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Beware the Bottom Line

“We’re correct on this – and they are just wrong. I have my bottom line and that’s it.....”

These were the words of the CEO in a multinational business with a £250m turnover. It was clear that his view of the value of a deal with another global industry player was very different from theirs. There would be no deal unless they – or he – moved. Why should it be him?

Previous negotiations some months earlier had broken down. This time, they had engaged a mediator to assist discussions.

“Consider expanding your repertoire,” suggested the mediator. “There are risks and you can’t eliminate uncertainty. There are nearly always two sides to a story.

Something has to change. Many of the best negotiators don’t have fixed bottom lines.

That could prevent them from being flexible at crucial moments when opportunity presents itself. By all means be rigorous about the key issues, but don’t be inhibited by a need to be seen to be tough – or by your preconceptions about the others.

Benchmark not by how much you can get out of them, but against what is truly in the commercial interests of your business going forward.

“Don’t let the fear of losing face dictate how you handle this crucial next phase of negotiation. Surprise them. Be generous – not necessarily in money terms – but in what you say to, and about, them. Assume that everyone is trying their best with the resources they have. So, if you really want to fix this, what can you say or do which will make a difference, positively, to the discussions?”

The CEO considered his options. He met his counterpart and acknowledged that there was pain on both sides. He bit some bullets – and secured a deal with which he could live. It was also the best deal available.

Join us for our interactive forum “Out of the Box” on 17 November. Details of this and Core’s mediation services at www.core-solutions.com, call 0131 221 2520 or email john.sturrock@core-solutions.com.

