הפקולטה לניהול
ע"ש קולר
אוניברסיטת תל אביב

Coller School
of Management
Tel Aviv University

# MBA

# 1231.3960 – Business Diplomacy: A Modern Approach
(in the age of information overload)

## דיפלומטיה עסקית בעידן גודש המידע

Prerequisites/Parallel requirements: none

### Spring Semester – 1ˢᵗ  half – 2023/2024

| Section | Day | Hour | Final Task | Lecturer | Email | Telephone |
|---------|-----|------|-----------|----------|-------|-----------|
| 01 | Monday | 18:45-21:30 | written assignment | Ido Aharoni Aronoff | Ido.aharoni@nyu.edu idoaronoff@gmail.com | +972 50-620-3126 (Israel) +1-646-483-4005 (WhatsApp) |

**Office Hours**: By Appointment

## Course Units

Course units 1 YAS (=4 ECTS)

The ECTS (European Credit Transfer and Accumulation System) is a framework defined by the European Commission to allow for unified recognition of student academic achievements from different countries.

## Course Description

Humanity is facing a mighty challenge: '**The Age of Information'** brought with it a new social and technological phenomenon, '**Information Overload'**. This not only brought about a dramatic series of technological disruptions but also fundamentally changed the essence of previously known terms, such as communications, politics, leadership, charisma, diplomacy, and management.

From its inception diplomacy was designed and deployed to refine basic impulses, prevent violence, and promote compromise. What are diplomacy's main assets that may bring value in the modern world of business?

This course will deal with those elements of the diplomatic practice, old and new, which may bring benefit in the business world. The class will focus on effective ways to merge the principles of diplomacy in business practice, with an emphasis on contemporary processes, such as: managing business crises, long-term building of brand resilience, qualitative and quantitative research processes, formulating a long-term strategy and the intelligent construction of communication strategies suitable for the business sector.

Traditionally, '**Business Diplomacy**' was about business' ties with governments. It referred to the development of plans for long-term, positive relationship with governments, local communities, and

various interest groups. This purpose was to establish and sustain legitimacy and to mitigate the risks arising from all non-commercial elements in the global business environment.

Businesses operated under the assumption that wide legitimacy is predominantly achieved via government.

Although this traditional task is still important for businesses, the rise of the '**Information Revolution'** and the radical de-centralization of our informational feed, brought about a dramatic change: businesses legitimacy and endorsement have now alternative sources, such as social media platforms and non-traditional outlets.

Moreover, the '**Age of Information'** also signaled the rise of the tech giants as global agenda setters.

In this course students will explore both, the traditional approach to '**Business Diplomacy'**, with its pros and cons, as well as modern approaches that rely more on the transition to micro-targeting platforms and '**soft power**' tactics.

Essentially, this course is about the exploration of the main pillars of the diplomatic craft that could be applied in business environment. During the course, external guests will be introduced, mostly senior-level people from the business and/or diplomatic worlds from the USA, Europe, and Israel who will share their rich experience with the students. Due to the structure of the class reading assignments will be limited in frequency and length. Some of the reading will be done in class, as well as class assignments.

Areas that will be covered in the course:
1. Global legitimacy challenges for businesses (diversity, impact, inclusion, belonging)
2. Diplomacy and mitigating risks
3. Branding and positioning (for non-products)
4. Marketing (emphasis on policy marketing)
5. Strategic Communications
6. The Information Revolution & the impact of Information Overload
7. Technological Disruption, Political Systems, Policy & Diplomacy
8. Cultural Sensitivity
9. Business Ethics
10. Metrics

Methodologies that will be studied during the course:
1. Brand Asset Valuator (by BAV Group: https://www.bavgroup.com/)
2. Five-step R-SWIM methodology (by Emerson Rigby Ltd: https://www.r-swim.com/)
3. OECD guidelines (https://www.oecd.org/corporate/mne/)

## Evaluation of Student and Composition of Grade

| Component | Subject | Grade |
|---|---|---|
| Class Engagement | | 10% |
| In class assignment | Branding | 20% |
| In class assignment | Fandom models | 20% |
| Final paper | Leadership styles | 50% |

## Course Assignments

Course Requirements & Assignment:

Students are expected to attend classes regularly, perform the reading assignments and participate actively. This amounts to 10% of the course grade.

Your course final assignment will consist of 2500 words written paper **Comparing Two Types of Leadership Styles: Transformational vs. Transactional**. Student must select two leaders from the same field (business, politics, culture, etc.) for the purpose of comparison. Students may select the leaders in consultation with the professor. This 2500-word count does not include abstract, footnotes and bibliography list. Written projects are an exceptional method to assess student's comprehension of the subject, creativity or innovation abilities. For example, a student should understand the material, apply their understanding to another context, and construct a project based upon this comprehension. Your written assignment should provide detailed and thorough feedback concerning all aspects discussed in class. Final term paper will consist of 50% of final grade. Your final written assignments are due on June 24th, 2024.

In addition, students will be required to complete two brief in-class assignments:

One, for session 2 (Branding), **Brand Surplus vs. Brand Deficit** (May 6th 2024)
Two, for session 3 (Fandom models), **The Grateful Dead Fandom Model** (May 20th 2024)
These two assignments will amount to 40% of the final grade (20% each)

There will be no computers or mobile devices allowed in the classroom during the course to reduce the number of detriments to the learning process. In case of remote sessions, students are expected to be on camera throughout the entire class.

## Grading Policy

In the 2008/9 academic year the Faculty instituted a grading policy for all graduate level courses that aims to maintain a certain level of the final course grade.  Accordingly, this policy will be applied to this course's final grades. Additional information regarding this policy can be found on the Faculty website. Score Retention Policy

## Evaluation of the Course by Student

Following completion of the course students will participate in a teaching survey to evaluate the instructor and the course, to provide feedback for the benefit of the students, the teachers and the university.

## Course Site (Moodle)

The course site will be the primary tool to communicate messages and material to students.  You should check the course site regularly for information on classes, assignments and exams, at the end of the course as well. Course material will be available on the course site. Please note that topics that are not covered in the course material but are discussed in class are considered integral to the course and may be tested in examinations.

## Course Outline*

| Session | Date | Hours | Subject |
|---|---|---|---|
| 1 | 6/5 | 18:45-21:30 | Introduction: Origins of Applied Diplomacy<br>The Rise of Information Overload |
| 2 | 20/5 | 18:45-21:30 | Approaches to 'Business Diplomacy'<br>Methodologies for risk mitigation |
| 3 | 27/5 | 18:45-21:30 | National Ethos, Identity, Branding & Cultural Sensitivities<br>Soft Power', Applied Diplomacy & Business Management |
| 4 | 3/6 | 18:45-21:30 | The Age of Information & Information Overload |
| 5 | 10/6 | 18:45-21:30 | Technological disruption to Policy, Politics & Diplomacy<br>Strategic Comms & Ethical Questions.<br>Conclusion: From Blanket Advocacy to Micro-Targeting |

Topics Covered:

Introduction: Origins of Applied Diplomacy

The first session will be devoted to introduction of the students as well as the lecturer. Students should be prepared with a 2–3-minute presentation about themselves in which they will ask to share whatever they choose about themselves, their academic and professional background as well as their expectations from this class.

The first session will center around basic terminology in the field of diplomacy, more specifically applied diplomacy (or as some describe it as occupational diplomacy close parenthesis. We will touch upon the brief history of how diplomacy evolved hundreds of years ago, we will emphasize the link that attached diplomacy to the evolution of technology and make a distinction between applied diplomacy and policy making.

Basic terminology:
- o Diplomacy
- o Applied Diplomacy
- o Policy
- o Negotiations
- o Diplomatic techniques
- o Diplomatic mindset
- o Geo-Political twinning

Reading:

Harold Nicolson on Diplomacy
Jovan Kurbalija on Compromise
Martel on Summit Diplomacy

Approaches to 'Business Diplomacy'

This session will deal with the various approaches to business diplomacy, from a regulatory and compliance perspective as well as from the perspective of the international community and global business attributes. We will learn about multilateral ties, as they affect businesses globally. We will try to answer the question why it is important for businesses to adapt and adopt diplomatic mindset.

- o Science Diplomacy
- o Cyber Diplomacy
- o Multilateral Arena (UN, OECD, WB, IMF)
- o Regulatory Approach (Compliance)
- o Cultural Approach
- o Globalization & Internationalization
- o End of Cold war
- o Rise of Global Competition
- o Rise of the Fairness Approach & Centrality of Identity (ESG, Impact, For-Purpose)
- o Business Legitimacy

## Methodologies: R-SWIM & BAV

In this session we will introduce methodologies from the area of risk mitigation (specifically the role of R-SWIM and SWOT in risk mitigation) as well as from the area of brand performance assessment (BAV – Brand Asset Valuator, developed by Young & Rubican in the 1970's). We will also discuss the entire bundle of issues known as issue management and crisis management.

Risk & Issue Management tools

## The Age of Information & Information Overload

One of the more dramatic effects of the information revolution and the decentralization of media, is that dramatic change that had occurred to the very definition of the concept of leadership. In this session we will discuss the impact of information overload in the age of technology, the characteristics of the information revolution and how it disrupted traditional business, diplomacy, politics, and policy making. A great emphasis will be given two types of effective leadership in the age of information overload.

Leadership: Transformational vs. Transactional

## Corporate Ethos, National Ethos, Identity, Branding & Cultural Sensitivities

The information revolution brought to the fore the discussion about identity on all levels. Personal identity, communal identity, national identity, and cultural identity our only examples of how identity became a centerpiece of business, diplomacy and marketing. In this session we will discuss the centrality of the story we tell ourselves about ourselves, that some refer to as the ethos.
Reading:
Wally Olins "On Brand"
Seth Godin "Purple Cow"

## The Rise of Participatory Culture & Centrality of Creativity

Session six will be devoted to one of the most fascinating phenomena in today's culture, the rise of participatory culture. Our target audience is no longer viewed as a passive consumer, patient, customer, voter, etcetera. Whether we like it or not ultimately technology turned all of us into participants in a large conversation, business circles, hyper connected interactions, and endless debates. We will try to answer the question of how ubiquitous participation

changed the landscape of business and how can we work with this new reality to advance the interests of our business.

### Technological disruption to Policy, Politics & Diplomacy

The technology disrupted politics and diplomacy predominantly by eliminating the traditional distance that existed between audiences and their leaders. This traditional distance allowed and boosted a social phenomenon known as mystification. In this session we will learn about the process of demystification, induced by technology, and the dramatic impact it had on the way people communicate themselves and their organizations to society.

Reading:
Narcissism & Leadership

### 'Soft Power', Applied Public Diplomacy & Business Management

In the age of technology, where the main task of imparting national, organizational, and social messages is in the hands of the leaders (elected official or appointed), There is an acute need to apply tactics from the world of diplomacy, under the umbrella of soft power and public diplomacy techniques. In this session we will explore the relevance of public diplomacy techniques to business management.

### Strategic Comms & Ethical Questions

The technological revolution also brings to the fore the need for leaders to develop a new skill set. One of the most critical skills is the ability to engage in strategic communications, meaning, to communicate your message to the world as part of an overarching, overall organizing principle known as strategy. In this session we will explore ways to effectively engage in strategic communications, from a leader's position, and deal with the ethical questions arise.

### Conclusion: From Blanket Advocacy to Micro-Targeting

our final session will be devoted to a review of all the main points we discussed in our class emphasizing the overall changes we reviewed. In the last session, groups will be presenting their papers each presentation will have to be short and concise. A more detailed description of the requirements will be provided in session one.

### Case Examples:

Brand Identity: Deficit vs. Surplus
Brand Brexit
Brand Holon
Brand New York
Narcissistic Leadership
The Grateful Dead Model: Fandom
Creativity & Organizations: Edward de Bono
Palesi Designer Shoes, Borat & Erran Morad: Ethical Questions

## Required Reading

Laszlo Barabasi, Albert; "**The Science of Networks**" (2012)
https://www.youtube.com/watch?v=UibIR-JrUck
Laszlo-Barabasi, Albert: "**The Formula: The Universal Laws of Success**"; Little, Brown and Company, (2018)
https://www.youtube.com/watch?v=UibIR-JrUck

Godin, Seth; "**Purple Cow**" (2006)
https://www.youtube.com/watch?v=7QkPaJ299Uk

Woolfson, Charles; "**The Politics of Brexit: European Free Movement of Labour and Labour Standards**" (2017)
https://www.youtube.com/watch?v=7g9jmEk1dBE

Jack, Louis: "**Heineken Marketer of the Year**"; Fast Company (2015)
https://www.youtube.com/watch?v=G5eUaov1Ukw

Flory, Andrew; "**Liveness and the Grateful Dead**"; American Music (2019)
https://www.youtube.com/watch?v=r86Sb4heCWM

Scholte, Jan Aart; "**Defining globalization**"; Centre for the Study of Globalization and Regionalization; University of Warwick (2007)
https://www.youtube.com/watch?v=wLNp3kgBuuQ

Martin, Clifton and Jagla, Laura: "**Integrating Diplomacy and Social Media - A Report of the First Annual Aspen Institute Dialogue on Diplomacy and Technology**"; Aspen Institute (2013)

Pariser, Eli; "**The Filter Bubble**" (2010)  https://www.youtube.com/watch?v=B8ofWFx525s

Sanger, David E.; "**Trump-Kim Summit's Collapse Exposes the Risks of One-to-One Diplomacy**", New York Times; Feb. 28, 2019

Bell, John: "**Centralized Control of Social vs. Spreading Social Throughout the Organization**"; Social Media Today; (2010)

Olins, Wally: "**On Corporate Identity**"; Viewpoints (2002)
https://www.youtube.com/watch?v=YP2o-_VwLEQ

Nye, Joseph: "**Soft Power**"; Foreign Policy No. 80; Twentieth Anniversary (1990)
https://www.youtube.com/watch?v=_58v19OtIIg

Haidt, Jonathan: "**The Righteous Mind: Why Good People Are Divided by Politics and Religion**"; Gildan Media, LLC, (2012) https://www.youtube.com/watch?v=2APK3tlPL_0

Haidt, Jonathan; Lukianoff, Greg: "**The Coddling of the American Mind: How Good Intentions and Bad Ideas Are Setting Up a Generation for Failure**"; Penguin (2018)
https://www.youtube.com/watch?v=HWxQOnNHFRQ