



**M.Sc. in SHIPPING
MANAGEMENT**

MASTERING NEGOTIATIONS

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We all constantly have conflicts and differences. They are part of our daily routine, and in most cases, we do not understand them. It is part of our lives and our partnerships; it is part of our social behavior. We negotiate all our lives:

- ✓ with customers and suppliers
- ✓ with colleagues
- ✓ with relatives, friends, neighbors
- ✓ for purchases and sales of products or assets.

- We constantly negotiate for everything that needs the consent or agreement of the other side.
- We are not born with the knowledge and skill of negotiation. Unfortunately, many people believe they are good negotiators because they negotiate frequently in their jobs, and others think they were born with natural negotiation skills. Experience or intelligence alone is not enough.

Although all the negotiations are the same, all of them have a structure, all of them have ... rules:

- I. **THE** (two) **PRINCIPLES**
 - II. **PREPARATION** (five rules)
 - III. **ENGAGEMENT** (three rules)



1st Negotiation has a cost.

The achievement of the goals also depends on the other side, and to "give" to you, it must also take something in return. Before starting a negotiation, study what you can give (what the other side is likely to ask) to get what you ask for. It is a give-and-take process.

Consolidating the understanding that the other side is also entitled to and desires the best result for it and that to "give us "we must get" must be the alphabet of the effective Negotiator.

negotiation is an EXCHANGE... You never give up without getting something that you want.

2nd. Everything can be negotiated.

Perhaps her most significant rule! There is nothing that is not negotiable.

Never accept statements:

"This is non-negotiable," "I don't discuss this."

Of course, you will use them if it suits you.

PREPARATION (5 rules)

Most people, when they think of negotiation, focus on the second stage, the "table."

But BEFORE you meet the other side, there is PREPARATION, which is perhaps 80% of the "work" and may contribute 80% to your success.

PREPARATION – PREPARATION – PREPARATION.

The 5 Points of Preparation

- I. Us & the Other Side
- II. Investigation of Interests
- III. Exploring B.A.T.N.A
- IV. Decisions about
 - ✓ Objectives
 - ✓ Limits
 - ✓ Initial positions
- IV. Strategy Selection

1st WE & the OTHER SIDE

- Get to know very well:
 - ✓ Your side: Ask yourself WHAT you want, WHY you want it?
 - ✓ The other side: Learn information during preparation, also during the discussionsIt is a continuous effort. Know everything about the other side.
LEARN – ASK – , OBSERVE the other side.

➤ **Don't negotiate with strangers.**

2nd POSITIONS & INTERESTS

- **POSITIONS** are the propositions that are placed on the table.
INTERESTS are the reasons/causes that create the Positions
- **POSITIONS** are statements that rarely provide information about deeper motivations.
INTERESTS are the underlying reasons or motivations. Explain WHY the positions exists.
- **POSITIONS** are WHAT people say they want.
INTERESTS are WHY they want it.
- **POSITIONS** are claims.
INTERESTS are worries, fears, or insecurities.
- **POSITIONS** are what you say you will or won't do.
INTERESTS are the reasons you say what you will or won't do.
- Many negotiate the Positions. But when you discover/know Interests, you will make more advantageous exchanges and better negotiations. List their interests in order of importance. There are positions and interests for both sides. Many times, even while we know WHAT we want, we don't understand WHY we want it. Remember that the better you know WHAT you want and WHY you want it, the more likely you are to get it.
Ask her own interests, listen carefully to what she tells you, and watch how she says it.
Vested interests support all negotiating positions. Interests are the driving forces and/or reasons underlying the negotiating Positions. Only by knowing and identifying our interests and those of the other side can we truly be effective in assessing and understanding the extent of the dispute to be negotiated. This applies to any negotiation.
Stay tough on your Interests and insist they are treated objectively. Instead, don't stay fixed in your positions, be flexible in them.
 - NEGOTIATE POSITIONS, NOT NEGOTIATE INTERESTS
 - More simply, Positions are negotiable. Interests are not.
- DISCOVER YOUR INTERESTS BY ASKING YOURSELF DURING PREPARATION
 - ✓ What do I really care about?
 - ✓ Why am I interested? Why do I want them?
 - ✓ Why is there this difference with the other side?
 - ✓ Why do I want it to be solved in the way I propose?
- DISCOVER THE INTERESTS OF THE OTHER SIDE: ASSUME-EXPLORE-ASK
 - ✓ What would you like from this negotiation?
 - ✓ How did you come up with this?
 - ✓ Please help me understand the criteria for this proposal.
 - ✓ Will you explain the reasons for your position?
 - ✓ Why would you be happy with this solution?
 - ✓ Why NOT?

3rd B.A.T.N.A

- **B**est
- **A**lternative
- **T**o a
- **N**egotiated
- **A**greement



- They are the alternatives in case the other side does not agree. **It is also known/called Plan B.**
- Research all possible alternatives (Best Alternative to a Negotiated Agreement, or B.A.T.N.A.) that you may have, as well as the corresponding alternatives that the other party has. This research provides a key source of power in negotiation.
- Never enter a negotiation without understanding both your B.A.T.N.A. and the B.A.T.N.A. of the other party. Practically can't negotiate effectively without having a B.A.T.N.A.

4th POSITIONS

Decide: TARGETS – LIMITS – before entering the negotiation

Targets are what the negotiator realistically wants.

targets should be ambitious. Don't bargain yourself when deciding on your goals:

But at the same time, they make them realistic and achievable.

Create "Packs Combinations of objectives according to their importance.

The targets should be related to your Interests.

Limits are the ultimate points of retreat.

There are the points that make a deal just bearable. There are no other concessions.

Many negotiators are unaware of or can struggle to establish and maintain their limits

Never, ever does the limit 'change' during the negotiation.

Initial positions are the first description of what the negotiator wants.

You will never take your original positions; you should never accept the others initial terms.

• 5th STRATEGY

Is the general direction, the approach, the behavior that exists for each side in a negotiation.

- Key elements of success:
 - ✓ Choose your Strategy.
 - ✓ Study the Strategy of the other side.
- Your choice of strategy is influenced by the significance of two key factors:
 - I. **The Result**
 - II. **The Relationship**
- Ask yourselves:
 - a) How important is the result to us?
 - b) How important is our relationship with the other side? How much this negotiation affects our relationship with the other side.
- **There are FIVE Strategies**
 - 1. **Integrative** (Win-Win)
 - 2. **Distributive** (Competitive)
 - 3. **Compromise** (both give up part of their demands **to** reach a acceptable agreement)
 - 4. **Accommodate** (give in results, to gain in relationship)
 - 5. **Avoid** (do not enter the negotiation, it is not worth it)

- **ENGAGEMENT** (3 rules)

1st Individual preparation: It is three-dimensional.

- a) **Biological/Physical:** Be rested and in good physical condition for readiness, concentration, and active hearing.
- b) **Psychological:** good mood, good psychology and positive energy. Think about the meeting with optimism. Starting with vitality and confidence. Think Positive and Visualize Success.
- c) **Intellectual:** Know very well the subject and the elements of the negotiation.

2nd Negotiation is Interpersonal communication.

Without effective communication, there can be no negotiation.

The Negotiator must be good at communication

Ask questions....and listen to her answers. Learn to listen. Don't ask another question until he answers the previous one.

→ **In every negotiation listen 70% and talk 30%**

3rd TACTICS

They are verbal and/or non-verbal actions, by either side to create a more favorable situation
Many are common to all strategies while Others are used only in some of them.

Not all of them are ethical....

If the other side is using "dirty" tactics, don't focus on that behavior. Consider possible reasons for this behavior.

SUMMING UP

1. We prepare ourselves
2. We study the other side
3. We consider Interests (ours and the other party's)
4. We investigate the B.A.T.N.A (ours and the other side's)
5. We decide our Targets, Limits, Starting Positions
6. We choose our Strategy
7. We Design the Process*

*Duration, Timing

*Calculate/decide time needed, number of meetings

*Interpersonal, Telephonic, Electronic communication

*Information Management

*Difficult / Critical Points: set and/or avoid

*Tactics to be used

SOME FACTS – OBSERVATIONS -THOUGHTS

WHY NEGOTIATIONS FAIL

1. **Lack of preparation:** Many negotiations fail because the parties have not adequately studied the data, understood the other party's needs, or clarified their own priorities.
2. **Poor communication:** Misunderstandings, ambiguities, and the use of inappropriate language can lead to a deadlock. Active listening and clear articulation are critical.
3. **Emotional involvement:** When parties become emotionally charged, they may lose their composure, misinterpret intentions, or react defensively.
4. **Lack of flexibility:** Negotiations require compromise. When a party rigidly clings to a position, the chance of failure increases.
5. **Ignoring or underestimating the other side's position:** Failure to understand the other party's motives and constraints often leads to unrealistic demands.
6. **Lack of viable alternatives (BATNA):** Without viable alternatives, parties may feel trapped or overcompromise.
7. **Inability to build trust:** Trust is the foundation of any negotiation. Without it, even well-intentioned offers are met with suspicion.
8. Many negotiations fail not because **there was no common interest**, but because the parties failed to discover or highlight it. A focus solely on positions ("I want a better price," "I won't offer a discount") rather than underlying interests ("I want to feel I'm gaining value," "I need to protect my profit margin") often leads to deadlock.
9. **The absence of active listening**, insufficient preparation, emotional reactions, and stereotypical "pressure" tactics undermine the potential for agreement. Instead of dialogue, conflict emerges. Instead of understanding, mistrust prevails. And instead of collaboration, there is distance – or silent withdrawal.
10. **Types of Negotiators and Styles****
Negotiators can be broadly categorized based on their style and approach. Each type brings advantages and risks:
 - i. **The Competitor:** Focuses on winning. Assertive and results-driven, often pushes for the best deal but may damage relationships.
 - ii. **The Collaborator:** Seeks win-win outcomes. Invests time in understanding both sides' interests. Ideal for building long-term partnerships.
 - iii. **The Compromiser:** Looks for middle ground. Practical and flexible, but sometimes sacrifices too much for agreement.
 - iv. **The Accommodator:** Values the relationship over the outcome. Often yields to maintain harmony, which can lead to imbalanced deals.
 - v. **The Avoider:** Shuns conflict and may delay or avoid negotiations altogether, risking missed opportunities.

➤ Understanding these styles—both your own and your counterpart's—can help shape your strategy and increase your chances of success. Adaptability is key: a skilled negotiator can shift styles depending on the context, goals, and relationship dynamics.

Successful negotiation requires planning, empathy, and flexibility.

Failure often stems from neglecting these factors.

- **Start out with an ideal and end up with a deal.**
Karl Albrecht
- **Negotiating means getting the best of your opponent.**
Marvin Gaye
- **You must be fully prepared to make a great deal.**
Unknown
- **Always get to know the other party. Never negotiate with a stranger.**
Somers White
- **During a negotiation, it would be wise not to take anything personally. If you leave personalities out of it, you will be able to see opportunities more objectively.**
Brian Koslow
- **In business, you don't get what you deserve, you get what you negotiate.**
Chester L. Karrass
- **The freedom of the city is not negotiable. We cannot negotiate with those who say, "What's mine is mine and what's yours is negotiable."**
John Fitzgerald Kennedy
- **When a man says that he approves something in principal, it means he hasn't the slightest intention of putting it in practice.**
Otto Von Bismarck
- **You're in a much better position to talk with people when they approach you than when you approach them.**
Peace Pilgrim
- **If you are planning on doing business with someone again, do not be too tough in the negotiations. If you are going to skin a cat, do not keep it as a house cat.**
Marvin S. Levin
- **The lesson of all history warns us that we should negotiate only when our military superiority is so convincing that we can achieve our objective at the conference table and deny the aggressor theirs.**
Richard M. Nixon

Demosthenes Papakonstantinou studied and trained in Negotiations in New York and Los Angeles.

He has designed, advised on, negotiated and/or renegotiated—either on the front line or behind the scenes—over 1,275 negotiations of various types across five continents, on behalf of organizations, corporations, law firms, entrepreneurs, and individuals.

He is dedicated to the development and continuous application of negotiation, grounded in global research and international collaborations. He understands negotiation both as a science and in practice.

- **Credentials:**

- ✓ Professional Marketer
- ✓ Certified Negotiator & Certified Negotiations Trainer
- ✓ Accredited Mediator & Certified Mediation Trainer
- ✓ Adult Educator with **over 175,500 hours** of training seminars, simulations, and workshops

- **Teaches Negotiation:**

- ✓ In the most comprehensive program in the country, the “Certified Professional Negotiator”, which leads to a certification, after exams.
- ✓ the M.Sc. Shipping Management (English-language) and CSAP postgraduate programs of the University of Piraeus, and in the Mediation Program of Panteion University
- ✓ At the National Defense School, in both the International (English-language) and Greek sections.
- ✓ In the Adult Education Program of the Hellenic American College of Athens
- ✓ Yearly, Dozens of open and intra-Company seminars

- **Has trained in Negotiation:**

- ✓ For more of three decades, over 185,500 professionals, including diplomats, senior military officers, entrepreneurs, lawyers, business executives, freelancers, students, and members of professional associations, in Greece and abroad
- ✓ Sixteen cohorts of new diplomats at the Diplomatic Academy of the Ministry of Foreign Affairs
- ✓ At the Hellenic Naval War College, Hellenic Air Force, and the Hellenic Army Academy
- ✓ Members of more than 15 Chambers of Commerce across Greece
- ✓ He has been invited as a keynote speaker on relevant topics at numerous industries and corporate conferences

- **Education** (in Canada)

- ✓ Bachelor of Commerce (First Class Honours) in Marketing
- ✓ Bachelor of Economics (First Class Honours) in Applied Economics
- ✓ MBA in Marketing (with Distinction)

- **Member of:**

- ✓ Harvard Negotiation Project
 - ✓ American Institute of mediation
 - ✓ American Marketing Association
 - ✓ Association of Consumer Research
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