LEADERSHIP DEVELOPMENT FROM A SYSTEMS PSYCHODYNAMIC CONSULTANCY STANCE

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ABSTRACT

This research aims to measure the impact of a leadership development programme presented from the systems psychodynamic stance. The aim was to develop psychoanalytically informed change leaders to lead change and transformation in the continuously changing and transforming New Economy network organisation. In order to do this, a group relations training programme was presented for 30 leaders. Qualitative assessment using grounded theory during post-intervention focus groups interviewing indicated the group's awareness of psychodynamic leadership behaviour such as the regression towards frequent pathological leadership personality characteristics, regression towards unconscious group- and organisational processes such as the basic assumption group, the covert coalition and socially structured defense systems against change and transformation. Insight was also gained in the new leadership role and the taking up of personal authority in the network organisation that needs to function as a systemic whole. Limitations in the study are noted and Recommendations are made to enhance change leader skills for leadership in the New Economy network organisation.

OPSOMMING

Hierdie navorsing poog om die impak van 'n leierskapsontwikkelingsprogram wat aangebied is vanuit die sistemiese psigodinamiese perspektief, te evalueer. Die doel was om psigoanalitiese ingeligte leiers te ontwikkel om verandering en transformasie in die gedurige veranderende en transformerende Nuwe Ekonomie netwerk organisasie, te lei. Ten einde dit te bolwerk is. 'n Groep -verhoudinge-opleidingsprogram is aangebied vir 30 leiers. Kwalitatiewe evaluasie deur van begrondingsteorie gebruik te maak gedurende, die post-intervensie fokus groepe het 'n groepbewustheid aangedui van psigodinamiese leierskapgedrag soos die regressie na dikwelse patologiese leierskapspersoonlikheidskenmerke, regressie in onbewustelike groep- en organisatoriese prosesse soos die basiese aanname-groep, die koverte-koalisie- en sosiaal-gestruktureerde-verdedigingsisteme teen verandering en transformasie. Insig is ook in die nuwe leierskap rol en die opneem van persoonlike outoriteit in die netwerk organisasie wat moet funksioneer as 'n sistemiese geheel, bekom. Aanbevelings word gemaak om die leierskapsrol in verandering in terme van vaardighede in die Nuwe Ekonomie-netwerkorganisasie, te bevorder.

In shaping the future network organisation we are presently confronted in the New Economy by the so called drivers of the New Economy (Magretta, 1999; Moon & Bonny, 2001), change and transformation in leadership mindsets and behaviour (Anderson & Anderson, 2001; Maynhard & Mehrtens, 1996) and organisational culture (Anderson & Anderson, 2001; Cannon, 1996).

The New Economy drivers are placing increased change and transformation pressure on organisations to remain competitive and sustainable. These drivers are globalisation and increased international competitiveness (Magretta, 1999; Moon & Bonny, 2001), the war for talent and an international skills shortage (Burton Jones, 2001; Johnson, 2002; Sullivan, 2000), the democratisation of the workplace (Ackoff, 1981; 1994; Gibson, 1998), and information technology networks (Magretta, 1999; Moon & Bonny, 2001). The drivers lead towards increased chaos (Conner, 1998) and complexity (Stacey, 1996) in the taking up of leadership roles, and results in a high failure rate of leaders and executives in organisations acting as social systems (Hesselbein, Goldsmith & Beckhard, 1996; 1997; Kets de Vries, 1991; 2001). Leadership in the New Economy network organisation is in the midst of an Emerging Mindset (Anderson & Anderson, 2001; Mc Farland, Senn & Childress, 1993), characterised by continuous change and transformation that cannot be

controlled, nor predicted (Beer & Nohira, 2000; Gouillart & Kelly, 1995). The Emerging Mindset requires leaders to take up conscious change leader roles (Anderson & Anderson, 2001; Beer & Nohria, 2000) to successfully lead change and transformation (Fullman, 2001) towards the democratisation of the workplace, participation, demise of positional power (Ackoff, 1981; 1994), the taking up of personal authority (Hirschorn, 1998), disappearing boundaries between business units (Eisler & Montouri, 2001, Haas, 1993) and an imploding world of work (Hirschorn & Barnett, 1999) moving towards a systemic whole (Oshry, 1995).

Continuous change and transformation lead to increased leadership anxiety (Hirschorn & Barnett, 1994; Obholzer & Roberts, 1994). This is caused by the organisational holding environment (Stacey, 1996) "in common with the maternal holding environment" no longer containing the anxiety of leaders in the organisation, leading to the emergence of power games, projection, splitting and scapegoating (Colman, 1995; Hirschorn & Barnett, 1999; Kernberg, 1998). Traditional leadership training and development approaches focus on positional leadership, which has become obsolete in the New Economy (Bensiman & Neuman, 1993; Desjardings & Osman Brown, 1991). Leadership development from the systems psychodynamic consultancy perspective offers a leadership developmental approach to train and develop psychoanalytically informed leaders (Obholzer & Roberts, 1994) to deal with the

complexities surrounding human psychodynamics and anxiety in the workplace, when confronted with change and transformation. According to Colman and Bexton (1975), Hirschorn and Barnett (1999), Kernberg (1998), Miller (1989; 1993), Obholzer and Roberts (1994) and Rice (1969; 1999), the motivation for studying leadership from a systems psychodynamic consultancy position can be stated as follows:

All organisations are made up of people who create or go along with certain beliefs and ways of doing things. People influence the organisations they are in and the organisations in turn influence them and the way they think, feel and behave.

Some of the purposes of people working together in organisations are clear and explicit. Other purposes have to do with the needs and anxieties of which people are mostly not aware. These are discovered when they find themselves unexpectedly resistant to change.

People assume that there is a right way of behaving or a set of rules, when in fact these are conventions that people have developed collectively. The rules are used to disguise unexamined relations of power and authority. People need to be aware of the nature of authority, leadership, roles, boundaries, and organisation processes and leadership in institutions, to understand the part people play in developing and sustaining the kinds of organisations they are working in.

RESEARCH QUESTION, AIM AND DESIGN

From the above, the research question can be stated as follows: Is leadership development from a systems psychodynamic consultancy stance effective in developing psychoanalytically informed leaders to successfully take up change leader roles in leading change and transformation in the New Economy network organisation? The aim is to assess the impact of a leadership development programme from the systems psychodynamic consultancy stance by using the qualitative research method of grounded theory.

SYSTEMS PSYCHODYNAMIC ASSUMPTIONS AND CONCEPTS

The systems psychodynamic paradigm does not address individual behaviour, but rather the systemic group and organisational behaviour influencing various systems, such as the individual (Miller, 1989; Neuman, Kellner & Dawson Sheperd, 1997; Obholzer & Roberts, 1994; Stapley, 1996). The central principle of the systems psychodynamic perspective is contained in the conjunction of its terms:

(i) **Systems**. The systems designation refers to the open systems concepts that provide the dominant framing perspective for understanding the structural aspects of an organisational system. These include its design, division of labour, levels of authority and responding relationships, the nature of work tasks, processes and activities, its mission and primary tasks and in particular the nature and patterning of the organisation's task, sentient boundaries and the transactions across them. Human beings create social institutions to satisfy their needs (sometimes irrational, primitive and childlike) to experience pleasure and avoid pain, and to accomplish required tasks. Institutions become external realities, comparatively independent of individuals that affect individuals in a significant emotional and psychological way, which offers enormous learning opportunities.

(ii) **Psychodynamic**. The psychodynamic concept refers to psychoanalytic perspectives on individual experiences and mental processes (such as transferences, resistance, object relations and fantasy), as well as to the experience of unconscious group and social processes, which are simultaneously both a source, and a consequence, of unresolved or unrecognised organisational difficulties. The observable and structural features of an organisation, even quite rational and functional one, continually impact on its members at all levels, in a manner that stimulates particular patterns of individual and group dynamic processes. In turn, such processes may determine how particular features of the organisation come to exist, such as its distinctive culture, and how work is conceived, structured, organised and managed.

(iii) **Psychodynamic level**. On the psychodynamic level, a central feature of this view stresses the existence of primitive anxieties, of a prosecutor and depressive nature, and the mobilisation of social defence systems against them. The nature of such defences are conceptualised as either impending or facilitating task performance and readiness for change. Interventions based on this perspective typically involve understanding, interpreting and working through such collective defences. This will hopefully result in enlarging the organisation's capacity to develop task appropriate adaptations such as a rational distribution of authority, clear role boundary definitions, as well as their management.

The primary task of leadership is to manage relations between an institution and its environment, in other words to manage the boundary between what is inside and what is outside, so as to permit optimal performance of the primary task of the institution. At the unconscious level the leader expresses, on behalf of the group, the emotions associated with the prevailing basic assumption. Thus, if the leader at the manifest level fails to deal adequately with the emotions associated with the repressed assumptions, other leaders may be pressed upon expressing emotions that are opposed to the overt task of the group, and hence to oppose the leader at the manifest level (Colman & Bexton, 1975; Kernberg, 1980a; 1980b; 1998; Miller, 1983; 1986; 1989; 1993, Obholzer & Roberts, 1994; Rice, 1969; 1999).

GROUP RELATIONS TRAINING

The basis of the group relations training conference design
The concepts and assumptions that form the basis of the conference design fall into the following categories:

(i) **The individual**. From psychoanalytic object relations theory, and according to Klein (1952, as cited by Gomez, 1998; Colman & Bexton, 1975; Hirschorn & Barnett, 1999; Kernberg, 1998; Miller, 1989; Obholzer & Roberts, 1994; Rice, 1999) the mature ego is one that can define the boundary between what is inside and what is outside, and can control the transactions between the one and the other. Followers depend on their leader to identify their goal, to devise ways of reaching it, and to lead towards it. A leader who fails or falters deprives followers of satisfaction and hence earns their dislike. Any attempt to learn about leadership must take into account this inherent hostility, and an understanding of its source and its nature (Miller, 1989; Rice, 1999).

(ii) **The small group**. Small group refers to the face to face group and consists of an average of twelve members. From the psychoanalytic theory of regressive group processes, Bion (1961, as cited by Kernberg, 1998; Colman & Bexton, 1975; Miller, 1989; Obholzer & Roberts, 1994; Rice, 1999) suggested that a group always behaves simultaneously on two levels, namely the performance of

a specific task, while at the same time it behaves as if it has made one of three discrete assumptions, for example to obtain security from one individual upon whom its members can depend (dependence), or to preserve itself by attacking someone or something (fight), or by running away (flight), or to reproduce itself (pairing). The characteristics of group life are distinguished as the work group, the group met to perform its specific task, and the basic group, the group acting on one of the discrete assumptions (Bion, 1994).

(iii) **The large group**. The large group is defined as one in which face to face relationships are no longer possible. Rice (1969) and Turquet (1974; 1975) described the complete loss of identity felt by the individual member of a large unstructured group, the disappearance of social feedback to individual verbal communication, the failure of projective mechanisms, individual fear of aggression from other members, loss of control and violent behaviour. Those who try to retain individuality are frequently attacked. Without a clearly defined purpose and boundaries that determine who is inside and who is outside, and without structure, the large group is at the mercy of the most strongly expressed primitive impulses (Kernberg, 1998; Miller, 1989; Rice, 1999).

(iv) **The primary task and the organisational model**. Each part of a complex organisation has its own distinct primary task, which differentiates it from other parts and from the whole, and each contributes to the primary task of the whole. The primary task of the conferences is to provide learning opportunities for members to gain knowledge of leadership. The methods of performance are the following; firstly to provide members with opportunities to experience for themselves the interpersonal and inter group relationships involved in leadership, in situations in which the experience can be turned into learning, secondly to teach theories that offer verbal explanations of the learning, and thirdly to provide opportunities for members to consider the application of conference learning to their normal work situation (Colman & Bexton, 1975; Miller, 1989; Rice, 1999).

(v) **Learning from experience**. In the conference, the basic method of providing opportunities to learn is to construct situations in which the task given to members is to study their own behaviour as it happens. In each situation staff consultants are assigned to facilitate the task to the exclusion of all others. Only the staff role and staff relationships are defined, and no rules are laid down for members, as they are free to make their own. It is in the attempt to set up an "organisation" and in the taking up of roles in them that members have the opportunity to experience for themselves the forces that are brought to bear on them when they take roles requiring leadership, and the forces they bring to bear on others who demand their following (Colman & Bexton, 1975; Miller, 1989; Rice, 1999).

(vi) **The basic staff role**. Staff consultants in a group relations training conference use their own experiences and feelings to sense what is happening. If an explanation can be found in terms of the specific task set for the event, an interpretation can be made about the group behaviour, including themselves. So far as the consultant is able, he/she is only concerned about what is happening in the here and now, which is interpreted without memory or desire. Members inevitably project upon them their fantasies, fears, and doubts about authority and its power. The analysis of this projection requires the analysis of the relationships among the staff themselves to distinguish what is intrinsic to the staff group, and what is projected onto them by members (Colman & Bexton, 1975; Miller, 1989; Rice, 1999).

The group relations training conference culture
Because of the nature of the conference, the culture is one in which aggressive behaviour, and the expression of hostility between individuals and groups need to be studied, as well as their effect on decision making being examined and learned about, without becoming destructive, either of the individual or of the conference. Since the task of the conference is to provide opportunities for learning about leadership, the pattern of authority and responsibility in the conference has to be sufficiently explicit to be capable of examination, as well as sufficiently stable enable tolerate critical and even hostile scrutiny. How far members take the opportunities to learn is their responsibility (Colman & Bexton, 1975; Miller, 1989; Rice, 1999).

The nature of learning in the group relations training conference
According to Miller (1989) three different kinds or levels of learning are likely to occur within a group relations training conference. At the simplest level, members learn to identify and label some of the unfamiliar phenomena that they encounter, but do so as observers. A second kind goes beyond observation to insight, though partly conceptual, the experience adds to the ways in which the individual classifies the world and relates to it, particularly involved in unconscious processes. A third level of learning entails discovering a capacity to doubt the validity of perceptions which seem unquestionably true, and implies some degree of personality re structuring, a systemic change of a kind, which would be fully in line with the aims of group relations training.

METHOD

The setting and the selection of participants
The research was done in a financial services industry. The population consists of leaders form fifteen different business units across the organisation that delivers total financial services from private banking to insurance. From this, purposive or judgmental sampling (Huysamen, 1994; Mouton, 2001; Mouton & Marais, 1992; Neuman, 2003) was used to select thirty leaders (two from each business unit) on middle leadership levels, and according to Jaques' (1989) categorization, level three and level four work. The research participants consisted of twenty two white leaders, and eight black leaders (representing the actual race distribution in the organisation), the gender distribution was equal, while the age ranged from thirty to fifty five years of age. The length of service was more than five years for white leaders and less than three years for black leaders. Twenty of the thirty subjects have a Bachelor of Commerce while ten holds a Honours Bachelor of Commerce.

The leadership development programme
From the literature discussed in the preceding paragraphs the following programme as given in Table 1 was compiled and presented at a venue away from the work situation. Four group relations trained consultants were employed.

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TABLE 1
THE TRAINING CONFERENCE: "CHANGE LEADERSHIP
IN THE NEW ECONOMY"

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TIME	DAY 1	DAY 2	DAY 3
08:00 – 09:30	Opening Plenary	Large Study Group	Large Study Group
09:30 – 10:00	Tea/Coffee	Tea/Coffee	Tea/Coffee
10:00 – 11:30	Facilitated Small Dialogue Group: "The New Economy Workplace"	Small Study Group	Small Study Group
11:30 – 12:00	Break	Break	Break
12:00 – 13:30	Facilitated Small Dialogue Group: "The War for Talent"	Large Study Group	Review Group
13:30 – 14:30	Lunch	Lunch	Lunch
14:30 – 16:00	Facilitated Small Dialogue Group: "Leadership Ethics in the New Economy"	Large Study Group	Application Group
16:00 – 16:30	Tea/Coffee	Tea/Coffee	
16:30 – 18:00	Facilitated Small Dialogue Group: "The Role of the Change Leader in the New Economy"	Review Group	Closing Plenary

Qualitative assessment

Two focus group interviews were conducted before and two after the leadership development programme. The duration of the focus group interviews were sixty minutes each. The following themes were facilitated in the focus group interviews **before** the leadership development programme; "How do you experience leadership in the organisation?" and "How do you experience change and transformation in the organisation?" The following theme was facilitated in the two focus group interviews **after** the leadership development programme; "What was the impact of the leadership development programme on you?" The difference in systems psychodynamic themes from the pre intervention focus groups to the post intervention focus groups would determine if the leadership develop ment programme had any effect.

Data collection

After permission was obtained from the group it was randomly divided into two groups of fifteen each, so that two separate focus groups could be conducted simultaneously before and after the leadership development programme. The four, one hour, audio recorded focus group interviews were then transcribed "verbatim" for data processing.

Data processing

While there currently exist various, and even difference of opinion between its two creators, Strauss and Glaser, expositions of it was used in this study to which essentially refers to the theory that is generated in the course of the close inspection and analysis of the qualitative data. The researcher approaches the data without any theory and attempts to develop theory directly from the data that remain "grounded in" the data. After the original soliciting of data, the existing Literature is reviewed continuously throughout subsequent data collection and analysis (Durig, 1999; Henwood & Pidgeon, 1992; Huesser, 1999; Kinach, 2001; Neuman, 2003; Strauss & Corbin, 1990; White, Chalip & Marshal, 1998). Open coding was used as a first step in the process to order

and analyse the data by focusing on identifying, naming, categorising and describing phenomena found in the text. Axial coding or integrating categories and their properties followed which was the process of relating codes (categories and properties) to each other, via a combination of inductive and deductive reasoning. The researcher ascertained patterns in the data, and behaviour that leads to general concerns about it. These concepts were then built into broader theoretical propositions, which could then be evaluated and tested with other comparison groups. The objective was to uncover causal relationships between categories, for example to fit things into a basic paradigm of generic relationships. Selective coding was the third step, and the process of choosing the core category and relating all categories to that category. The essential idea was to develop a single theory line around which everything else was draped. If the generated theory insufficiently explained the phenomena, new hypotheses would be generated to build on the current theory.

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RESULTS

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The results as discussed below, are based on the open and axial coding results of the pre and post intervention focus groups. These results will be described by presenting by cleare excerpts from the two focus group interviews.

Pre intervention focus group results

The organisation that was studied in this research was moving towards the New Economy network organisation. The traditional hierarchy that controlled divisions of the organisation were re structured into segmented business units and all products and services are now distributed through one delivery platform to optimise customer satisfaction. Anxiety, fear and a lack of trust in the organisational holding environment and the resistance to change resulted in less visible socially structured defence mechanisms, group behaviour characteristic of the basic assumption group, sentience groups, and a regression in leadership styles and role ambiguity in the taking up of new leadership roles, as amply expressed by one research participant:

> "*They teach the managers to tell the guys at the bottom, sorry but your job has been affected. I sit in the same problem as the person below me, I am just as scared, and I have to tell fifty others not to be scared, I am there for you.*"

The phenomena are characteristic of covert anti task leadership behaviour when the individual leader, the group and the organisation resist change and transformation and when anxiety and fear is no longer contained in the organisational holding environment as a result of change and transformation. The following socially structured defence mechanisms emerged as a defence against anxiety and fear of the unknown. Depersonalisation and denial of the significance of the individual was expressed as a loss of personhood by the individual, and leaders just had to go with the flow of change:

> "*There is a lot of top down stuff going on at the moment and we at the bottom are not challenging anything, we are just okay if you say, 'so let's do it'.*"

Elimination of decisions by ritual task performance with credit approval procedures prolonged the process of decision making and little room was left for creativity and participative management:

> "*There is no space for creativity and entrepreneurship, on that level it is still according to policies and procedures as in the old world of work.*"

Idealisation and the underestimation of personal development opportunities were expressed, very few leaders in the organisation were perceived as worth spending money on for training and development:

"*You must assess their abilities and potential very carefully before you send them for training, when we make an investment it must be the right one.*"

Resistance to change as an organisational ritual centred around employment equity and the integration of people of colour in a predominantly white leadership culture which resulted in a split in the world of the white leader:

"*I think we are placed with the dilemma of living two different worlds with all the new cultures, the working world and the world you must live on your own. If people could get a way to maybe live them both or maybe choose one of the two it would work better. But I think it is a dilemma, because you must wear your poker face when you are at work and have a different mindset, but when you go home you must take off your poker face and go.*"

The responsibility to change and transform resulted in a collusive redistribution of responsibility and irresponsibility as a defence against on task behaviour between lower levels of leadership, middle leadership and top leadership, each blaming the other for autocratic practices and not changing and transforming towards a more democratic culture:

"*They don't want to take the responsibility to manage themselves, now the autocracy comes out and you do as I say, because I want you to do and if you leave it in his hands nothing happens.*"

Purposeful obscurity in the formal distribution of responsibility emerged as a socially structured defence against anxiety between the different business units and the delivery channel who worked against one another in a struggle for positional power in the organisational pecking order:

"*We saw certain managers who told their consultants that if a clients from a business unit enters that they must not be served as they would not count for performance assessments. This is where the big problem started.*"

Basic assumption group behaviour was not only revealed by research participants/subjects but was observed by the two focus group moderators. All the theoretically predicted basic assumptions as defences against anxiety, namely dependence, fight/flight, pairing (Bion, 1994), oneness (Turquet, 1974, as cited by Lawrence et al., 1996), and wholeness (Lawrence et al., 1996) emerged as sub themes. The existence of sentience groups were expressed as the "grapevine" which resulted in anti task behaviour, and a climate of fear where leadership withdrew into their inner worlds, just sitting around as victims and not taking up their personal authority as change leaders. A regression in leadership styles back to authoritarian personality and authoritarian organisational structures emerged as a theme in an attempt to regress back to the old and known. Other pathological regressions emerged as schizoid personality features, where nobody knew how much authority was vested in a particular person:

"*An executive must sign for a cellular phone, can an keep himself busy with a cellular phone in his department?*"

This was part of the confusion about new leadership roles that had to be taken up. Obsessive personality features emerged as a means to try and control change and transformation. Role outputs and requirements pertaining to change and transformation were obsessively performed, resulting in increasing doubt, hesitation and indecisiveness:

"*You get invited to the same meeting over and over, you only find it out after you have been invited to the same thing for the third time. It only gets designed every time under another meeting title.*"

Paranoid personality features caused by fight/flight behaviour between different business units resulting in anti task behaviour in inter group relationships in the organisation that have to function as a network of relationships:

"*With the implementation of the new operating model into different business units and a delivery platform we saw that certain leaders told their staff not to serve certain clients as it would not count for their performance management.*"

Narcissistic personality features were evident as leaders regressed to excessive self reference and importance in a power struggle for position in different pecking orders for individual survival in business units where thousands of roles have become obsolete:

"*I wanted to relocate a branch, I wanted to pull my hair from my head, I was blocked as far as I went and as I went higher I was blocked, until I eventually said I will catch it from the side so I went right to the top and I got my approval. What does this mean for me? All my initiatives were for nothing.*"

Leaders experienced role ambiguity and confusion in the taking up of new leadership roles as well as an inability to take up their personal authority in change leader roles.

Post intervention focus group results

The main theme that emerged after the completion of the leadership development programme was the realisation of one's' own personal authority. Research participants became conscious that they should rely on their own inner resources as a stability structure since the external organisational structure lacked stability. The group relations training conference unstructured approach (with no pre defined or pre determined learning outcomes) was seen as reflective of the change and transformation the New Economy network organisation is confronted with. The "structuring by the self", for example, where subjects were responsible for taking up their personal authority in the different here and now events was experienced as empowering. The leadership development programme empowered respondents to become aware of their own issues with personal authority, responsibility, boundaries (i.e. role boundaries, role clarification, new leadership roles and primary tasks that had to be performed by different business units as a system and as promulgated by a shared strategic vision), projection, splitting, stereotyping, generalisations and organisational structure. This interactional system (i.e. the group) provided a valuable base for research participants to become aware of these issues, where continuous interaction and hypotheses formulated from different staff consultants during the group relations training, based on observed behaviour in the different here and now events made "hidden areas" known. This resulted in a heightened awareness of psychodynamics in groups, as well as between groups or inter group relationships, and the role the individual or the group plays or gets mobilised to play in the group or between groups. By working through the expectations put onto the leader, such as change leader skills, respondents felt more confident to fulfil their roles. The demands and the challenges of the organisations new direction in the New Economy were seen as a challenge and not as a threat anymore.

DISCUSSION

After the leadership development programme research participants were more aware of the sophisticated work group

performing an overt task, as opposed to the basic assumption group performing covert assumptions (Lawrence et al., 1996). The unstructured training approach without pre defined or pre determined learning outcomes, was seen as reflective of the change and transformation that leadership was confronted with in the New Economy network organisation. This took place as a result of internalised learning, "structuring by the self" and the "taking up of personal authority" that was demonstrated during the leadership development programme, and was perceived as empowering. Insight was gained into group regressive processes such as socially structured defence systems (Kernberg, 1998; Menzies, 1989; 1993). The strategic vision of the organisation's change and transformation process was internalised and the organisation was perceived as a systemic whole (Oshry, 1996) where different business units had to co operate in a collaborative boundary less approach in order to achieve the organisation's strategic vision as opposed to inter group conflict and power based relationships that existed between different business units. A clear understanding and a new insight was gained into the new leadership role (Anderson & Anderson, 2001) that had to be taken up as a change leader in the New Economy network organisation. Learning took place on three levels (Miller, 1989). On level one, research participants were able to identify and label unfamiliar phenomena in overt and covert processes as observers. On level two, subjects were able to classify involvement in unconscious processes, and on level three some degree of personality restructuring and a systemic change took place. Leadership development from the systems psychodynamic consultancy stance could be seen as a sufficient theoretical framework in describing and explaining conscious and unconscious group processes. Sufficient evidence was obtained with regards to the following theories:

- Bion's sophisticated work group and the basic assumption group (Bion, 1991a; 1991b; 1993; 1994).
- Klein's psychodynamic processes of projection, projective identification, splitting, transference and counter transference (Klein, 1946).
- Kernberg's regression in personality characteristics towards frequent pathological characteristics (Kernberg, 1998).
- Jaques' social defence systems (Jaques, 1955) and Menzies' socially structured defence mechanisms or organisational rituals (Menzies, 1988; 1989; 1993).
- Rice's theoretical developments pertaining to role primary task, role boundary and authority (Rice, 1969; 1999).
- Miller's three levels of learning as a result of group relations training (Miller, 1989).

Group relations training empowered leaders in their role as psychoanalytically informed change leaders to deal with the change and transformation complexities of the New Economy network organisation. Group relations training can therefore play an extremely important empowering role in enabling leaders to take up change leader roles in addition to other multiple functional roles leaders are required to take up in the network organisation. The pre dominant focus of group relations training theory has been around leadership, authority and organisation, with no reference to empowering leadership competencies and skills in the taking up of a change leader role in the continuously changing and transforming New Economy network organisation. A solid insight, awareness and understanding of phenomena in psychodynamic leadership behaviour, and the regression in group and organisational processes such as the basic assumption group, the covert coalition and socially structured defence systems leads towards psychoanalytically informed change leaders to successfully lead change and transformation in the New Economy network organisation. The nature of the new socially structured defence systems (that will evolve in the new organisational realities of the network organisation in the New Economy) and reparation remain still to be discovered and resolved.

Conclusion, limitations and recommendations

It seems that leadership development from a systems psychodynamic consultancy stance transformed leadership behaviour from being captive of group and organisational processes, towards self awareness, and an awareness of group and organisational unconscious phenomena in actively leading overt on task change and transformation in the New Economy network organisation in the development programme context. This insight and awareness not only includes the complexities of the New Economy and globalisation, but also the South African socio political transformation dynamics, as well as the dynamics surrounding the organisational holding environment in relation to the team, leadership and followership, and the primary task of the change leader role.

It is important to note that the choice of the particular research design utilised in the study obviously lead to specific results.

In addition, the fact that one method, focus group interviewing was used ruled out the possibility of triangulation, i.e. using additional methods to neutralize focus group interviewing's inherent shortcomings such as idiosyncrasies of the two focus groups, and the fact that the moderators hadn't had the same measure of control a interviewer conducting individual interviews has resulting in the group influencing the course of the interview.

Finally, and particularly important, various observation effects or nuisance variables threaten the validity of research findings reached by employing focus group interviews. "Typical observation effects include a dominant, demanding participant who may unduly sway or inhibit other participants; a community occurrence or emergency, which may divert attention from the topic of discussion; or an incendiary comment from a group member which might provoke disruption" (Schurink & Schurink, 2001, p. 3). In order to minimize these effects it is suggested that in further research on this subject, focus group interviews with particular research participants should be conducted not once but in a series.

Ongoing re organisation, change and transformation in the organisation's strategic architecture and information technology almost always does not take into account anxiety, and the human response to change, such as individual leadership regression towards frequent pathological characteristics, regression in group and inter group and organisational processes. Examples are social defence systems such as the basic assumption group, the covert coalition and socially structured defence systems against change and transformation. A greater understanding into psychodynamic leadership behaviour and the regression in leadership personality characteristics, as well as the regression in group processes in the continuously changing and transforming New Economy network organisation will enhance the effectiveness of the taking up of change leadership roles towards overt on task leadership behaviour by means of group relations training.

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