

October 2007

Books

Issue 6

This edition of the newsletter will focus on several books which have been recently published. All are listed below, along with several Harvard Business Review articles. All are written by well respected people in the field and all should provide interesting reading. One of the books, *The Point of the Deal: How to Negotiate When Yes Is Not Enough*, by Danny Ertel and Mark Gordon has been reviewed by John Baker, the editor and publisher of The Negotiator Magazine; we have included that review in the newsletter. We have also read the book and think is excellent. The other two books have extensive reviews on the Amazon website. As soon as we read them, we will provide our own reviews.

The Point Of The Deal: *How To Negotiate When Yes Is Not Enough*

By Danny Ertel and Mark Gordon

240pp

Boston: Harvard Business School Press, 2007.
Soft cover Edition, \$26.95

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The Negotiator Magazine*

The focus of this book is clear from the very beginning. Ertel and Gordon tell us their fundamental premises in the introduction of their book and repeat them throughout their work. Essentially, the authors present two basic contentions:

“There is no point to negotiation ‘victories’ that can not be implemented” (page 3).

“There is a fundamental difference between ‘doing deals’ and negotiating for implementation” (page 3).

Unquestionably, they are correct. What follows in their work is a fascinating and valuable look at negotiation within the corporate framework.

Here’s the book you have been waiting for if you are negotiating on behalf of a company, hold a position as an officer or shareholder of such an entity, or are a member of another corporation with a current or future negotiating interest in such a company. You will be hard-pressed to find a better resource on the corporate negotiation process. Its authors, Danny Ertel and Mark Gordon, both founders of Vantage Partners, know the corporate deal-making process and analyze its strengths and weaknesses through a host of examples of real and insightful negotiation situations. *The Point of the Deal* is an extraordinary contribution to the field of negotiation. It has my highest recommendation.

Anyone who has negotiated for a large corporation will recognize that the authors have captured the unique challenges of the corporate setting, together with the exponential expansion of the complexity of those challenges when the representatives of two or more of these legal creations sit down at the bargaining table. Their

... continued

fundamental point, of course, is one of wise use of resources in which “deals” are not only worthless if they can not be implemented, but also foolishly diversionary from real solutions that could have been created with similar investments of resources and might have positively impacted the bottom lines of each of the negotiating participants.

What you will find is a careful cataloging of why negotiators deliberately deceive their negotiating opponents about the risks inherent in the future implementation of an agreement by their own organization or accede without important challenge to uncertain and unexplored implementation risks of their partner or the outside environment. Lest the deal go down, the negotiator may think, but not articulate, the old implementer’s remedy for all insolvable matters: “The key step in the implementation process will be posted on the plan in a box that states: “And then, a miracle occurs.”

Alas, faced with the unknown, the parties may well proceed toward the deal by simply ignoring the problem. The deal is done ... “And then, a miracle occurs” determines its reality. The celebration is premature and indeed even foolish until the agreement works and its effect on the corporate bottom line is established. That, after all, is the point of any real “deal” and that understanding, of course is also the goal of this book.

You will find a lengthy list of suggestions on how to protect against honoring a culture of “doing deals” and how to substitute a culture of negotiating for successful implementation. Corporate negotiators will recall many of their illustrations, For examples, I recall the horrors of negotiations in which the other parties later had to

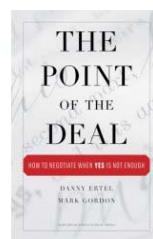
confess to predicating the deal on their part on the expectations of the accomplishment of “stretch” objectives which proved unmovable, in practice. I recall the shock of learning that the implementation team of the new partner was never consulted until the deal was done and what had been agreed between the negotiators proved undoable.

I also recall, members of my own corporation presenting deals without a shred of implementation support. Asked to explain, their excuses ranged throughout the authors’ description of the pantheon of the bizarre and the futile. This is a first-rate book on a critical topic.

John D. Baker, Ph.D.
Editor

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Highly Recommended.



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MATERIALS UPDATES

- Ira has recently done a Webcast for the Regulatory Affairs Professional Society with Chuck Coombs, who specializes in medical device issues. That Webcast can be purchased directly from RAPS. It is called, as you might suspect, Negotiation Skills for the Regulatory Affairs Professional.
- Ira has also taken his article, Culture and Language, and reduced it to a forty five minute presentation. It is appropriate for team leaders, project managers and the members of cross functional project teams. The presentation looks at the impact of culture and language on team effectiveness and makes a series of recommendations to improve team performance.

Books and Articles

Articles

Getting Past Yes: Negotiating as if Implementation Mattered, by Danny Ertel, HBR November 2004, Reprint #R0411C

Investigative Negotiation by Deepak Malhotra and Max H. Bazerman, HBR September 2007, Reprint # R0709D.

Books

3-D Negotiation: Powerful Tools to Change the Game in Your Most Important Deals, by David A. Lax and James K. Sebenius. Hardcover. Boston: Harvard Business School Press.

Negotiation Genius: How to Overcome Obstacles and Achieve Brilliant Results at the Bargaining Table and Beyond, by Deepak Malhotra and Max Bazerman. Hardcover, 336 pages. New York: Random House, 2007.

Negotiation Newsletters

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The Negotiator magazine—This is an on line publication and it is free. We like the articles as they are usually very helpful in solving a specific problem.