

Book Review for 09/07/03 by Michael Smith

Title: "Perfect Enough: Carly Fiorina and the Reinvention of Hewlett-Packard"

Author: George Anders

Publisher: Penguin

Length: 248 pages

Price: \$24.95

Reading time: 4-5 hours

Reading rating: 9 (1 = very difficult; 10 = very easy)

Overall rating: 3 (1 = average, 4 = outstanding)

"Perfect Enough: Carly Fiorina and the Reinvention of Hewlett-Packard" is not an important book. It is a fun read about a fascinating battle in the formulation of strategy in modern business.

This is the story of how Carly Fiorina became, at least by some accounts, the most powerful woman in business today, and her battle to see HP acquire Compaq Computer. In telling the story, I believe that George Anders displays a bias toward Fiorina's position in this battle. However, I still found the descriptions of the personalities involved along with the portrayal of the intrigue played out in the boardroom to be compelling reading.

Fundamentally, while describing the background of events we witnessed on the business pages over the last couple of years in greater detail than was previously readily available, this book also invites us to reassess the extent to which the acquisition was a matter of sound business strategy. When the intended acquisition was first announced, I was frequently asked by students and others about what I thought. At the time, I questioned the value proposition at the core of the deal. After reading this book, I certainly have a better feel for the logic of those board members who stood in support of Fiorina, but I remain deeply skeptical about the soundness of their strategic reasoning. This skepticism appears to be well supported by the investment community, given the substantial losses in HP stock value, but I invite you to make the assessment for yourself.

For those of us who have served on boards of directors, the most compelling aspect of this book is likely to be the description of the interpersonal dynamics that are part of any board. Of course, in this case, these dynamics take on a much more vitriolic color than what most of us witness, and this becomes the matter of a good tale given the magnitude and reputations of both the businesses involved and the status of the members of this particular board.

Readers will also learn about the cast of supporting characters, including key analysts and investors. Indeed, and of no surprise, many were better prepared to evaluate the corporate-governance implications than to deal with the industry-specific issues involved in the deal. We also learn about how the sides thought about each other, as well as how their portrayals of each other changed over time.

Some of the best reading comes in the form of the footnotes. Perhaps, one of the more interesting details illustrates both the scheming nature of the inter-Nicene battles waged below the limen of public perception, and the nature of Fiorina's intellect. Anders tells the reader that the code name Fiorina selected for Compaq CEO Michael Capellas in legal paperwork during negotiations was "Abelard," to her "Heloise." Anders explains in a footnote that Abelard in medieval French literature was castrated when Heloise's family became angry with him. It should come as no surprise that Capellas found himself marginalized in the new organizational structure following the close of the acquisition.

Such details make "Perfect Enough" nearly as enjoyable to read as good fiction. You will not come away from reading this book better prepared to take your business to new levels of success. However, you will enjoy your reading, and gain awareness of hardball business played for keeps at the highest levels of corporate America.

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