

Exploring Diplomatic Option in Practicing Essential Skills in Management

By

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1.0 Introduction

Leadership, administration and management are interchangeably used and apportioned first-line blame at the failure or inefficiency of a system, an organization and a state. This is no news and strange as Nigeria is a case in point. This era of rapid technological transformation and Artificial Intelligence (AI) is adding a different dimension to the challenges of leading, managing and administering. This function (Leadership or Management or Administration) aims to ensure that organizational or societal goals are properly set and attained efficiently to guarantee sustainability. Performing this function has been a daunting challenge that requires certain skills define by time and relevance.

In the 20th century, the capacity to manage requires basic management skills of planning, budgeting, communication. These basic relevant skills were obsolete time as the 21st century arrived. The 21st century skills required of Managers to diligently perform their functions have changed and still undergoing modification and transformation given the changes in the experiences of the century.

To be an efficient manager, administrator or leader, one must not only keep abreast with these changes and skills demands but must understand and acquire these skills to be useful and relevant. To this end and as usual this topic is timely for the Chartered Institute of Public Diplomacy and Management (CIPDM) and for the sustainability of the Diplomacy and Management Profession.

To achieve the objective of not only keeping abreast with these changes and skills demands but must knowing these skills and more relevant in the schemes of Management, this paper is presented in 4 sections. In section 1 the introduction is covered. Section 2 is designed to create an understanding of the trends in Diplomacy and Management, and the operation of diplomacy in addressing management and Leadership (Governance) challenges. The diplomatic options and it application in

the practice of Management and the execution of the management functions for efficiency is the focus of section 3. The last section, section 4 is the conclusion.

2.0 Trends in Diplomacy and Management

2.1 History of Diplomacy

For most of history, diplomacy was concerned with bilateral relations, or negotiations between two nations. A country or region often had dozens of trade or border agreements, each limited to a single other country or region. In the 20th century, diplomacy expanded. Today, the United Nations (UN), an international organization that works to promote cooperation and settle conflicts among nations, plays a large role in diplomacy. Diplomacy is concerned with multi-lateral relationships (Edersheim, 2007). In the 21st century Diplomacy expanded to include summit meetings and International conferences. Summits are meetings between top government officials. Summits can be between national leaders, such as presidents or prime ministers. Economic summits often involve business leaders, as well as treasury secretaries or trade ministers. International conferences are usually attended by heads-of-state or other national leaders. Conferences are usually much larger in scope—dozens of leaders may meet to discuss migration or border issues, trade, or the environment. These meetings recognize the rights, strengths and need countries and form the basis for reaching a mutual understanding.

These summits, conferences and meeting produce guiding documents for coexistence, progress and sustainability. These binding and guiding documents come in the form of treaties, accords, protocols and conventions. Breaching the principles or not adhering to them has dire consequences in the form of political and economic sanctions, and Coalition force.

Therefore, Diplomacy is the art and science of maintaining peaceful relationships between nations, groups, or individuals. Often, diplomacy refers to representatives of different groups discussing such issues as conflict, trade, the environment, technology, or maintaining security (NGS, 2023). It is concerned with managing people, processes and relationship among Nations.

2.2 How Diplomacy Works

Diplomacy is about the recognition of the rights and strengths of parties in a relationship and the implications of such rights and strength in sustainability of the entity in question (a nation, an organization or and enterprise). Diplomacy is accomplished by **negotiation, or bargaining**. Usually, each group in a negotiation will ask for more than they expect to get. They then compromise, or give up some

of what they want, in order to come to an agreement. Often, an outside diplomat will help with the negotiations. For example, Martti Ahtisaari, a Finnish diplomat working for the UN, helped Namibia gain independence from South Africa in 1990.

Negotiation is a critical skill for leaders, as it enables them to navigate complex situations, resolve conflicts, and reach mutually beneficial agreements. In the fast-paced business world, mastering the art of negotiation can be a valuable asset for leaders seeking to drive innovation and collaboration. Effective negotiation is essential for **fostering strong relationships, achieving desired outcomes, and creating win-win scenarios**. For leaders, negotiation skills can be particularly beneficial in various contexts, such as:

- a. Navigating complex deals and partnerships
- b. Resolving conflicts within teams or between departments
- c. Aligning stakeholders on project objectives
- d. Managing budgets and resources

As the renowned negotiation expert, William Ury, once said; **"The greatest power you have in negotiation is the power to change the game."** How many of us understand and have this skill.

What then is management and how has transformed overtime? Management on the other hand is refers to a process that has undergone series of transformational growth.

2.3 The History of Management and the skills set

The concept of management has been around for thousands of years. According to Pindur, Rogers, and Kim (1995), elemental approaches to management go back at least 3000 years before the birth of Christ, a time in which records of business dealings were first recorded by Middle Eastern priests. Socrates, around 400 BC, stated that management was a competency distinctly separate from possessing technical skills and knowledge (Higgins, 1991).

A hierarchy of control and power, similar to that of the Catholic Church, existed in which authority rested with the masters and trickled down to the journeymen and apprentices. These craftsmen were, in essence, small businesses producing products with varying degrees of quality, low rates of productivity, and little need for managerial control beyond that of the owner or master artisan.

The Industrial Revolution, a time from the late 1700s through the 1800s, was a period of great upheaval and massive change in the way people lived and worked. Factories needed workers who, in turn, required direction and organization. As these facilities became more substantial and productive, the need for managing and coordination became an essential factor.

From a managerial standpoint, skilled craftsmen were no longer necessary to build automobiles. The use of lower-cost labor and the increased production yielded by moving production lines called for the need to guide and manage these massive operations (Wilson, 2015). To take advantage of new technologies, a different approach to organizational structure and management was required.

The Scientific Era – Measuring Human Capital

With the emergence of new technologies came demands for increased productivity and efficiency. The desire to understand how to best conduct business centered on the idea of work processes. That is, managers wanted to study how the work was performed and the impact on productivity. The idea was to optimize the way the work was done. One of the chief architects of measuring human output was Frederick Taylor. Beyond Taylor, other management theorists including Frank and Lillian Gilbreth, Harrington Emerson, and others expanded the concept of management reasoning with the goal of efficiency and consistency, all in the name of optimizing output. It made little difference whether the organization manufactured automobiles, mined coal, or made steel, the most efficient use of labor to maximize productivity was the goal.

The necessity to manage not just worker output but to link the entire organization toward a common objective began to emerge. Management, out of necessity, had to organize multiple complex processes for increasingly large industries. Henri Fayol, a Frenchman, is credited with developing the management concepts of planning, organizing, coordination, command, and control (Fayol, 1949), which were the precursors of today's four basic management principles of planning, organizing, leading, and controlling.

Employees and the Organization

With the increased demand for production brought about by scientific measurement, conflict between labor and management was inevitable. The personnel department, forerunner of today's human resources department, emerged as a method to slow down the demand for unions, initiate training programs to reduce employee turnover, and to acknowledge workers' needs beyond the factory floor. The idea that to

increase productivity, management should factor the needs of their employees by developing work that was interesting and rewarding burst on the scene (Nixon, 2003) and began to be part of management thinking. Numerous management theorists were starting to consider the human factor. Two giants credited with moving management thought in the direction of understanding worker needs were Douglas McGregor and Frederick Herzberg. McGregor's Theory X factor was management's assumption that workers disliked work, were lazy, lacked self-motivation, and therefore had to be persuaded by threats, punishment, or intimidation to exert the appropriate effort. His Theory Y factor was the opposite (Kopelman, Protter, & Davis, 2008).

The concept behind McGregor, Herzberg, and a host of other management theorists was to achieve managerial effectiveness by utilizing people more effectively. Previous management theories regarding employee motivation (thought to be directly correlated to increased productivity) emphasized control, specialized jobs, and gave little thought to employees' intrinsic needs. Insights that considered the human factor by utilizing theories from psychology now became part of management thinking.

The Modern Era

Koontz and O'Donnell (1955) defined management as "the function of getting things done through others (p. 3). One commanding figure stood above all others and is considered the father of modern management (Edersheim, (2007). That individual was Peter Drucker. Drucker, an author, educator, and management consultant is widely credited with developing the concept of Managing By Objective or MBO (Wren & Bedeian, 2009). This MBO cycle applies to every department within an organization, large or small, and never-ending.

Drucker's contributions to modern management thinking went far beyond the MBO concept. Throughout his long life, Drucker argued that the singular role of business was to create a customer and that marketing and innovation were its two essential functions. Consider the Apple iPhone. From that single innovation came thousands of jobs in manufacturing plants, iPhone sales in stores around the globe, and profits returned to Apple, enabling them to continue the innovation process. Another lasting Drucker observation was that too many businesses failed to ask the question "what business are we in?" (Drucker, 2008, p. 103). On more than one occasion, a company has faltered, even gone out of business, after failing to recognize that their industry was changing or trying to expand into new markets beyond their core competency. Consider the fate of Blockbuster, Kodak, Blackberry, or Yahoo.

Others made lasting contributions to modern management thinking. Steven Covey's *The Seven Habits of Highly Successful People*, Peter Senge's *The Fifth Discipline*, and Jim Collins and Jerry Porras's *Built to Last* are among a pantheon of bestselling books on management principles. Among the iconic thinkers of this era was Michael Porter. Porter, a professor at the Harvard Business School, is widely credited with taking the concept of strategic reasoning to another level. Porter tackled the question of how organizations could effectively compete and achieve a long-term competitive advantage. He contended that there were just three ways a firm could gain such advantage:

- 1) A cost-based leadership – become the lowest cost producer,
- 2) Valued-added leadership – offer a differentiated product or service for which a customer is willing to pay a premium price, and
- 3) Focus – compete in a niche market with laser-like fixation (Dess & Davis, 1984).

Name a company that fits these profiles: How about Walmart for low-cost leadership. For value-added leadership, many think of Apple. Focus leadership is a bit more challenging. What about Whole Foods before being acquired by Amazon? Porter's thinking on competition and competitive advantage has become timeless principles of strategic management still used today.

The 21st Century

Managers in the 21st century must confront challenges their counterparts of even a few years ago could hardly imagine. The ever-growing wave of technology, the impact of artificial intelligence, the evolving nature of globalization, and the push-pull tug of war between the firm's stakeholder and shareholder interests are chief among the demands today's managers will face.

Technology

- a. Today's iPhone has more than 100,000 times the computing power of the computer that helped land a man on the moon (Kendall, 2019).
- b. Management today has to grapple with the explosion of data now available to facilitate business decisions. Developing an understanding of how to use data analytics without getting bogged down will be a significant challenge for the 21st century manager.
- c. Collecting, organizing, utilizing data in a logical, timely, and cost-effective manner is creating an entirely new paradigm of managerial competence.

- d. Cyber security, drones, and virtual reality are new, exciting technologies and offer unprecedented change to the way business is conducted.

Each of these opportunities requires a new degree of managerial competence which, in turn, creates opportunities for the modern-day manager.

Artificial Intelligence

- a. Will robots replace workers? To be sure, this has already happened to some degree in many industries. However, while some jobs will be lost to AI, a host of others will emerge, requiring a new level of management expertise. AI has the ability to eliminate mundane tasks and free managers to focus on the crux of their job.
- b. Human skills such as empathy, teaching and coaching employees, focusing on people development and freeing time for creative thinking will become increasingly important as AI continues to develop as a critically important tool for today's manager.

Globalization

- a. Globalization has been defined as the interdependence of the world's economies and has been on a steady march forward since the end of World War II. As markets mature, more countries are moving from the emerging ranks and fostering a growing middle class of consumers.
- b. This rising new class has the purchasing power to acquire goods and services previously unattainable, and companies around the globe have expanded outside their national borders to meet those demands.
- c. Managing in the era of globalization brought a new set of challenges. Adapting to new cultures, navigating the puzzle of different laws, tariffs, import/export regulations, human resource issues, logistics, marketing messages, supply chain management, currency, foreign investment, and government intervention are among the demands facing the 21st century global manager.

However, today, with technology, artificial intelligence, globalization, nationalism, and multiple other hurdles, organizations will continue the move toward a flatter, more agile organizational structure run by managers with the appropriate 21st century skills.

Stakeholder versus Shareholder

- a. What is a stakeholder in a business, and what is a shareholder? The difference is important. Banton (2020) noted that shareholders, by owning even a single share of stock, have a stake in the company.
- b. The shareholder first view was put forth by the economist Milton Friedman (1962) who stated that “There is one and only one social responsibility of business – to use its resources and engage in activities designed to increase its profits so long as it engages in open and free competition, without deception or fraud” (p. 133). In other words, maximize profits so long as the pursuit of profit is done so legally and ethically.
- c. An alternate view is that a stakeholder has a clear interest in how the company performs, and this interest may stem from reasons other than the increase in the value of their share(s) of stock. Edward Freeman (1999), a philosopher and academic advanced his stakeholder theory contending that the idea was the success of an organization relied on its ability to manage a complex web of relationships with several different stakeholders.
- d. These stakeholders could be an employee, a customer, an investor, a supplier, the community in which the firm operates, and the government that collects taxes and stipulates the rules and regulations by which the company must operate.
- e. Which theory is correct? The managers of the 21st century must build on the work of those that preceded them. Managers in the 21st century would do well if they heeded the words famously used by Isaac Newton who said “If I have seen a little further, it is because I stand on the shoulders of giants” (Harel, 2012).

Having understood diplomacy and how it works and the operations of the management functions; the question then is, are these options necessary in the practice of essential skills in management? The answer and guess is as good as mine; YES! At every stage of management, there is dialogue and negotiation. This implies that Diplomatic options and skills are essential skills in management. This requires an understanding of these options.

3.0 The Diplomatic Options in Management: Negotiation and other Related Skills

This option is the negotiation skills and other related skills that technology provides. These skills are essential in the practice of management. Negotiation is a critical skill, in all the management function of Planning, Organizing, Directing, Coordinating, Controlling and evaluating. Managers and leaders can adopt several practical strategies to enhance their negotiation skills and achieve better outcomes.

In Negotiating, the negotiator should not and must not negotiate a point of disadvantage. Negotiation should not commence without the following skills:

1. Understand Your BATNA (Best Alternative to a Negotiated Agreement)

The concept of BATNA, developed by negotiation experts Roger Fisher and William Ury, refers to the best course of action a party can take if a negotiation fails to result in an agreement. Understanding your BATNA can help you determine your walk-away point and provide a solid foundation for decision-making during the negotiation process.

2. Practice Active Listening

Active listening is an essential skill for effective negotiation, as it allows leaders to fully understand the perspectives and concerns of their counterparts. By demonstrating genuine interest and empathy, leaders can build trust and create an environment conducive to collaborative problem-solving.

3. Employ the Anchoring Technique

Anchoring is a negotiation tactic in which one party sets the initial terms or conditions, which can subsequently influence the negotiation's trajectory. By establishing a strong anchor, leaders can shape the perception of value and potentially secure more favorable outcomes.

For example, if negotiating a software development contract, a leader might propose a higher initial budget, knowing that the other party is likely to negotiate down from that figure. By setting the anchor high, the final negotiated amount may still be within the desired range.

4. Utilize the Principle of Reciprocity

The principle of reciprocity suggests that people tend to feel obligated to reciprocate when they receive something from others. In negotiation, this principle can be leveraged to encourage cooperation and mutual concessions. By offering something of value to their counterparts, leaders can create a sense of indebtedness, which may lead to more favorable terms in the negotiation.

5. Manage Emotions Effectively (Acquire Emotional Intelligence Capacity)

Emotions can play a significant role in negotiation outcomes. It's essential for leaders to remain calm and composed, even in challenging situations. By managing their emotions and maintaining a level-headed approach, leaders can make more rational decisions and prevent emotions from derailing the negotiation process.

How can Manager apply the principles of negotiation in performing their day to day functions? They have to learn the **Four basic diplomatic principles** or skills:

- a. Be hard on the problem and soft on the person
- b. Focus on needs, not positions
- c. Be inventive about win-win options
- d. Make clear agreements

Where possible prepare in advance. Consider what your needs are and the needs of the other person. Consider outcomes that would address more of what you both want. Commit yourself to a win/win approach, even if tactics used by the other person seem unfair. Be clear that your task will be to steer the negotiation in a positive direction. To do so you may need to do some of the following:

i. Reframe

Ask a question to reframe. (e.g. "If we succeed in resolving this problem, what differences would you notice?"). Request checking of understanding ("Please tell me what you heard me/them say.") Request something she/he said to be re-stated more positively, or as an "I" statement. Re-interpret an attack on the person as an attack on the issue.

ii. Respond not React

Manage your emotions. Let some accusations, attacks, threats or ultimatums pass. Make it possible for the other party to back down without feeling

humiliated (e.g. by identifying changed circumstances which could justify a changed position on the issue.)

iii. Re-focus on the issue

Maintain the relationship and try to resolve the issue. (e.g. "What's fair for both of us?" Summarize how far you've got. Review common ground and agreement so far. Focus on being partners solving the problem, not opponents. Divide the issue into parts. Address a less difficult aspect when stuck. Invite trading ("If you will, then I will") Explore best and worst alternatives to negotiating an acceptable agreement between you.

iv. Identify Unfair Tactics

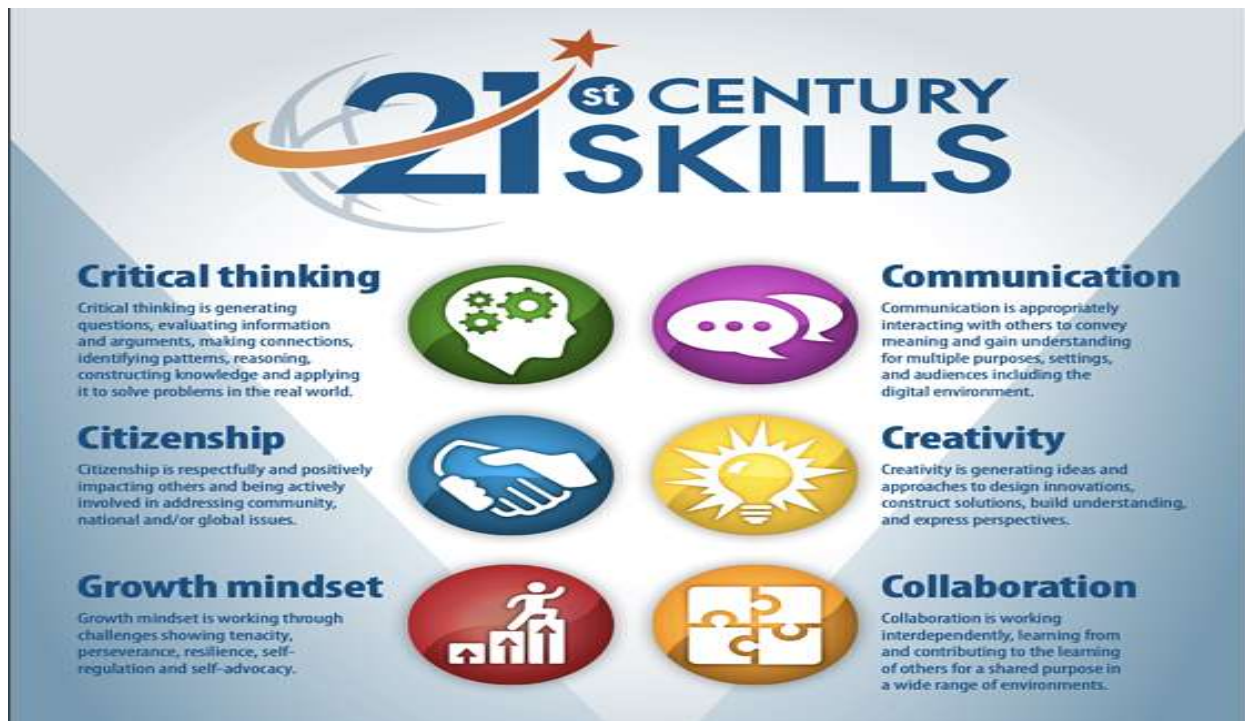
Name the behavior as a tactic. Address the motive for using the tactic. Have a break. Change locations, seating arrangements etc. Go into smaller groups. Meet privately. Call for meeting to end now and resume later, perhaps "to give an opportunity for reflection".

Attributes and Competences for Successful Influencing/Negotiating

There are number of attributes and competences that help us to influence positively and negotiate successfully. Here we have sought to group them in a number of key areas and phases. These attributes are captured in figure 1.

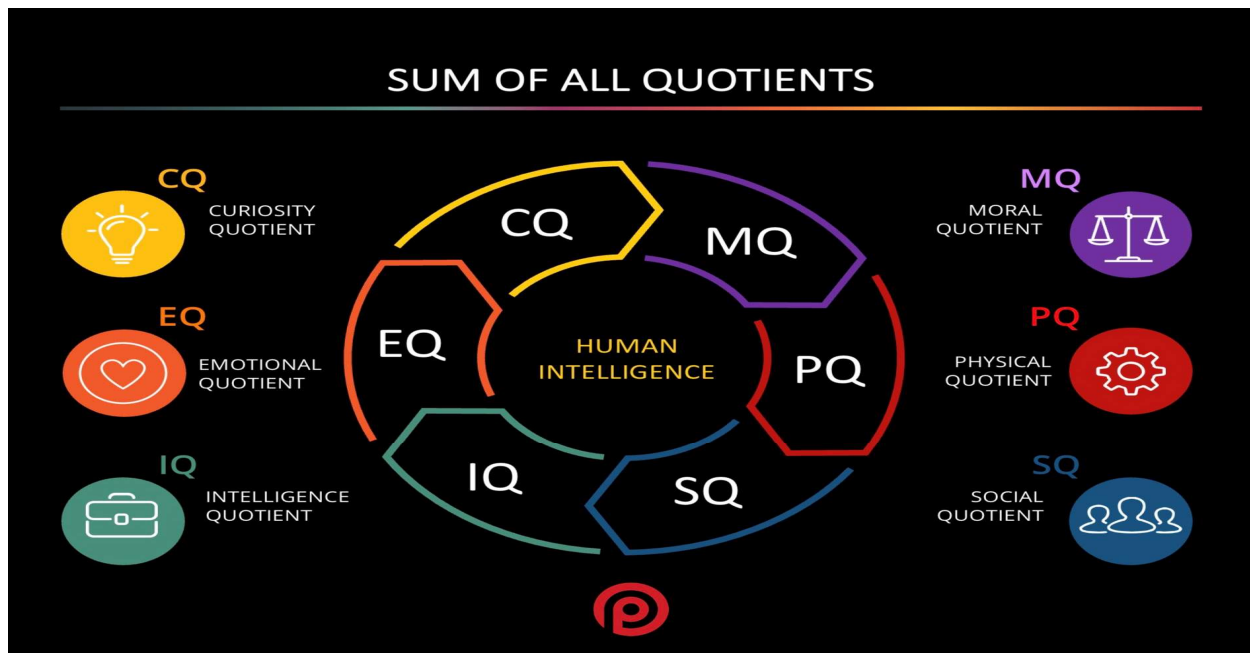
1. Critical Thinking
2. Communication
3. Citizenship
4. Creativity
5. Growth Mindset and
6. Collaboration

Figure 1. Attributes and Competences for Successful Influencing/Negotiating



These attributes are not acquired by accident but through a learning and experiential process. This process intrinsically activates our quotients of HUMAN MANAGEMENT. This is captured in the figure 2

Figure 2. The sum of all Quotients



These quotients are critical in Negotiation and Management. How well do you understand the connections between them and management?

5.0 Conclusion

The best way to create value in the 21st century is to connect creativity in negotiations and human management with technology. You cannot give what you do not have. Therefore, acquire these basic skills and apply them to be an effective diplomatic manager, who can produce results to eliminate insults heaped on the failures of leadership.

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