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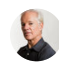

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THE STRATEGY PROCESS, MIDDLE MANAGEMENT INVOLVEMENT, AND ORGANIZATIONAL PERFORMANCE

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This paper reports the results of a study investigating the strategic involvement of middle-level managers in 20 organizations. The results suggest that involvement in the formation of strategy is associated with improved organizational performance. Consensus among middle-level managers, defined as strategic understanding and commitment, is related to involvement in the strategic process but not to organizational performance. Implications for research and the management of the strategic process are discussed.

Recent conceptualizations of the strategic process are inconsistent with the traditional view that strategy is the province of top management (Ansoff, 1965; Andrews, 1971; Schendel and Hofer, 1979). Burgelman (1983), for instance, describes strategy as the product of autonomous behavior initiated outside top management. Similarly, Mintzberg and Waters (1985) picture strategy as a combination of deliberate and emergent decisions. Fredrickson observes: 'participation in the strategic process is not limited to a few individuals who are located at the very top of the organization' (1984: 459).

Despite these references to wider participation in the strategic process, there is little empirical evidence concerning the effects of broader involvement on organizational performance. Does increased involvement in strategy lead to the formation of better strategy? Does involvement facilitate improved implementation of strategy?

This paper reports the results of a study that examined the strategic involvement of middle-level managers in 20 organizations. The purpose was to investigate the relationship between middle management involvement in strategy and organizational performance.

MIDDLE MANAGEMENT INVOLVEMENT IN STRATEGY

Several authors have discussed the role of middle managers in strategy. Bower (1970) found that, in large diversified firms, planning was spread across corporate, division, business, and departmental levels. He concluded that middle managers 'are the only men in the organization who are in a position to judge whether [strategic] issues are being considered in the proper context' (Bower, 1970: 297–298). Burgelman (1983, 1985, 1988) points to the 'crucial' (1983: 1349) role of middle-level managers in: supporting initiatives from operating levels, combining these with firm strengths, and conceptualizing new strategies. Conversely, Hambrick (1981) confirmed a decline in strategic 'awareness' at descending levels of the managerial hierarchy. That is, middle managers were less aware of their firm's strategy than were top managers.

While other authors (Hutt, Reingen, and Ronchetto, 1988; Mowday, 1978; Schilit, 1987a,b; Schilit and Locke, 1982) have been concerned with the upward influence of middle managers on strategic decisions, no studies explicitly examine the relationship between middle management

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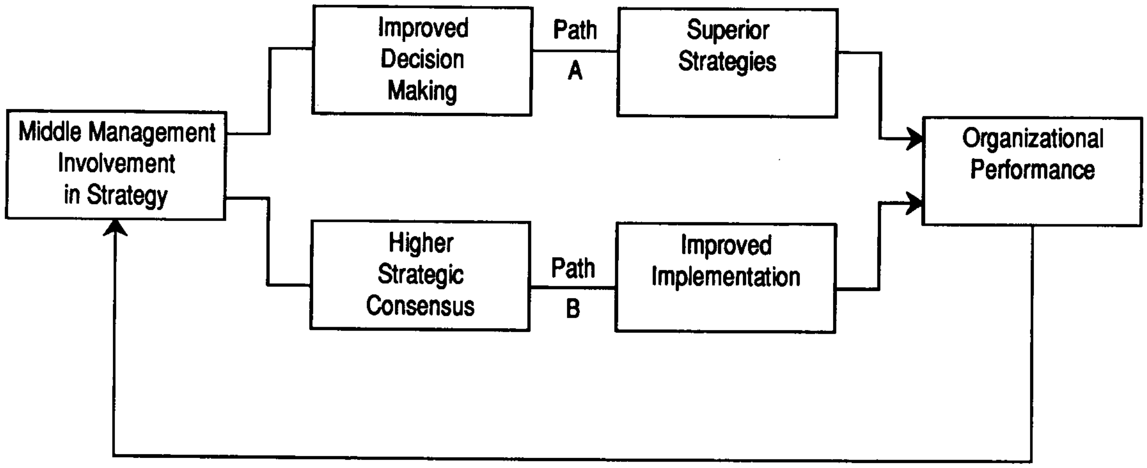

Figure 1. Theoretical model of middle management involvement in strategy

involvement in strategy and organizational performance. There are, however, two dominant theoretical arguments for expecting a positive association.

Theoretical model

Figure 1 summarizes the two grounds for a relationship between middle management involvement in strategy and organization performance. Following path A, middle management involvement in strategy improves performance by improving the quality of strategic decisions. Cumulatively, these decisions result in a superior organizational strategy. Following path B, middle management involvement improves performance by increasing the level of consensus about strategy among middle-level managers. This higher level of strategic understanding and commitment facilitates the smooth implementation of strategy. The figure also shows that past performance and practice is likely to influence the level of middle management's involvement in the strategic process.

The arguments supporting path A hinge on the nature of strategy formation. As competitive environments become more complex and dynamic, leaders are less apt to fully articulate comprehensive strategy. Rather, strategy is made in the adaptive mode, and is the product of a stream of decisions made by many individuals over time (Mintzberg, 1978). In these situations, where strategy should be 'deliberately emergent' (Mintzberg and Waters, 1985), the contributions of middle managers are vital because they are often earliest to recognize strategic problems and opportunities (Pascale, 1984).

The arguments supporting path B concern strategy implementation. Middle managers are responsible for implementing strategy, and involvement enhances implementation by providing opportunities for attaining consensus, defined as shared strategic understanding and commitment (Dess, 1987). In a deliberate mode, first-hand exposure to the plans of top management improves understanding by providing opportunities for communication and clarification. In an adaptive mode, involvement increases the likelihood that middle management initiative will be in line with top management's concept of corporate strategy (Burgelman, 1983). In either mode, without commitment improved understanding may be of little value. Uncommitted middle managers may give implementation a low priority, engage in 'foot-dragging,' create implementation obstacles, or even sabotage strategy (Guth and MacMillan, 1986).

The distinction between involvement's formation and implementation effects on organizational performance is not meant to suggest that they are independent or unrelated. Indeed, the separation of strategy into stages is more conceptual than real (Bower, 1982). The differentiation is useful, however, for theoretical and research purposes (Schendel and Hofer, 1979).

Research hypotheses

While both arguments presented above have been discussed or implied in existing theory, there is no empirical research demonstrating a connection between middle management involvement in strategy and organizational performance. Nor has the literature isolated the source of any such involvement–performance association. Thus, the objective of this study was to investigate whether an involvement–performance relationship could be empirically demonstrated, and if so, whether the source of that relationship could be identified.

Therefore, with regard to the relationship between involvement and organizational performance, it is hypothesized:

> *H1: There will be a positive relationship between middle management involvement in strategy and measures of organizational performance.*

Given H1, a second objective was to gain a better understanding of the performance benefits of strategic involvement. H2 and H3 propose that involvement improves performance through its effects on middle management consensus and strategy implementation (path B). If controlling for the presence of strategic consensus among middle level managers diminishes the relationship between involvement and performance, it can be argued that the vanished portion represents benefits attributable to improved implementation.

> *H2: There will be a positive relationship between middle management involvement in strategy and middle management's level of consensus concerning strategy.*

> *H3: The positive relationship between middle management involvement in strategy and measures of organizational performance will be reduced significantly when consensus on strategy is held constant.*

The results obtained from testing H3 will provide evidence regarding the source of involvement's performance benefits. If the decrease in the involvement–performance association is large, this suggests that implementation benefits are relatively large. If there is little or no change, then it is likely that any involvement–performance association can be attributed to formation benefits.

RESEARCH METHOD

The sample consisted of 11 banks and nine manufacturers. These organizations were deemed appropriate for the study since they compete in relatively competitive and dynamic environments where benefits from middle management involvement are expected to exist.

Banking is one of three industries that Bourgeois and Eisenhardt (1988) identify as high-velocity environments. Deregulation, mergers, new products, and new forms of competition have created both continuous and sharp, discontinuous change. The manufacturers compete in mature, fragmented industries (curtains, shoes, mattresses, paper products), that face unprecedented competitive challenges from global competitors. A subsample analysis revealed no significant differences between banks and manufacturers for any of the correlations reported. Table 1 provides descriptive statistics on the 20 firms, as well as values for each of the measures used in the study.

Research procedures and measurement of variables

Qualitative data concerning the strategic process were collected through semi-structured interviews with the CEO of each organization. As part of this interview, members of the top management team (i.e. those reporting directly to the CEO), second-level, and third-level managers were identified. The second- and third-level managers comprised the potential respondents for this study. Seven to 20 such individuals were found in each organziation. To ensure comparability the mix of second- and third-level managers was balanced across organizations, and job titles and responsibilities were reviewed. This produced a potential sample of 196 respondents. A questionnaire was used to determine the exent of middle management strategic involvement and consensus in each organization.[1] Usable questionnaires were received from 157 decision-makers, a response rate of 80.1 percent. A copy of the instrument is available from the authors.

[1] For purposes of comparison similar data were also gathered from members of the top management team.

Table 1. Characteristics of the research sample

Firm number	Total assets ($ million)		No. of respondents	Proprietary objectives	General options	Evaluating options	Developing details	Necessary actions	Commitment	Understanding	Competitive position	ROA	Efficiency of operations	Overall financial performance	Growth rate	Process type*
Bank 1	316		12 of 14	4.29	3.85	3.69	3.85	3.71	53.67	8.72	6	6	4	6	3	1
Bank 2	228		11 of 15	3.47	3.00	2.80	3.00	2.76	49.36	8.67	6	2	6	2	2	0
Bank 3	260		6 of 8	2.50	3.00	2.67	3.17	1.67	53.50	6.83	6	6	5	6	6	1
Bank 4	111		8	2.80	3.20	4.20	4.00	4.20	47.38	7.32	6	6	4	6	6	1
Bank 5	124		7 of 8	2.87	2.50	2.37	2.87	1.62	48.86	7.67	3	3	3	3	3	0
Bank 6	121		8 of 9	2.89	2.33	1.78	1.67	2.44	50.75	7.10	5	4	5	5	5	1
Bank 7	340		12	2.09	3.33	2.73	3.36	2.36	44.82	8.50	4	2	3	3	4	0
Bank 8	254		6 of 8	2.50	1.14	0.86	1.86	2.29	50.60	6.11	2	1	3	2	2	1
Bank 9	152		6	1.67	1.83	2.00	1.67	1.67	46.80	6.66	6	4	5	5	5	0
Bank 10	326		6 of 10	2.00	1.75	1.25	1.25	1.87	51.50	8.49	4	6	5	6	6	0
Bank 11	350		10 of 16	5.40	5.20	4.80	4.80	3.60	57.20	6.35	6	6	5	5	7	1
	SIC Code	Approx. Sales ($ million)														
Mfg. 1	23	45	8 of 9	3.78	3.44	3.00	2.67	3.11	47.75	6.61	6	6	6	6	6	0
Mfg. 2	25	5	6 of 8	3.87	3.00	2.75	2.75	2.87	56.13	6.46	5	3	3	3	2	0
Mfg. 3	23	9	4 of 6	5.33	5.33	5.33	5.33	4.67	55.00	1.30	6	6	6	6	6	0
Mfg. 4	26	20	7	4.29	4.57	2.86	3.86	4.29	56.29	7.52	6	5	5	4	5	0
Mfg. 5	31	25	8 of 11	4.27	3.83	3.80	4.13	3.73	56.00	1.15	3	2	4	3	3	0
Mfg. 6	31	35	12 of 16	5.20	4.80	4.00	4.80	5.40	42.75	8.15	5	5	5	6	4	0
Mfg. 7	26	18	5	5.23	5.38	4.00	5.00	3.38	42.17	6.73	4	7	5	7	7	0
Mfg. 8	22	20	9 of 10	3.64	3.73	3.18	3.73	3.82	52.80	6.50	4	2	4	3	2	1
Mfg. 9	27	15	6 of 10	4.00	3.29	3.29	3.14	2.71	49.86	6.28	2	1	3	1	4	0
Mean				3.60	3.43	3.30	3.12	3.10	50.61	6.66	4.75	4.15	4.45	4.40	4.40	
S.D.				1.17	1.20	1.13	1.18	1.07	4.59	2.04	1.41	1.98	1.05	1.76	1.73	

* 1 = Synoptic; 0 = incremental

Involvement

Whether the organization uses a synoptic or incremental decision-making process (Fredrickson, 1983), strategic process theories generally identify a sequence of stages. Conventional stage descriptions (e.g. goal formulation, alternative generation, evaluation, and implementation), however, presuppose a rational-comprehensive process. By measuring involvement in those terms, one runs the risk of biasing results. On the other hand, the stages inherent in political (Narayanan and Fahey, 1982) and learning models (Burgelman, 1988) may be less recognizable and equally biased.

To assess involvement, therefore, relatively understandable and process neutral measures were desirable. Thus, words such as formulation and implementation were avoided. As a practical matter, however, the measures chosen ran the risk of being less than 'process neutral.' Respondents were asked to rate on a seven-point scale their involvement in five aspects of the strategic process: (1) identifying problems and proposing objectives, (2) generating options, (3) evaluating options, (4) developing details about options, and (5) taking the necessary actions to put changes into place. The scale anchors ranged from 'fully involved' to 'not at all involved.' There was also an open-ended item asking respondents to list any other way they felt involved in strategy. The mean scores of respondents in each organization for each of the five scaled items constituted the measures of middle management involvement.

As a check that these measures were not process-biased, CEO descriptions of each organization's strategic process were reviewed independently by the first author and a graduate student. Each organization's process was categorized as either synoptic or incremental on the six distinguishing characteristics identified by Fredrickson (1983). Wide agreement existed between the two sets of ratings and each organization's predominant mode was easily recognizable. Overall, seven firms were categorized as being predominantly synoptic, while 13 were classified as incremental (see Table 1). Analysis of variance showed no significance differences between process types on any of the involvement measures.

Consensus

This construct was defined as the product of middle management commitment to, and understanding of, strategy.

Commitment

Nine seven-point, Likert-type items, modified from previously developed instruments (Porter, Steers, Mowday, and Boulian, 1974), were used to measure strategic commitment. A principal-components factor analysis yielded a single-factor solution. This suggested the appropriateness of a multi-item commitment scale (alpha = 0.92) defined as the sum of the nine items. The mean of this index among respondents in each organization constituted the measure of middle management commitment.

Understanding

By focusing on goals and means, previous consensus studies may have produced process-biased results (Wooldridge and Floyd, 1989). When strategy is viewed as a pattern in a stream of decisions, the criteria or priorities decision-makers use to make decisions become critical. These priorities reflect what is important to decision-makers and can be observed by focusing on how managers 'pay attention to, weigh, and actually use certain types of information' when making decisions (Smith, Mitchell and Summer, 1985). Thus, since priorities do not depend on an explicit articulation of ends and means, they are suited for measuring shared understanding in both synoptic and incremental contexts.

Each CEO was asked to describe his/her organization's most important strategic priority. A content analysis of their responses conducted independently by each of the authors and a graduate student revealed five recurring themes. Descriptive terms for these strategic priorities were identified and included on the questionnaire.

CEOs and middle management respondents were asked to allocate 10 points, based on relative importance, among (1) cost/efficiency, (2) new product development, (3) coordination and control, (4) workforce development, and (5) customer/market development. The absolute differences between the weights assigned by each middle manager and the CEO's weights were computed and summed for each organization. This total difference score was divided by the number of respondents from each organization to get the mean difference between the CEO's response and the response of middle-level managers. The result was subtracted from a constant to produce a measure of how well each firm's middle-level managers understood the organization's strategic priorities as articulated by the CEO. This operationalization is an adaptation of a procedure developed by Dess (1987).

As a partial validation of the measure, the understanding of middle-level managers was compared to that of top managers. Hambrick (1981) found that strategic awareness increases with organizational level. Executives closest to the top of the organization are most aware of its strategy. Thus, if our measure actually reflected strategic awareness, the understanding of middle-level managers would likely be lower than the understanding of the top management team. An analysis of variance between understanding and organizational level was significant ($p < 0.001$) and in the expected direction. Thus, the measure appears to reflect strategic understanding.

Organizational performance

Unfortunately, comparable objective performance data were not available for all firms. As an alternative, subjective measures of organizational performance were obtained from company CEOs (Dess and Robinson, 1984). CEOs were asked to rate on a seven-point scale their organization's recent performance in the following areas: overall competitive position, return on assets, efficiency of operations, overall financial performance, and growth rate.

To check the validity of the subjective measures, a comparison with objective data was desirable. Objective return-on-asset figures were available from published secondary sources for the 11 banks in the sample. Since published financial figures often reflect differences in accounting procedures, and the subjective measures include non-financial aspects of performance, less than perfect correlations were expected.

The correlations between published ROA and subjectively reported ROA ($r = 0.46$) and overall financial performance ($r = 0.60$) were significant ($p < 0.05$). Since these are the subjective measures most expected to correlate with objective ROA, this outcome enhances the validity of the measures used.

Finally, to complement the survey results, follow-up interviews were conducted with nine middle-level managers in five organizations. These managers were asked about their involvement in the strategic process; how they were involved, when they were involved, what initiated their involvement, how successful they felt they were, how important it was for them to be involved, and why it was important for them to be involved. The insights from both the CEO and middle manager interviews provided guidance in the interpretation of the survey results and extended the researchers' understanding of the relationships of interest.

RESULTS

Hypothesis 1

Table 2 presents correlations among the involvement and performance measures. All correlations are positive; $p < 0.1$ for 10 of the associations, and three are significant at the $p < 0.05$ level. More specifically, generating options is the type of involvement most closely associated with the performance measures. Two of the five generating options correlations are significant ($p < 0.05$)

Table 2. Correlations among the involvement and performance measures

	Proposing objectives	Generating options	Evaluating options	Developing details	Necessary actions
Competitive position	0.15	0.32*	0.31*	0.26	0.28
Subjective ROA	0.31*	0.44**	0.38**	0.34*	0.29
Efficiency	0.28	0.34*	0.24	0.20	0.25
Overall financial performance	0.20	0.36*	0.32*	0.27	0.27
Growth rate	0.17	0.37**	0.28	0.28	0.09

* $p < 0.1$; ** $p < 0.05$.

Table 3. Correlations among involvement, understanding, commitment, and consensus

	Involvement in				
	Proposing objectives	Generating options	Evaluating options	Developing details	Necessary actions
Understanding	0.35**	0.29	0.36*	0.40**	0.28
Commitment	0.17	0.06	0.03	0.09	0.06
Consensus†	0.35*	0.28	0.35*	0.39**	0.28

* $p < 0.1$; ** $p < 0.05$.
† Consensus = understanding × commitment.

Table 4. Significant and near significant involvement/performance zero-order and partial correlations

	Proposing objectives	Generating options	Evaluating options	Developing details	Necessary actions
Competitive position					
Zero-order		0.32*	0.31*		
Partial		0.37**	0.37**		
Subjective ROA					
Zero-order	0.31*	0.44**	0.38**	0.34*	
Partial	0.36*	0.49**	0.44**	0.41**	
Efficiency					
Zero-order		0.34*			
Partial		0.33*			
Overall financial performance					
Zero-order		0.36*	0.32*		
Partial	0.39**	0.36*			
Growth rate					
Zero-order		0.37**			
Partial		0.38**			

* $p < 0.1$; ** $p < 0.05$.

and two others, efficiency ($p = 0.067$) and overall financial performance ($p = 0.062$), approach significance. Overall, the correlations are about the same magnitude as those observed by Dess (1987) between consensus and performance in a sample of similar size. Thus, one may conclude that there is moderate support for the hypothesis that middle management involvement in strategy is positively associated with measures of organizational performance.

Hypothesis 2

Table 3 reports correlations between measures of middle management involvement in strategy, commitment to strategy, understanding of strategy, and consensus on strategy. As the table shows, there is moderate support for the hypothesis that strategic involvement is positively related to consensus on strategy. More specifically, however, the understanding and commitment correlations indicate that the positive association between involvement and consensus is due to the understanding component. No significant relationship between involvement and commitment is apparent.

Hypothesis 3

Finally, Table 4 compares partial correlations that control for consensus with significant and near significant zero-order involvement/performance correlations. Since consensus is not correlated with any of the performance measures, it acts as a suppressor variable. That is, the consensus measure has partialed out variance shared with involvement but not with performance, 'thereby ridding the analysis of irrelevant variation, or noise' (Pedhazur, 1982: 104). Thus, there is no support for hypothesis 3. In fact, when consensus on strategy is controlled, the relationship between middle management involvement in strategy and measures of organizational performance increases slightly.

The quantitative results raise some interesting questions regarding the effects of middle management involvement and consensus in strategy-making. They are surprising in that they show middle management involvement, but not consensus, to be associated with organizational performance. Further, no relationship between middle management involvement in strategy and commitment to strategy was found.

Thus, the survey results fail to support implementation (path B, Figure 1) as the source of the involvement–performance relationship, and suggest that involvement's effects on performance result from superior strategy formation. However, since they do not provide direct evidence for path A, considered alone, interpretation of the correlations is problematic.

Qualitative findings

Interviews with both CEOs and middle-level managers did, however, confirm quantitative results, and lent support to the strategy formation (path A) arguments. Table 5 lists four tentative conclusions and provides supporting quotes from the interviews.

First, the interviews revealed a genuine belief in the need for meaningful middle management involvement. Middle managers felt that they were in a better position to propose, initiate, and evaluate alternative courses of action. Second, when they voiced dissatisfaction with their organization's strategy it was not in terms of objectives but rather in how the objectives were to be accomplished. Thus, for top management, an important part of managing the strategic process is to define goals and create a context for the generation and evaluation of strategic initiatives (Burgelman, 1983).

Third, the interviews were consistent with the correlations between involvement, understanding, and commitment. Respondents conveyed that low levels of involvement may reduce

Table 5. Conclusions and examples from research interviews

Conclusions	Examples
Both CEOs and middle managers believe that middle managers make meaningful contributions to strategy.	Since I have a better understanding of how decisions impact our customers, I could probably improve on what they're trying to do. (Middle-level manager)
	I rely on middle managers to provide good solutions to well-defined problems. (CEO)
Middle managers expect and desire strategic direction.	I can't say I agree with the strategy when I'm not sure what they're trying to do. (Middle-level manager)
	We make many decisions around without a clear sense of what we're contributing to. (Middle-level manager)
Involvement, by itself, does not create commitment.	You ask people to get involved and they do. Still when you move to implement changes, they resist. Change must be nurtured very slowly and involvement doesn't seem to change this. (CEO)
Premature consensus may be dysfunctional.	Our goal is to meet customer needs but we don't know what the customer needs are. (CEO)
	Many decisions just present themselves and you act. . . . You just could not do that through long-range planning. (CEO)

commitment, but that involvement alone does not create commitment. Thus, involvement may be limited as an implementation tool. Ideas generated and evaluated collectively may still meet resistance during implementation.

Finally, the interviews helped explain why middle management consensus about strategy was not associated with higher levels of organizational performance. The responses reflect the value of a healthy skepticism about strategy. Premature or unquestioned commitment to a specific strategy may cut off the flow of new ideas and represent a form of strategic myopia.

DISCUSSION

When discussing these findings and drawing conclusions, it is important to consider three limitations of the study. First, the small sample size requires the exercise of caution in interpreting or generalizing the results. Clearly, more research using larger samples is needed. Second, correlations do not necessarily reflect causation, and reciprocal causation is a very real possibility. Performance may indeed influence middle management involvement in strategy-making as well as strategic consensus. Finally, self-reported measures may not truly reflect the phenomena of interest. Personal bias and misperceptions may influence responses. It must be acknowledged, therefore, that definitive conclusions cannot be drawn from this single study. Future research is needed to test and extend the findings presented here.

Further, numerous considerations are likely to limit the desirability of middle management involvement. For example, there may be political reasons to limit involvement. Several writers argue that it is often best to keep strategies vague, thereby limiting potential conflicts (Wrapp, 1967; Quinn, 1980). Certainly, top executives will want to consider carefully the involvement of managers whose careers may be affected negatively by a proposed change in strategic direction. Second, there may be competitive reasons to limit involvement. When a rapid response is critical to strategic effectiveness, the time involvement takes may outweigh potential benefits. In other cases, top management may want to avoid the 'cross-fertilization' of ideas created in some industries by middle management turnover. Leaking proprietary proposals may undermine competitive advantage. Finally, since involvement is expensive in terms of managerial time and energy, it may be counterproductive in less complex settings. Managers in our study appeared to differentiate between apparent and 'real' involvement. Several expressed resentment for what they considered unnecessary 'distractions to their jobs.' Thus, top managers should be cautioned against feigned involvement.

At the very least, however, this study demonstrates the importance of involvement as a strategic process variable. There is much to learn about the nature of involvement and how best to manage it. For example, to what extent is the involvement–performance relationship contingent on environmental conditions? While several environments were represented in this study, each could be considered competitive and somewhat dynamic. Theory, however, suggests that in relatively predictable and stable environments strategy should be deliberate and planned. The emergent decisions or discretion of middle-level managers should be deliberately pre-empted (Mintzberg and Waters, 1985). Thus, a useful research approach might be to examine the middle management involvement–performance relationship in both dynamic and stable contexts.

A premise of this study, however, has been that today's business environments are increasingly complex and dynamic. As a result, broad involvement in strategy may be more important, and important for different reasons, than it has been in the past. If this assertion is correct, it is further indication of the increased need for strategic involvement research. Future research should focus on questions like: What are the organizational conditions that facilitate/inhibit strategic involvement by middle managers? What specific environmental conditions intensify the need for involvement? How do these internal and external contingencies affect the level of involvement?

Finally, this study concentrated on the involvement of middle managers, but many of the findings may also apply to non-managers. For example, Litterer, Miyamoto, Verge, and Voyer (1985) studied product engineers and found that their decisions were significant in defining market position and technology. In professional service organizations (hospitals, law firms, colleges, etc.), the influence of non-managerial professionals on strategy is no doubt even greater. Future research should recognize the possibility of a broad scope of strategic involvement well beyond the managerial ranks. In fact, for professionalized firms, *who* is involved may be every bit as important as *how* they are involved.

CONCLUSIONS

For top management these findings have three related implications. First, the involvement of middle managers should be substantive rather than nominal. That is, the purpose of increasing strategic involvement should be to improve the quality of decisions, not to facilitate implementation. Second, top management should clearly define the strategic context. Interviews revealed that middle managers expected top management direction, but often felt that they were in a better position to initiate and assess alternative courses of action. Finally, top management should expect middle-level managers to question strategic decisions. The results show no relationship between middle management consensus on strategy and organizational performance. Apparently, substantive involvement can be achieved best in organizational contexts where individuals are comfortable critically examining strategic decisions.

In conclusion, today's business environments demand a mix of top management purpose and middle management initiative. Top managers need to articulate the context and develop organizational structures and reward systems that encourage middle managers to think strategically. This view challenges the traditional division of work in strategy and suggests new roles in the strategic process.

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