

Foundations and Resources of Integral Leadership

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LiFT Foundations & Resources Book – Chapter 3

The integral model of leadership – conceptual framing

After having outlined the history of integral thinking, as well as some essential theoretical foundations and sources of the integral approach of leadership, the latter will now be presented in some more detail itself over the following (chapters 3-5).

My aim here is to demonstrate to what extent the integral model can compensate for or overcome certain analytical and heuristic deficits of more conventional perspectives, approaches and practices of leadership theory.

Chapter 3 will first present some basic epistemological assumptions, along with important conceptual and terminological foundations of integral leadership thinking. Chapters four and five then present the most important dimensions and conceptual categories of the model. Chapter 4 focuses on the distinction between four core perspectives on leadership, which also constitute specific spheres of investigation. Chapter 5 introduces the dimension of development as a fundamental additional focus of inquiry, which is relevant in all of the four spheres. The aim of the next chapter is to introduce the integral leadership model used here and to outline its paradigmatic significance.

3.1 The value and significance of the integral model of leadership

3.1.1 *Points of connection and surplus value of the integral approach*

As pointed out in Chapter 2.2., integral leadership and a corresponding integral practice for organizations can draw on multiple sources and forerunners. This is the case in particular for:

- the assumption of a fundamental complexity of social, economic and organizational life, which integral leadership is called to handle intelligently (i.e, with head, heart and hand)
- a holistic or holonomic approach, seeking to examine its object as comprehensively as possible while always taking into account the limits of its own knowledge,
- a systemic and networked approach,
- the consideration of phenomena of emergence and development and their dynamics, as well as resulting tensions, conflicts and potentials as basic facts of organizational reality.

At the same time, the integral approach of leadership and organization goes beyond what has been outlined above, for example by

- distinguishing not only the whole and its parts, but also systematically taking into consideration their respective characteristics, as well as the interactions between them,
- focusing on development in the sense of an increasing structural complexity as a property of all dimensions and spheres of leadership and organizational life and their importance for its success or failure
- putting a strong focus on inner and psychological, subjective and intersubjective dimensions of leadership and organizational activity, which are neglected in many management models, including the SGM,
- its analytical and practical potential.

I hold the integral model to be particularly useful because:

- it allows to systematically take into account and integrate diverse areas which have hitherto been viewed in isolated or reductionist ways or which, in some cases, have not been regarded as relevant at all, in a complex interpretation context,
- it helps to overcome the lack of an integral understanding of development and transformation, frequently observed in conventional approaches, and to achieve a deeper understanding of real life leadership dynamics in and beyond organizations,
- it offers a cybernetic, holistic understanding of the functioning of complex systems like organizations, on the basis of which integral strategies can be developed for solving problems, tensions and conflicts in sustainable and "healthy" ways,
- it demonstrates tangible new ways and forms of designing relationships inside and beyond organizations,
- it helps to develop a sound knowledge base for present and future-oriented decision-making and action,
- its broad knowledge base also supports a global perspective on leadership and thus encourages and strengthens an attitude responsibility on several levels.
- because:

Integral leadership thus contributes to a culture of vision and global responsibility, which is needed more urgently than ever in the 21st century in view of implementing socially and ecologically sustainable forms of doing both business and – just as well – politics in a complex world.¹ Moreover, the integral approach to leadership in and beyond organizations implies a fundamental change in perspective and paradigms, including a rethinking of the goals and underlying principles of doing business: from the traditional desire to be the best *in* the world to the goal of implementing the best *for* the world (see Muff, 2012, p. 29).

3.1.2 The integral approach as a paradigm shift towards meta-paradigmatic integration

The concept of paradigm (Greek: παράδειγμα *parádeigma*, composed of "para" = next to and "deiknynai" = to show, to make comprehensible) comprises the totality of epistemological assumptions, values, theories and methods based on which advances in knowledge are expected to occur in a specific scientific context at a certain time. So besides drawing on the existing frameworks, theories and methods that are recognized by a specific scientific community, it also refers to the prevailing patterns of thinking of the relevant actors in science. In other words, the term also has a strong (science) sociological component.

In the context of theory of science, the concept of paradigm is primarily associated with Thomas S. Kuhn. Even though in his book "The Structure of Scientific Revolutions" (1976), Kuhn has not provided a clear definition of his concept of paradigm – in fact, 58 different conceptions of the term can be found in his book (1970). Nevertheless, according to Kuhn, a scientific paradigm can roughly be described as a general framework for the way

¹ See also the [Globally Responsible Leadership Initiative](#) (GRLI) and the [UN Principles for Responsible Management Education](#) (PRME).
<http://leadership-for-transition.eu/>

- of selecting what is observed and checked at all,
- to ask and formulate questions which should be examined in relation to a topic,
- how the results of a scientific investigation should be interpreted.

Paradigms thus reflect a certain consensus on assumptions and perceptions that are generally accepted in a certain area, and on the basis of which solutions to questions of interest are thought to be able to be found at the most advanced level of research. They enable the definition of problems and the formulation of hypotheses, as well as the selection of methods and approaches for answering the questions of interest. A paradigm can therefore also be understood as a shared professional worldview of the researchers in a certain area, as a "disciplinary matrix" of values, models and techniques shared by the members of a scientific community, which together define a specific, self-contained research tradition (see Agamben, 2009, p. 13). However, this also implies that a paradigm usually excludes certain other questions, observations, interpretations, etc. from the discourse, perceiving them as unscientific and therefore inadmissible from the perspective of the currently acknowledged repertoire of theory and/or methodology for research in the respective area.

According to Kuhn, a paradigm is therefore recognized only until phenomena occur which cannot be reconciled or explained by the then valid doctrine (anomalies). In this case new theories are constructed. The differences between the supporters of the doctrines inherent in the old paradigm and those who propagate new, alternative approaches are then fought out. This often happens in a somewhat emotional way, due to the fact that many scientists have developed a strong identification with the patterns of thought and work they have been practicing over many years. If in result, a new doctrine gets adopted, Kuhn speaks of a paradigm shift. This, according to Kuhn, involves a change in the basic frameworks and conditions of scientific theory building, for example with regard to the available technical tools for observation, or the way in which theories are conceptualized. Kuhn assumes that a new paradigm can explain the observed phenomena better than the old one – based on “objective” criteria. The following examples of paradigm shifts confirm this logic:

- the replacement of the geocentric (Ptolemaic) by the heliocentric (Copernican) world view, also called the "Copernican turn",
- the questioning of creationism by Darwin's theory of evolution,
- the transition from classical physics (mechanics) to electrodynamics, then to relativity theory and finally to quantum physics,
- the replacement of systems theory by structuralism, constructivism, the cultural turn and the interpretive paradigm in the social sciences.

Nevertheless, the history of science shows that paradigms can sometimes also exist side by side and even complement each other in some respects. For instance, Newtonian physics does not “turn wrong” because relativity theory and quantum mechanics have been discovered. Rather, their validity has been differentiated by the latter. Nor does academic medicine get redundant in the face of certain (rediscovered) classical or modern natural healing procedures (and vice versa). Of course, scientific paradigms can vary in their degree of “productivity” depending on the field of investigation, given that due to their specific analytical focus, they take into account different aspects of a phenomenon. For example, physics considers different levels of the material world and organic life. While relativity theory describes the macrocosm, quantum mechanics can (also) be applied to the microcosm.

A parallelism between different paradigms also exists in organizational research, where the bureaucracy perspective and, for example, recent theories of corporate culture can fruitfully supplement each other. So how can the value of the integral approach be described in this context?

The integral model can be understood as a meta-paradigm. A meta-paradigm is an abstract, overarching model that puts individual paradigms into a larger context and illuminates their interrelations with each other. It thus provides a system of reference for classifying different, sometimes disparate theoretical views on a more comprehensive, interdisciplinary meta-level (see Gioia/Pitré, 1990). The individual perspectives are acknowledged for their respective contributions, but their immanent limitations and blind spots are also highlighted. On this basis, they can be located within a superordinate epistemology or heuristics (see below). Since a meta-paradigmatic approach goes beyond the dichotomies of dualistic "either-or" thinking, it allows for a broader consideration of different theoretical perspectives. Its simultaneous consideration of contradictory theoretical approaches and paradigms with their respective partial knowledge as part of a meta-paradigm (cf. Lewis/Grimes, 1999) not only helps to gain a more in-depth understanding of the diverse, often paradoxical reality of organizations (cf. Lewis/Kelemen, 2002, p. 258). A meta-paradigmatic view can also facilitate the conversation in and between different paradigms, theories and models, or even actively build bridges between them (see Deeg/Küpers, 2009).

In this respect, the meta-paradigmatic approach suggested here clearly goes beyond multi-paradigmatic and multi-disciplinary perspectives. This is because in the integral meta-paradigm, a concrete phenomenon or object of knowledge is systematically viewed from different epistemological angles and paradigms. Like with a flexibly adjustable "research spotlight", the lenses of examination are directed towards the object repeatedly from different perspectives, in order to illuminate it in a holistic way, i.e. as comprehensively as possible. With this approach, which aims at minimizing "shadow areas" in the sense of blind spots of perception, the integral meta-paradigm not only stands for an **open pluralism of knowledge**. It also defines certain **minimum requirements for integrating theories** on the basis of the most important existing paradigms.

Looking at the possibilities and limitations of individual paradigms from a higher, meta-level observation point (see Gioia/Pitré, 1990, p. 596) allows not only to integrate existing knowledge, but also to foster genuine progress in theory and practice. Moreover, the integral, meta-paradigmatic approach enables the study of complex dilemmatic or paradoxical relationships and tensions within organizational contexts, thus opening up additional, qualitatively new insights. By making visible specific problems and pathologies on different levels of individual, organizational and surrounding community systems, it can detect the state of **integral "health" of a complex (organizational) system**. Therefore, a similarly complex and differentiated approach appears particularly suited for analyzing and designing the diverse and complex practical reality of leadership in and beyond organizations (see Busch, 1996, p. 54, and Deeg, 2005, p. 13).

The goal of this book with regard to the added value of the integral model is thus:

- to appreciate individual paradigms as independent, fruitful and coherent perspectives,
- to frame more traditional approaches of leadership theory on the basis of a post-dichotomous, post-dualistic, "syntegral" heuristics,
- to justify a systematic critique in relation to reductionisms and limitations of more conventional concepts and theories based on an integral understanding of development and transformation,
- to demonstrate the permeability of paradigms (see Deeg/Küpers, 2009, p. 13),
- to build meaningful bridges and synergies between paradigms, seen as complementary within a wider context of methodology and knowledge,

- to identify possibilities for active interventions to achieve an adequate processual optimum through productive irritations and meaningful communication between perspectives (see Deeg/Küpers, 2009, p. 18), and
- to practically demonstrate the insight that the whole has a higher potential than its components, which turns integral bridges into dwelling places of creativity for new solutions.

Before presenting the different dimensions of the integral model itself and their (inter-) relations, I will first provide some heuristic, conceptual and terminological foundations of the model.

3.2 Epistemological and heuristic assumptions, scope and limits of the integral approach

3.2.1 *The integral model as a map*

Generally, it must be emphasized that **the integral model** – like all other models – **is a mental construction** (see Weibler, 2004b). The facts investigated in models must therefore not be confused with reality as such. The integral model does not claim either to be able to accurately represent the reality of leadership in and beyond organizations. Rather, it is a kind of map that makes visible conceptually possible ways through the complex "continent" of leadership and organization. In spite of its multiperspectivity and its holistic pretense, it is also **a simplifying abstraction** that strives for making better visible essential aspects, effects and connections in order to make them accessible to analysis and action. In particular, the integral map intends to facilitate the process of methodically identifying, investigating and conceptually classifying essential (recognized or postulated) entities, dimensions, contexts and the interrelations between them within organizations. From a practical perspective, the integral map also ensures that existing conditions, resources and developmental potentials are taken into account and used appropriately, which increases the chances for effective and successful leadership practice in everyday life.

The model thus serves as a **methodological tool** that helps us **to travel through the "landscape" of leadership contexts** without losing track or focus. At the same time, the integral map identifies a comparatively dense network of paths and perspectives, by which it is possible to observe what is happening in a concrete leadership context and what this means to the participants involved. An integral map therefore helps to orient the user in the often confusing territory of leadership methodically. Like every other **map**, it also **determines what we focus on and what we see** – but also what is hidden from our view (see Neuberger, 2002, p. 3). Using a map provides not only orientation when walking through the territory (i.e. when engaging in practice). As a mental model, it also defines fields of (re) search and expectations. Thus, the integral model can be described as an independent **epistemology** with corresponding heuristics.

3.2.2 *The integral model as an epistemology and heuristic*

The concept of **epistemology** – derived from the Greek word επιστήμη (epistḗmē), i.e. science and λόγος (lógos), i.e. teaching/principle of science – denotes the science of knowledge. It is one of the core disciplines of philosophy, besides *ontology* (the doctrine of being), *ethics* and *logic*. It deals with the preconditions and coming into being of knowledge, as well as with the question, what are the conditions and criteria for knowledge to be considered "valid". As a rule, **scientific knowledge production happens within a certain paradigm**. Two important epistemological approaches can be distinguished: rationalism, in which knowledge is obtained through logical thought, and empiricism, in which knowledge is gained through sensual experience. The integral epistemology takes a mediating position, which understands both approaches as being complementary.

The term **heuristics** (from Greek ευρίσκω, "heurísko", English "I find") refers more to the process of implementing an analytical approach suggested by a specific epistemological position. It means a fundamental strategy that allows to find solutions to problems. In the form of assumptions, heuristics provide research with an opportunity to gain or implement new insights. Heuristic principles also constitute important practical tools, which help to distinguish important from unimportant things and to direct the focus towards the former. The categories and methodological differentiations of the integral

model thus constitute a heuristic ordering aid. However, as already emphasized, they do not claim to exactly represent reality, but merely suggest the **best available approximation to reality**.

What the integral model does claim is to be consistent/coherent and logical, as well as practically relevant, applicable and adequate. **Consistency** means that its basic elements are mutually interdependent and interrelated in a meaningful way. The postulate of **logic** claims that the model is free of inner contradictions. **Applicability** means that the model makes experiences and practical phenomena accessible and helps to act upon them. Finally, **adequacy** means that the model captures and interprets experiences in a correct and appropriate way, and that it helps to make visible the problems inherent in certain phenomena. These criteria thus take into account both interpretative and pragmatic aspects of leadership reality.

3.2.3 *Scope and limits of the integral model*

Regardless of its meta-paradigmatic and holistic approach, the integral model does not claim to provide a final or even the only possible/correct theory of leadership in and beyond organizations. Rather, it is itself only another, more or less good and helpful view for understanding the subject matter, which in turn, **necessarily remains provisional** itself. For any human observation is perspective-bound and therefore has certain "blind spots," which it cannot recognize itself from its respective point of observation. Ken Wilber described his integral vision or "theory of everything" as a "dream withdrawing from us, a horizon receding with every step we make towards it, a pot full of gold coins at the end of the rainbow, which we can never reach" – in other words, a valuable and attractive goal, which is hard to achieve in real terms though (Wilber 2000a, Theory of everything, p. 19).

So in spite – or because of its paradigmatic claim, the integral model, sees itself as a tentative construct, criticizable and in need to be improved as soon as new perspectives or insights arise, in other words, a **hypothetical order**. As it does not claim eternal metaphysical truths, the integral model is **open to corrections, additions and development**, and to combinations with other models. It thus adapts conceptually to temporal changes and contingencies. As a structuring aid, it describes an overall context, which itself, due to its progressing complexity and differentiation, is understood as a process. The model is thus not a closed system that establishes timeless statements, ideas or principles, but an open system for integrating new experiences, insights and aspects. Due to this openness, it even allows to recognize new phenomena, before adequate methods or concepts for describing them have emerged. This turns it into an interesting tool for designing and navigating leadership in and beyond organizations.

3.3 Terminological and conceptual foundations of the integral approach

3.3.1 *Integration and the concept of “integral”*

The concept of *integration* is derived from the Greek "entagros" and the Latin "integer" ("integrity") or "integratio", which means "untouched" or "whole". In general, integration is aimed at (re) establishing a whole or something (more) complete. It is thus the opposite or the overcoming of separation, isolation, dissociation, encapsulation, exclusion or disintegration. In contrast to, and going beyond the notion of "integration", the concept of "integral" as used here refers to a process that not only combines all aspects of reality that are considered relevant. It also aims at **appreciating their structural differences** in a sufficiently differentiated and appropriate way. This means that it tries to integrate these by taking their respective specificity into consideration. In this context, the distinction between different levels of being and degrees of complexity of the observed phenomena plays a central role (see chapter 5). Moreover, in the understanding of *integral* used here, "integration" implies not only to connect elements to a larger whole. Rather, it aims at understanding the processes of differentiation and (re) integration of elements based on their (structurally more complex) reorganization. On this basis, the relevant elements can be handled in ways that are appropriate to their diversity. Essentially, the challenge is to integrate them into larger and more complex wholes, while preserving their own identity and, at the same time, allowing them to contribute to the functioning and wellbeing of the more complex unit (see the concept of *holons* described below).

This kind of integral modeling thus attempts to bring different levels on which leadership occurs into a holistic, yet differentiated picture, in theory as well as in practice. As already stated in Chapter 2.2, the integral approach to holism (rather: "holonism") strives to take account both the integrated whole and the different but interrelated parts in mutually appropriate ways.

3.3.2 **The concept of the holon and its properties in the context of organizational holarchies**

Some basic principles of holistic thinking have already been explained in chapter 2.2, as for instance the distinction between holism and holonism (based on Koestler's concept of a "holon"). The latter plays a central role in the integral model. I will therefore dedicate some more attention to the characteristics and behaviors of holons and to its importance for analyzing leadership practice, especially in organizations, in the integral approach at this point.

The following sub-chapter looks primarily at organizations which are quite easy to describe as holons. Note that the leadership challenges we faced and tackled during the LiFT project were mostly connected to dealing with mixed stakeholder contexts going beyond the level of one particular organization. However, the core principles of a holonic perspective are equally relevant there.

Organizations as holons

The terms *holon* (part/whole) and *holarchy* (dynamically networked structure of differently complex holons), introduced in general terms in chapter 2.2, can be applied directly to organizations (cf., for example, Edwards, 2005, McHugh/Merli/Wheeler, 1995). In this understanding, an organization is both a holon and (usually) a holarchy, inasmuch as it is holarchically organized internally. In other words, it consists of multiple largely autonomous organizational units, which at the same time make

specific contributions to the functioning of the entire organization. In this sense, each element of an organization is an independent "whole", as well as a part of the wider whole, as illustrated in the following figure. How many intermediate levels there are in each case depends on the size, the internal structure and, in particular, on the complexity of the organization. For example, an organization usually consists of individual members or employees with their respective tasks (sub-holons), two or more of which are grouped into dyads, working groups, departments, etc., which in turn have specific functions.

Inversely, as an independent holon, the organization itself belongs to other holons on the next higher level such as the industry, the respective market and society as a whole. For example, if we focus on an economy, or even on the global economy as a holon, organizations and companies as their parts or components are concerned with the problems at their respective levels, for example, designing product-market concepts that meet demand. The following figure shows different holons at different organizational levels from macro-, over meso to micro (for the relation of micro and macro processes cf. Esser, 2000a, p. 7ff.).

In this understanding, the subunits of an organization are thus understood not only as independent and isolated parts of a "well-oiled machine", but as elements of a dynamic meshwork. It is impossible to comprehensively understand the behavior and actions of most individual parts without considering their embeddedness in superordinate level(s) and their interaction with them. An integral view of the different holons at each level of organization (macro, meso and micro) is important also because changes in a system not only occur in reaction to changes in the environment. Rather, they often result from changes in how information is processed internally, i.e. how perception and communication are organized and practiced between holons at different levels (see Baum/Lechner, 1987, pp. 316 and 321). In addition, events, tensions and disruptions at each holonic level of the organization potentially impact all other levels.

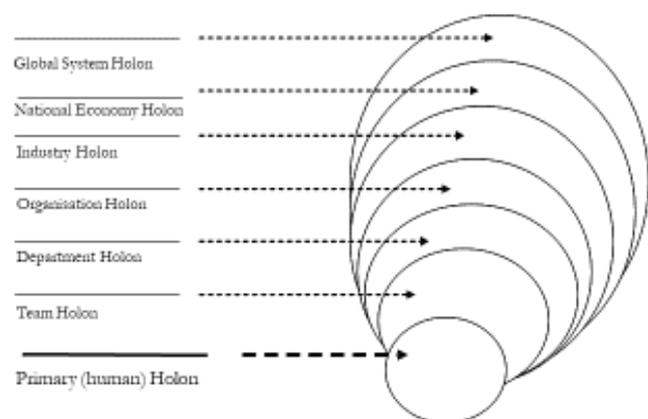


Fig. 3.1: Hierarchy network (see Edwards, 2005, p. 276)

So organizational holons are characterized by various differentiations and integrations. The differentiation into specialized departments, serving as functional structures, enables them to manage and process increasing external and internal diversity. Large, internationally active companies, which produce highly differentiated products or operate in culturally and geographically distant regions of the globe, use, for example, segmental differentiation in the form of business units. This creates independent,

yet equal and similar organizational units that are responsible for individual products or product groups and/or geographical regions. These can fulfill almost all tasks of an independent company and in turn are structured functionally. Often, vertical integration of an organization (for example by production stages) and horizontal integration (for example, in response to globalization) are combined for efficiency reasons, for example for realizing advantages in the production process or in sales.

Properties of a holarchy

In holarchies, holons are thus connected hierarchically, with each holon potentially having a different internal structure. In each one of them, there is a tension between its own wholeness and its being part of the next higher holon, i.e. a tension between its quest for "individuality" and its striving for "conformity" with the whole. Thinking in terms of holarchies thus not only recognizes the temporal development of holons, but also the complexity of the holarchy as a multi-level system, as well as the direction and quality of the development of individual holons towards ever-increasing complexity, integration and cooperation.

The degree of *vertical* complexity of a holon is referred to as "depth", whereas the *horizontal* scope or (population) size, that is, the number of holons on a particular level, is referred to as "span". Each transformation that creates a new level creates a greater depth in comparison to the previous level or the precursors. With the development of a new, more complex pattern, each new developmental level therefore also has a higher, qualitatively new potential than all previous levels (namely more than the sum of the potentials of its predecessors).

Since each new holonic level, by definition, implies an increase in structural depth or complexity, the particular potential or pattern of each level (its defining form) is also referred to as its **deep structure**. The deep structure also describes the scope of perspective, or the degree of "consciousness" of a holon. The greater the depth, the higher the degree of its "consciousness" and the broader its horizon of perception. For example, a human being encompasses the levels of matter, life and thinking, going beyond his pre-human predecessors. In particular, it has a more developed type of consciousness than all known animals and therefore a greater holonic depth.

Inversely, while every new stage of evolution produces a greater depth, the span, i.e. the number of individual elements on the same level, decreases. For example, the number of atoms is higher than that of microorganisms and the number of microorganisms (populating human and animal organisms in large numbers) is higher than that of animals or humans on the globe. In the domain of organizations, the number of members or employees is larger than that of the working groups, company divisions or members of the Executive Board.

The **benefit of a holonic view of leadership in organizations** is primarily to see the needs and potentials of each holonic level, as well as the resulting systemic interactions and dynamics within the holarchy in their respective context. The next section will look at the fundamental properties and capacities of a holon, as well as at what this implies for a "healthy", that is, internally balanced system that is also in a good, balanced relationship with its environment, as well as for a "healthy" holarchic development more generally.

Basic characteristics, needs and potentials of a holon (basic properties)

As described earlier, each holon is a totality/whole itself, while at the same time consisting of parts which are mutually connected in an open and dynamic constellation. Holons have a relatively autonomous individual shape, characterizing them as wholes. Naturally, a central need of a holon is to maintain this wholeness. If we think of the examples of an organism and of an organization as holons, both of them strive to preserve themselves. To this end, they must, as a rule, adapt themselves to an environment, and in this way be able to change and develop. If environmental conditions so require, holons can eventually also dissolve or perish. Accordingly, the central specific properties, which all holons exhibit, and which are characterized by mutual tensions, are the following: self-preservation and self-adaptation, self-transcendence and self-resolution (see Wilber, 2001, p. 63ff.).

| Property | Example from organizations |
|--|--|
| Self-preservation is the ability of a holon to preserve its integrity, individuality, and autonomy, that is, the ability to align itself effectively in a way that helps it to preserve itself. This property is referred to as " <i>agency</i> ". | To this end, a company holon might, for example, intelligently develop further its own product portfolio, maintain its customer base and quality standards, develop new sales channels and offer continuing training to its employees. |
| Self-adaptation: Each holon is also part of and relatively dependent of a larger system. It must participate in the latter's dynamics, not least for its own survival. Although holons are not completely determined by their context, they are generally in a close relationship with it. Their ability to enter into appropriate connections and to adapt accordingly, is referred to as " <i>communio/communion</i> ". | A company holon may demonstrate this property, for example, by implementing compliance measures, submit to certain environmental or social standards, or by adapting to specific cultural peculiarities in a new market. |

Agency and *communio* are important reactive and adaptive capacities of holons. This is how holons differ from mere accumulations of things or artefacts. Apart from self-preservation and self-adaptation, the basic properties of holons also include their capacity to undergo qualitative, vertical transformations. These are characterized by an increase or decrease in the complexity of their deep structure.

| Property | Example from organizations |
|---|--|
| Self-transcendence: In favorable conditions, holons can "grow beyond themselves", i.e. create new, more complex forms, thus adding new structural levels to the existing holarchy. | The merging of two companies under a new, common umbrella or the transfer of national sovereignty to supranational institutions like the EU. |
| Self-dissolution: In difficult conditions (negative environmental influences, cultural tensions etc.), a holon may not maintain the equilibrium between agency and communion, or is structural too inflexible for successfully processing existing tensions and dynamics. A holon can also simply become superfluous as a stand-alone (organizational) unit, having fulfilled the task for which it has been created. In both cases, the holon self-dissolves (voluntarily or uncontrolled), decaying into its predecessors or subholons. | In the Euro currency zone, the single currency of which being more and more unable to suit the needs of 18 economies, differing considerably in their economic culture. Therefore, critics argue that a return to national currencies, i.e. a reverse processing (and dissolution) of the holon "Euro" would be an appropriate response. |

In the process of self-transcendence and self-dissolution, holons tend to go through the same sequence of phases they went through when they formed, only in the opposite direction. This is facilitated by a kind of "system memory," as well as by the fact that in healthy holarchies, the respective sub-holons continue to exist as such.

Such **vertical transformations** are often characterized by unexpected system breakdowns or so-called symmetry breaks, which create discontinuities in an otherwise continuous evolution. As a result of similar ruptures, new, innovative forms of agency and communion can arise, or dysfunctional forms collapse.

As we have seen, developments and events at a particular level of a holarchy also affect the state of affairs at other levels. In particular, disturbances on one level often have an effect on all levels. On the other hand, efficiency increases in individual parts of an organization not necessarily imply an increase in efficiency in the overall system. This points to the sensitive balance of the needs and potentials of all holons involved at different holonic levels. An integral concept of leadership will have a focus on the dynamic interplay of all of them, aiming at fostering a "healthy" and productive balance through targeted impulses.

3.3.3 What is healthy organizational development and how to achieve it through leadership?

Because complex organizations are multilevel and mostly multicultural systems, the "health" and development capability of an organization depend on the fragile balance between self-preservation (self-determined, *agency*) and ways of adapting to the organizational environment (*communion*, not always self-determined). Also, leadership has to give appropriate responses to the challenges of vertical transformation. Integral leadership therefore has to consider and balance individual and collective (holons') needs and dynamics and, at the same time, facilitate an openness towards possible increases or necessary reductions in organizational complexity. For everyday life in organizational holons tends to be determined by the vertical depth of its internal structure, by the relative autonomy of the sub-holons, and by the degree and patterns of its horizontal development.

As a rule, potentials of **growth** in and beyond organizations are understood here as ideally emergent and directed **towards increasing differentiation, complexity and systemic integration** of the different functions and processes, i.e. a growing capacity to respond to the challenges the respective context is posing in adequate and effective ways. So in themselves, similar increases usually appear as appropriate responses to a growing complexity of or within the environment. However, processes of structuring and building patterns do not necessarily happen along the lines of theoretical models – or specific plans of leadership. Rather, they are determined to a considerable extent by the needs and potentials of the participating holons and their interactions. These should therefore be taken into account by leadership when designing processes and solutions.

An **integral modeling of processes and outcomes** is therefore characterized above all by simultaneously considering horizontal and vertical tensions, potentials and developmental dynamics. Thus, it takes into account that a particular holon can only produce structures and the behaviors that correspond to its respective deep structure (degree of inner, vertical complexity):

- For example, a child who learns to speak does so in accordance with its cultural context. The ability to learn a language is an element of a deep structure that all humans share, while the

particular language represents the variation or translation of this deep structure on the surface or horizontal level.

Inversely, a given deep structure cannot expand a particular surface structure arbitrarily and is not compatible with any existing surface structure:

- An organization or working unit that includes people with highly divergent personality and competency profiles will ideally develop a division of labor that allows the respective individuals to make contributions according to their personal strengths and competences, rather than giving all members the same tasks.

Therefore, when working with the dynamics of holons in and beyond organizations, leadership has to distinguish between potential **vertical transformations of the deep structure** (e.g. supporting new competences or institutionalizing new problem solving mechanisms) **and horizontal developments on the surface level** (e.g. changes of the size of a team, Wilber, 2001, p. 86f.). Leadership based on an integral holonic understanding will always strive for a balanced approach between both dimensions in order to maintain or strengthen the "health" of the respective organization or working context:

- This may imply, for example, that the size of a company that has been found to be optimal for its holistic structure to function, must not be exceeded. At every new stage of its vertical growth and transformation, a holon tends to identify with the new vertical structure (in the sense of experiencing a "qualitative change of consciousness") and translates it into corresponding surface structures. An integral approach to leadership in corporate and organizational contexts will therefore ensure that the necessary vertical depth exists.

The integral approach to leadership proposed here is thus based on a holonic view, which tries to meet the demands of multiple complex systems and the dynamic interplays of their parts and wholes. It strives to deal with the challenges they are confronted with, as well as with the resulting "multi-context problems" (see Kirsch, 1988, pp. 74ff.) both theoretically and practically. Its general focus is on **supporting balanced growth**, i.e. to promote the development of new capabilities and structures as the respective holon (organization or working context) deals with its challenges.

The integral modelling, which will be further elaborated in the next chapters, has many advantages over a more linear or isolated view of particular aspects of organizational life, as well as over one-dimensional models. In particular, an integral model, **combining horizontal and vertical complexity**, is able to grasp and integrate everyday challenges and their dynamics in and beyond organizational reality in a more comprehensive and thus more adequate way.

Next, I will now look at two important dimensions of the integral model in more detail.