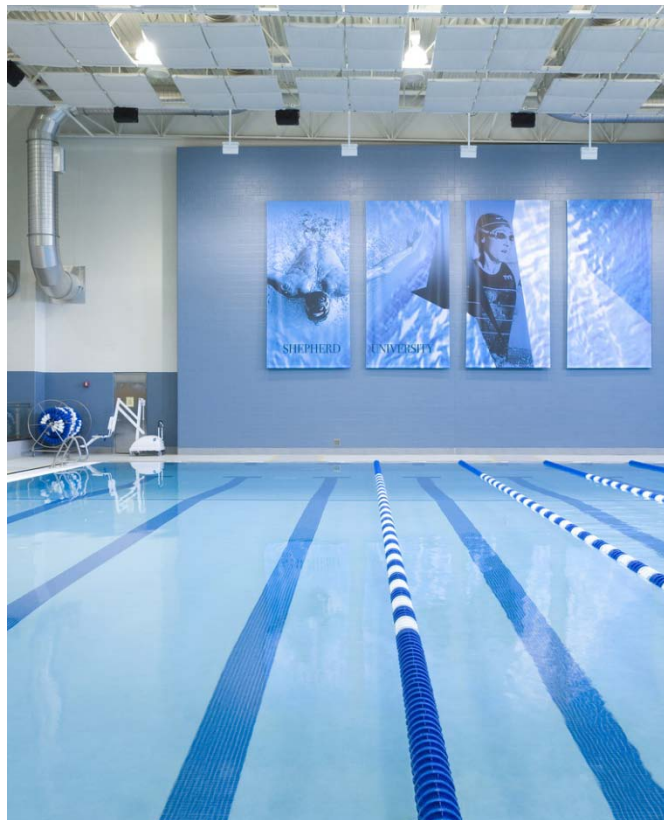
# The Power of Purpose

## Liberated Entrepreneurial Behavior & Focused Innovation

- Fitness Programming
- Wellness Programming
- FF&E
- Marketing & Promotions
- Marketing & Sales
- Customer / Membership Service
- Learning Outcomes & Assessments
- Facility Management (part 1)
- Facility Management (part 2)
- Risk Management & Safety Education
- Sustainability
- Corporate Sponsorships & Development
- Intramural Sports
- Club Sports
- Outdoor Pursuits & Experiential Learning
- Aquatic Programming
- Aquatic Operations
- Succession Planning & Staff Development
- Financial Reporting & Budgeting
- Adaptive Recreation
- Family/Children Programs
- Summer camps
- Business planning
- Research & Assessment
- Instructional Programs
- Special Events & Promotions
- Leadership
- Equipment Maintenance
- Merchandising\
- Evaluations & Surveys

# The Power of Purpose

## Differentiated Behavior and Brand Power





# The Power of Purpose

## Supercharged Implementation of Strategic Initiatives

- ❖ Enhanced Decision-making
- ❖ Increased Institutional Will
- ❖ Elevated Risk Tolerance
- ❖ Clarity of Communication
- ❖ Compelling Case-making
- ❖ Improved Investment & Resource Allocation Choices





# The Power of Purpose

Greatness is not a  
function of circumstance...

“Greatness, it turns out,  
is largely a matter of  
*intentionality and  
discipline*”

— Jim Collins



# Reading List

Collins, Jim. Good to Great. HarperCollins, 2001

Smith, Peter. The Quiet Crisis. Anker Publishing, 2004

Spence, Roy Jr. It's Not What You Sell, It's What You Stand For. Penguin Group, 2009

Colvin, Geoff. Talent Is Overrated. Penguin Group, 2008

Lencioni, Patrick. The Four Obsessions of an Extraordinary Executive. Jossey-Bass, 2000

Bacon, Terry R. and David G. Pugh. Winning Behavior. Amacom, 2003

Hrebiniak, Lawrence G. Making Strategy Work. Pearson Education, 2005

