# The Effect of Role of Leaders and Strategic Planning Intensity on Strategic Diffusion of Middle Management in South Kalimantan Government

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**ABSTRACT**

Middle management  play a significant role in the strategic management process, primarily in the impelementation stage. Successful implementation of strategic determined by the diffusion of strategic management of an organization's medium.   Strategic diffusion – the extent to which a strategy is effectively executed and becomes an integral part of the organizationThe purpose of this study was to analyze the relationship between the role of the leader and  the intensity of strategic planning to strategic involvement, strategic understanding  and  strategic commitment of middle management.  The study was conducted in the public sector in  the provincial government of South Kalimantan. This study is an explanatory research in nature. The population of this study were all local government agencies, with a total of 45 organizations. The respondents were 135 middle managers. Data were analyzed using Structural Equation Modeling (SEM) with the Generalized Structured Component Analysis (GSCA). The results of this study indicate as follow: firstly, the role of leader's influence on the involvement of middle management in strategic planning to be mediated by the intensity of strategic planning.  Secondly, the intensity of strategic planning influence on the middle management involvement in strategic planning. Thirdly, strategic planning intensity influence on the  strategic understanding of middle management. Finally, strategic understanding not significant effect on strategic commitment of middle management.

**Keywords:**  Role of leadership in strategic planning, intensity of strategic planning, strategic diffusion, middle management.

## 1.   Introduction

Middle management plays a central role in the formulation and implementation of strategy in a organization. Middle managers are closely related to the daily operations and have intimate relationship with top management. Without middle managers who develop *shared understanding* and committed to the strategic goals, it is unlikely for the organization to realize its strategy. (Christodoulou, 2013, Ates, 2014: 183).

According to Bateman and Snell (2014: 151), strategic management involves managers from the entire parts of the organization in formulating and implementing strategic objectives and strategies. Strategic planning represents an ongoing process in which all managers are encouraged to think strategically and focus on long-term and externally oriented issues.

They (2011) also states that the interconnectedness of strategy and its implementation is one of the key factors for success of many organizations. In making a significant changes in government organizations, the middle managers play a crucial role in the success of the strategy.  When a change is triggered by senior/top management, the middle managers are critical to ensure a successful implementation. In many government organizations, they take most active parts in encouraging change.

Marbyanto (2008) mapped several problems in the planning and budgeting processes in local government in Indonesia, among others, some indicators of achievement are often vague and not measurable. Basic data and assumptions made are often less valid, and analysis is not made thoroughly. Almost no in-depth analysis is made to discuss "how to achieve" target properly. Another weakness is revealed by Manik (2014), suggesting that the program is less responsive to the problems because lacking the ability for planning the program and activities as well as the limited availability of data and information. Another drawback is the specification of performance indicators and performance targets which are still relatively weak. In some cases, the determination of budgeting is not based upon outputs or outcomes. The fact indicates that in line with the organizational performance evaluation practices, the target achieved is not connected with the strategic plan. All people work independently. Strategic planning is often formalistic in nature (Nugroho, 2010: 15, Bastian, 2014: 219).

Many managers of non-profit organizations do not realize the importance of managing strategically (Coulter, 2002: 321).  Yankey (2010: 8) describes the following practices that lead to unsuccessful strategic planning in the 1980s and early 1990s.

1. Delegate a strategic planning to other professionals in the organization
2. Refrain from political considerations in designing and implementing the planning process
3. Failure to establish a *sense of belonging* to the plans made, especially those responsible for implementing the plan
4. Failure to allocate sufficient times for appropriate planning process
5. Tendency to be overly optimistic towards organizational capacity
6. Failure of the plan to adapt to the situation (*contingency*)
7. Failure of the plan to make a transition from strategic planning to operational planning
8. Let the plan become *outdated*
9. Disregard the plan (*keep on the shelf*) after it is completed.

The strategic planning practices in government in Indonesia, including local governments in South Kalimantan also indicate some problems as proposed by the Yankey. Bryson (1999, 227-228) suggests there are four key challenges in strategic planning:

1. Human issues, which focus attention on strategic issues, a commitment to strategic planning, and attention to stakeholders
2. Process issues on how to manage strategic ideas into *Good Currency*. Unconventional wisdom must be converted into conventional wisdom.
3. Structural issues involve the organization's overall relationships
4. Institutional issues are related to the right transformative leadership.

Research on middle managers has been carried out for a long time in the field of strategic management. Some previous researches demonstrated that middle managers play an active role in both the formulation and implementation of strategy (Mair, 2002: 4).

Parnell et al. 2002 put forward the theory of strategic diffusion. Diffusion refers to diffusion or acceptance of the strategic plan among managers in the organization. In this case there are three components of the strategic diffusion, including engagement, understanding and strategic commitment. High strategic diffusion is expected to improve the performance of the organization as it creates an effective implementation strategy.

This study was designed to investigate the determinant factors of strategic diffusion. Based on a review of some studies, the role of leaders and strategic planning factors can determine engagement, understanding and strategic commitment of the middle management. Parnell et al. (2002) identified two research directions related to the strategic diffusion in the future:

1. Should take into account of specific factors that may affect the strategic diffusion of organization.
2. Integrate behavioral theories into the equation that determines the strategic diffusion, in particular to test the process through which top managers involve subordinates (employees) in strategic decision-making processes that provide insight into the strategic consensus.

The middle management engagement in strategic planning is triggered by the top management engagement (Raman: 2009:70). The middle management engagement encourages the achievement of consensus that may include understanding and strategic commitment of middle management (Parnell et al, 2002).

Nevertheless, some empirical studies demonstrated different findings from the theories above. Research by Elliot (2009) in one of the conclusions stated that the middle management engagement contributes to understanding and strategic commitment in strategic planning. The findings of the relationship between middle management engagement and the understanding and commitment expressed by Elliot is not fully consistent with the empirical findings of Wooldridge and Floyd (1990: 232) who concluded that the middle management engagement contributed to the understanding and consensus, but did not have a relationship with the components of commitment from consensus.

This study examined the relationship between the role of the leaders and the strategic planning intensity and strategic diffusion. Although several theories have claimed that the role of the leaders and the planning intensity have a relationship with management engagement in planning, but further research needs to be done to obtain empirical evidence.

The relationship between planning intensity and understanding and a strategic commitment theoretically leads to the existence of such a relationship. However, such relationship has not been tested theoretically. As noted by Allison and Kaye (2005: 180), a strategic planning process must be balanced with the need to reach understanding and consensus adequacy towards confidence.

The purpose of this study was to investigate the influence of the role of the leader on the strategic planning intensity on engagement, strategic understanding and strategic commitment of the middle management in the local government agencies in South Kalimantan Province. This research has a significant contribution by empirically examining the effect of the role of the leaders and the strategic planning intensity in the components of strategic diffusion.

Model of this research extends the model already developed by Floyd and Wooldridge and Parnell. This research also tries to re-examine the results of several other studies that have been done previously regarding the

influence of middle management engagement in strategic planning on the achievement of consensus. The research by Floyd and Wooldridge as noted above concluded among other things that the effect of middle management engagement in strategic planning with a strategic understanding component of the consensus is not proven. Only the effect of middle management engagement and strategic commitment component of the consensus is proven well. The difference in the effect of middle management engagement with these two components needs to be re-examined in this study because some other authors said that middle management engagement influenced the consensus (without looking at it from both components). This research attempted to investigate the association of these variables in several public sector organizations, particularly in local government organizations.

## 2. Theoretical Framework and Hypotheses

Leadership plays a very essential role in designing the system and authorities in the strategic planning of the organization (Heene et al, 2010: 179, Drago and Clements, 1999: 11). Leaders set the stage for success and give attention to the progress of the strategic planning process (Bryson 2004: 300). A leader is a leadership strategist. Leadership and strategy are inseparable (Montgomery, 2012, 12). Condition for the success of strategic planning requires the commitment, support and the leadership engagement in the whole process (Allison and Kaye, 2005: 35-36). Before embarking on a strategic planning process, the leaders need to determine the right time to start the planning process and set the conditions necessary for the success of the planning process. If there is no condition for success, the leader needs to take steps necessary to ensure the success of the planning process (Allison and Kaye, 2005: 35). Regarding the above theories, hypotheses are:

    H1. The role of leaders has an effect on the strategic planning intensity.

    The primary responsibility of the executive is to make strategic decisions that will improve the organization. Although some leaders are so brilliant that they can make their own decisions, but the strategy should be developed with full participation of other members of the management (Yulk, 2006: 382).

    Strategic planning requires full attention and engagement of leadership, working in partnership with staff in maintaining mission-based focus (Paley, 2009: 23). Although it is the upper-level managers who determine the strategic direction of the organization, but operation manager and tactical manager/middle manager provide valuable input for the strategic plan of the organization (Bateman and Snell, 2014: 151). Based on this proposition, it is hypothesized that:

    H2. The role of leaders has an effect on middle management involvement in strategic planning.

    In building an organization, the leaders, among others, should ensure a *shared understanding* on the priorities of the organization and gain the commitment of individuals on a shared vision of the managers of all levels of the organization (Pearce *and* Robinson, 2013:372). In many cases the leaders use too much times with planning specialists rather than line managers. Consequently there is often an understanding gap between strategic manager and operational and tactical managers, so that managers and employees throughout the organization becomes distant and not committed to organizational success (Bateman and Snell, 2014: 151). Based on this proposition, it is hypothesized that:

    H3. The role of leaders has an affect on the strategic understanding of middle management.

    H4. The role of leaders has an affect on the strategic commitment of middle management.

    According to Wells (2005: 7) the length of times required to complete, deploy and implement strategic plan may vary in every organization. The determinant factor among others is the level of employee engagement in the development of the plan. The involvement of staff or middle managers in strategic planning is not only to ensure their approval over the organizational goals and strategies but it is also to introduce them to the field condition and clients they serve by providing vital information to form a relevant and workable a strategic plan (Allison *and* Kaye, 2005:42).

    Allison and Kaye (2005: 28-29) describe the three levels of the planning process, namely short, moderate and extensive processes. Which level is chosen should consider the adequacy of in-depth analysis and information gathering required by the organization. The level of intensity of the planning process will depend on organization size and number of participants involved. Based on this proposition, it is hypothesized that:

    H5. Strategic planning intensity has an effect on the middle management involvement.

    The scope of the strategic issues in more intensive planning process will be more extensive as there is more times to understand the collaborative issues. There is greater potential for understanding the complexity of the strategic issues in more intensive planning than less intensive planning (Dutton and Duncan, 1987: 108). The reason is that the management's expectation over any part of the planning in operational department is less understood because of the inadequate information so it looks at a presence of barriers in implementing strategic initiation (Plant, 2009:42). A planning should take into account of the depth of analysis in which the information collected should be adequate for such analysis (Allison *and* Kaye, 2005:180).

    Allison and Kaye (2005: 40) suggest that an inclusive process can help build enthusiasm and

involvement in the organization and in its strategies. People contributing to a planning process will feel they have contributed so they tend to have a sense of belongingness to the organization's goals and efforts. Based on this proposition, it is hypothesized that:

> H6. Strategic planning intensity has an effect on strategic understanding of middle management.

> H7. Strategic planning intensity has an effect on strategic commitment of middle management.

The study by Elliott (2009) found that middle managers involved in strategic planning contributed to the improved understanding and commitment to the strategy despite not increasing the strategic implementation. The results of the study by Kotahmahi et al. (2012) showed the relationship between the participation in strategic planning and strategic commitment. According to Floyd *and* Wooldridge (1996: 40), the middle managers who are involved in strategic planning make sure that they understand the plan and are committed to the execution of the plan. The middle management involvement in the strategic planning process is a critical determinant for the two-dimensional concept of consensus, including both understanding of the goals and commitment. The involvement of middle managers in the planning process brings about both informational and motivational benefits. Employee involvement in the formulation of strategies will increase their understanding, thereby increasing their motivation (Pearce and Robinson, 2013: 11). Based on this proposition, it is hypothesized that:

> H8. Middle management involvement has an effect on strategic understanding.

> H9. Middle management involvement has an effect on strategic commitment.

According to Heene et al. (2005: 184) the first step to make a strategy can be understood well is by clarifying the meaning of the strategy. Without a deep understanding of the strategy, it is almost impossible to implement the strategy properly. Strategic planning must generate an outcome in the form of a strategic plan document, where the primary value comes from teamwork, vision, commitment and a sense of belonging, the organizational success of the planner through the decision making process.

The success of the strategy execution results from the action of managers on strategic priorities. This is achieved through the establishment of understanding and strategic commitment termed as strategic consensus (Floyd and Wooldridge, 1992: 27). Middle managers need an understanding of the importance and rational arguments of vision and goals of the organization to provide the commitment and they are actively involved in translating strategies and programs into the desired results (Kuyvenhoven and Buss, 2011; Arasa *et al.*, 2011:320).

Based on the results of his study, Alamsyah (2011) showed that middle-level managers will be more successful to execute strategy if they are supported, among others, with an understanding on how they do things in the organization. The middle managers need clear strategies from top management. Based on this proposition, it is hypothesized that:

> H10. Strategic understanding has an effect on strategic commitment of middle management.

## 3. Research Methodology

3.1. The operational definition of variables and questionnaire design.

3.1.1. The leaders at the highest level will act as an initiator and creator, while leaders at the lowest engagement level by simplifying approval will delegate strategic planning to the team planner (Coulter 2002: 20). The scale used in this study was developed based upon Coulter's definition using 8 question items.

1. Strategic planning intensity represents the amount of times spent and frequency of meeting among strategic planning participants (Dutton and Duncan, 1987: 108). Measurement scale developed based on the definition of Dutton and Duncan were using the 8 question items.
2. Middle management involvement constitutes the extent of middle management contribution to the strategic planning by providing information, views and suggestions (Wooldridge et al. 2008:1205). Measurement scale was modified from the scale of Parnell et al. (2002) with 8 question items.
3. Strategic understanding represents the capability of participants in strategic planning to interpret and determine the steps necessary for realization of specific objectives of strategy (Heene et al., 2005: 185). Measurement scale was modified from the scale of Parnell et al. (2002) with 8 question items.
4. Strategic commitment represents an interest of the manager to implement the strategic plan (Floyd and Wooldridge, 1992: 28). Measurement scale was modified from the scale of Parnell et al. (2002) with 12 question items.

3.2. Data collection

This study is a census as it takes all members of the population as the sample. In this case the sampling technique used is saturated sampling. The study population was all over the local government agencies in the South

Kalimantan government (45 units). Three middle managers were selected as respondents in each local government agency.

3.3. Data analysis

3.3.1. *Validity analysis and reliability analysis* The validity of the research instrument was tested using the correlation (Pearson product moment) by correlating the scores of each question item with total score of variables. The instrument was considered valid if a correlation coefficient was greater than 0.30. The results of analysis showed that all variables were valid (see Table 1)

**Table 1.**
**Validity Analysis**

|  | AVE root | Role of Leaders (X1) | Strategic Planning Intensity (Y1) | Middle Management Involvement (Y2) | Strategic Understanding (Y3) | Strategic Commitment (Y4) |
|---|---|---|---|---|---|---|
| Role of Leaders | 0.815 | 1 | 0.641 | 0.518 | 0.547 | 0.522 |
| Strategic Planning Intensity | 0.876 | 0.641 | 1 | 0.567 | 0.717 | 0.528 |
| Middle Management Involvement | 0.912 | 0.518 | 0.567 | 1 | 0.704 | 0.648 |
| Strategic Understanding | 0.829 | 0.547 | 0.717 | 0.704 | 1 | 0.659 |
| Strategic Commitment | 0.724 | 0.522 | 0.528 | 0.648 | 0.659 | 1 |

Reliability of the instrument was tested by calculating Cronbach's Alpha. Calculation was performed using SPSS software. If alpha value was greater than 0.60 the research instrument was considered reliable. The results of analysis showed that all variables were reliable (see Table 2)

**Table 2.**
**Reliability Analysis**

| Variables | Alpha | Remark |
|---|---|---|
| Role of Leaders | 0.809 | Reliable |
| Strategic Planning Intensity | 0.897 | Reliable |
| Middle Management Involvement | 0.931 | Reliable |
| Strategic Understanding | 0.848 | Reliable |
| Strategic Commitment | 0.802 | Reliable |

3.3.2. *Data analysis* was done using Generalized Structured Component Analysis (GSCA). GSCA was used in this research because the sample size was small. According to Tanenhaus (in Solimun, 2012), GSCA is a new component-based SEM method and can be applied to very small samples. The results of the GSCA analysis using the t test were shown in Figure 1 and Table 3.
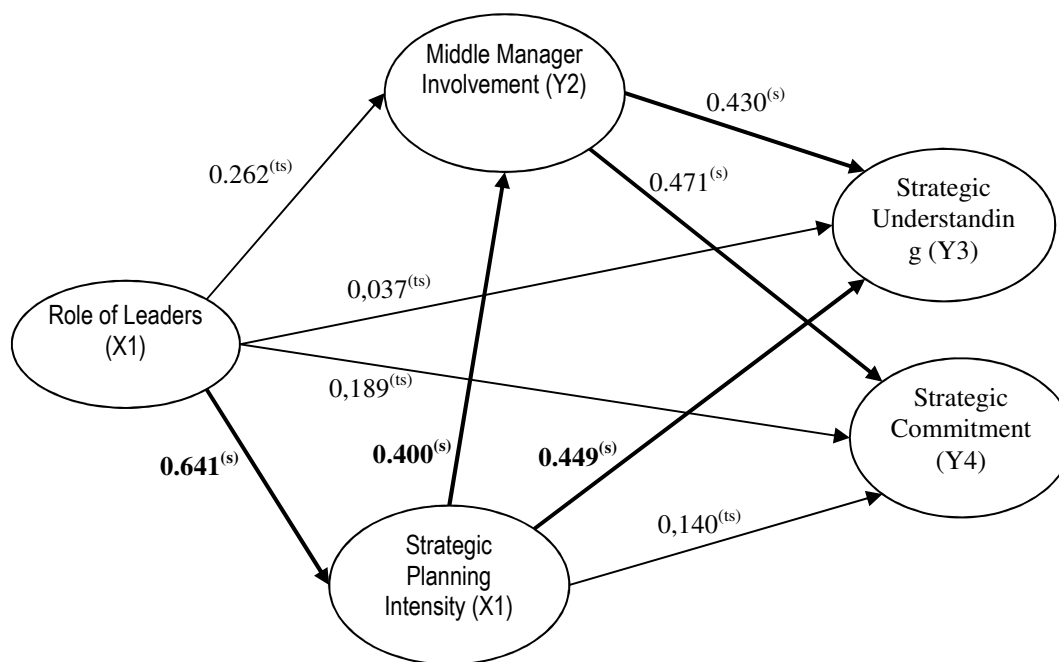
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**Figure 1**
**Path Diagram of GSCA analysis.**
**Table 3.**
**GSCA Analysis**

| No | Relationship between Variables | | Path Coefficient | CR | P | Remark |
|---|---|---|---|---|---|---|
| 1 | Role of Leaders | Strategic Planning Intensity | 0.641 | 3.93* | 00003 | Significant |
| 2 | Role of Leaders | Middle Management Involvement | 0.255 | 143 | 01598 | Insignificant |
| 3 | Role of Leaders | Strategic Understanding | 0.042 | 026 | 07961 | Insignificant |
| 4 | Role of Leaders | Strategic commitment | 0.176 | 075 | 04572 | Insignificant |
| 5 | Strategic Planning Intensity | Middle Management Involvement | 0.407 | 2.19* | 00339 | Significant |
| 6 | Strategic Planning Intensity | Strategic Understanding | 0.446 | 3.28* | 00020 | Significant |
| 7 | Strategic Planning Intensity | Strategic commitment | 0.038 | 017 | 08658 | Insignificant |
| 8 | Middle Management Involvement | Strategic Understanding | 0.428 | 3.01* | 00043 | Significant |
| 9 | Middle Management Involvement | Strategic commitment | 0.295 | 167 | 01020 | Non-Significant |
| 10 | Strategic Understanding | Strategic commitment | 0.394 | 148 | 01460 | Non-Significant |

Remark: *= significant at α 5%

Mediation testing was conducted for several variables that directly had no significant effect. The results of mediation test were shown in Table 4

**Table 4.**
**Mediation Analysis**

| NO | Relationship between Variables | | Mediation Variables | Remark |
|----|---|---|---|---|
| 1 | Role of Leaders ($X_1$) | Middle Manager Involvement ($Y_2$) | Strategic Planning Intensity ($Y_1$) | Significant |
| 2 | Role of Leaders ($X_1$) | Strategic Understanding ($Y_3$) | Strategic Planning Intensity ($Y_1$) | Significant |
| 3 | Role of Leaders ($X_1$) | Strategic Commitment ($Y_4$) | Strategic Planning Intensity ($Y_1$) and Middle Manager Involvement ($Y_2$) | Insignificant |
| 4 | Strategic Planning Intensity ($Y_1$) | Strategic Commitment ($Y_4$) | Middle Manager Involvement ($Y_2$) | Insignificant |

## 4. Discussion

The results of this study indicate that the role of leaders has significant influence on strategic planning intensity. This is consistent with the theory of Heene et al.  (2010: 179), and Allison and Kaye (2005: 35-36). The results of the study that the role of leaders produces significant effect on middle management involvement mediated by strategic planning intensity is consistent with the theory of (Yulk, 2006:  382). 382), Bateman and Snell, 2014: 151).  The role of leaders is found to have significant influence on strategic understanding mediated by strategic planning intensity, which is consistent with the theory of Pearce and Robinson (2013:372), as well as  Bateman and Snell, (2014:151). Finding that the role of leaders generates non-significant influence on strategic commitment is not consistent with theory of Pearce *and* Robinson (2013:372).

The finding that strategic planning intensity brings about significant effect on middle management involvement is consistent with the theory of Allison and Kaye (2005:28-29). The results of this study also provide empirical evidence for the theory proposed by Allison and Kaye (2005: 80), Dutton and Duncan (1987: 108) stating that strategic planning intensity has an influence on strategic understanding of middle managers.

The results of this study that the involvement of middle management has a significant effect on the understanding is consistent with the findings of the study by Elliott (2009) and the theory of Floyd and Wooldridge (1996: 40) and Pearce *and* Robinson, 2013:11). The finding of this study that middle management involvement generates non-significant effect on commitment supports the findings of the study by Wooldridge *and* Floyd (1990:231) and not consistent with previous study by  Elliot (2009) and results of study by Kotahmahi *et al*. (2012) showing the relationship between the participation in strategic planning and strategic commitment.

The finding of this study that the strategic understanding result in non-significant effect on strategic commitment is not consistent with theory showing an effect of strategic understanding on strategic commitment as pointed out by Arasa et al.  (2011: 320) and Alam (2011).  Although understanding, commitment and involvement are all factors that are inseparable because they are representing the unity of strategic diffusion as said by Parnel et al. (2002), but the strategic understanding generates non-significant effect on the strategic commitment.  Floyd and Wooldridge (2000: 30) argue that strategic understanding and strategic commitment are independent of the strategic consensus, so that managers is committed to a strategy that they do not understand.

Strategic commitment is one of the two components of strategic consensus.  Another component is strategic understanding. Floyd and Wooldridge (1992: 29-30) classify four levels of strategic consensus based upon the extent of strategic understanding and  commitment. The four levels are:  strong consensus (if strategic understanding is high and a strategic commitment is also high), blind devotion (if strategic understanding is low, strategic commitment is high), informed skepticism (if strategic understanding is high  while strategic commitment is low) and weak consensus (if strategic understanding is low and strategic commitment is low).

According to Floyd and Wooldridge (1992: 28), four levels of consensus may be appropriate or not appropriate depending on the situation faced by an organization.  Strong consensus is chosen if the strategy works well and the environment is relatively stable.  Blind devotion may happen due to political reasons and competition restricts *shared understanding*.  In other situations, it would be wise to restrict the initial understanding of strategy to suppress political interests.  In this case the lack of understanding can be known when middle managers are not aware of the big picture, failing to ask policy strategy.  Informed skepticism occur if the commitment input is premature and there are too many strategic options. Informed skepticism can be positive or negative, requiring openness to a range of strategic options.  Weak consensus may happen for organizations facing a lot of problems.

According to Cohen et al. (2008: 147-149), in the public sector, each element of the strategic plan (objectives, activities and resources) are limited by political, economic-social and environmental variables. Public managers must work with respect to the laws that authorize or establish programs and institutions. In the public sector, a strategy of organization can lead to political difficulties, the decision requiring a trade-off

between organizational and political interests.

Failure of the middle managers to understand the strategic priorities is due to lack of planning intensity and low involvement, causing them to continue implementing previous work programs so that their commitment to implement the work plan is high.   This may explain the discrepancies in strategic commitment of middle management, the role of leaders, planning intensity, involvement, and their strategic understanding.

In the paradigm of government management that currently adheres to "New Public Management" where performance-based planning and budgeting requires targeting with specific objectives provide a clear direction of goals accompanied with measurement plan different from incremental budgeting used thus far  (Lukito, 2014: 10). The new planning approach used in this government cannot be understood by middle managers yet when they make a work plan and annual budget as the implementation of strategic plan.

The non-significant influence of the role of the leaders, strategic planning intensity, middle management involvement and strategic understanding on the strategic commitment may be caused by differences in organizational culture factors. The results of the study by Ahmadi et al. (2012) have proved the existence of a relationship between typology and cultural dimensions and implementation. These results account for a key role of cultural flexibility in the implementation process of the strategy.  Findings by Ahmadi et al.  (2012) are supported by the results of Parnell (2008) revealing that the strategic diffusion consisting of engagement, understanding and strategic commitment of the middle managers and lower-level managers is influenced by a some factors including organizational culture.

The study by Ivancic (2013: 197) concludes that the implementation phase can be predicted by analyzing some important factors: leadership, organizational structure, organizational culture, resources, time and the effects of environmental variables. The study by Alam (2011) also found that middle managers can execute strategy more successfully when it is supported by organizational culture in which they understand about how to work in the organization.

An element potentially increasing the involvement of middle managers in strategy implementation is organizational culture flexible and open to any changes and the capability of top managers to understand the emotional and behavioral responses of the middle managers to changes and are ready to give them a guidance and clear indication on how the change process will be implemented (Herzig and Jimmieson 2006; Floyd and Wooldridge, 1994).   Many local governments in Indonesia still don't have a open culture to accept any changes so that their annual work plan is still incremental based and not trying to understand the latest strategic issues in their organizational environment.

According to Ikavalko and Aaltonen (2001: 15),  a commitment to the strategy is not communication problem; the reward system is considered as one of the single biggest issues in the strategy implementation. The study by Booz-Allen also reported that the organizational structure and compensation may become significant obstacles to the strategy implementation (Floyd and Wooldridge, 1992: 27).  In South Kalimantan provincial government in recent years, the allowances for officials at all levels are quite high.  The increasing rewards for officials and employees can enhance the strategic commitment of middle management in implementing business plan and annual budget on local government agency in South Kalimantan government despite not based on strategic understanding.

## 5. Conclusion
The role of leaders and strategic planning intensity are significantly correlated with the two components of the strategic diffusion, namely involvement and strategic understanding of the middle management and correlated insignificantly with strategic commitment component of the strategic diffusion. The low involvement and strategic understanding of the middle managers in South Kalimantan government are influenced by the low role of leaders and low strategic planning intensity.

Strategic understanding and strategic commitment are independent of the strategic consensus, so that managers are committed to a strategy that they do not understand. The low strategic understanding and high strategic commitment are *blind devotion* in the level of strategic consensus in accordance with the situation in a public organization that is affected by political factors in strategic planning. Organizational culture in local governments in Indonesia, which is not open to any change could be the cause of the low role of leadership, strategic planning intensity, engagement, strategic understanding of middle management. High strategic commitment of the middle management may happen as South Kalimantan government gives a high reward, despite not based on a low strategic understanding.

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