

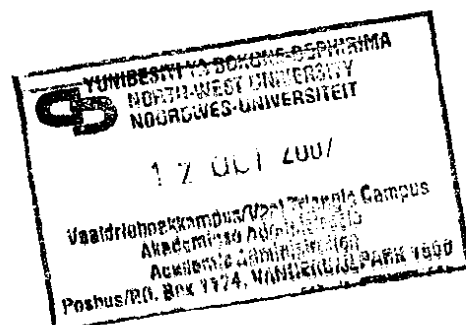
THE PROSPECTS OF FOSTERING ENTREPRENEURIAL PRACTICES BY SCHOOL LEADERSHIP AT HISTORICALLY DISADVANTAGED SCHOOLS IN THE SEDIBENG AREA

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Doctor of Philosophy in Education Management at the North-West
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Vanderbijlpark
2007



DECLARATION

I hereby declare that:

**THE PROSPECTS OF FOSTERING THE ENTREPRENEURIAL PRAXES BY
SCHOOL LEADERSHIP AT HISTORICALLY DISADVANTAGED SCHOOLS IN
THE SEDIBENG AREA**

is my own work, that all the resources used or quoted have been indicated and acknowledged by means of complete references, and that this thesis was not previously submitted by me for a degree at any other university.

M.J. Lebusa

AUTHOR

DEDICATION

I hereby dedicate this work to my parents, my late father, Mokubusane Petrus Lebusa and my mother, Malefeela Ernestina Lebusa.

“My parents, despite the hardship of life, you managed to teach us with the little you have and created a home for us to be responsible and I would like to thank you from the bottom of my heart”

To my late sisters, Mathabiso Felicity Lebusa, Maqhoshela Bernice Lebusa, my late brothers Lefeela Lebusa, Nthapeleng Lebusa. “Thanks for guiding me towards this level of achievement in education.”

My late son, Lefeela Lebusa (Jnr) for “exposing me to the real hardship of manhood. May your soul rest in peace.”

To my son, Lehlohonolo, my daughter Matshediso. “Remember, education is the key to success”

To my wife Mamoratuwa Mankoane Lebusa, whose presence in my life is a gift from God.

“May the Lord Almighty bless you all.

Thank you very much.”

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ABSTRACT

This study departs from the notion that historically disadvantaged schools are in a position where they face many challenges regarding their education service delivery. Among other challenges, these schools experience a shortage of both educational and infrastructural resources. Consequently, the past number of years has seen these schools losing learners to historically advantaged schools. Many of these schools, however, manage to produce good results and attain good reputations. They thus have high enrolments because they are seen as probable alternatives to their historically advantaged counterparts.

In this study, schools are seen as learning organizations, open systems and as being influenced by resource dependency. This essentially implies that schools in their environments compete with other educational organizations for resources. Therefore historically disadvantaged schools can survive and attract the much needed resources for which they compete by embracing and fostering entrepreneurship customs. This means school environmental conditions that foster innovation, proactivity and risk-taking and allows for ventures that position the school in a position of competitive advantage. The literature review exposes the nature of entrepreneurship, entrepreneurial customs and the role of the principal in fostering the entrepreneurship praxes in historically disadvantaged schools.

The empirical study found strong prospects of fostering entrepreneurial customs in historically disadvantaged schools. Emanating from this crucial finding, the study proposes a simple and ambitious strategy for promoting entrepreneurial customs at historically disadvantaged schools. The strategy proposes a process that involves entrepreneurship orientation of schools principal, a hands-on process that exposes principals to real entrepreneurial environments and a school level entrepreneurial implementation process that fosters entrepreneurship customs, creates a school entrepreneurship culture and promotes entrepreneurship leadership.

The study therefore introduces the concept of entrepreneurship in school education and provides historically disadvantaged schools with a strategy for creating school cultures that are entrepreneurial.

ABSTRAK

Hierdie studie het as vertrekpunt die opvatting dat histories benadeelde skole hulle in die posisie bevind waar hulle baie uitdagings die hoof moet bied t.o.v. die opvoedkundige daarstelling van dienste. Een van die uitdagings, is dat hierdie skole te kampe het met beide opvoedkundige en infrastrukturele hulpbronnevoorsiening. Gevolglik bestaan die tendens die afgelope aantal jare dat hierdie skole leerders na die historiese bevoordeelde skole verloor. Baie van eersgenoemde skole slag egter daarin om goeie resulte te lewer en goeie reputasie te bou. Gevolglik het hulle hoe inskrywings, omdat hulle, as moontlike alternatiewe vir hulle bevoordeelde konkurrente.

In hierdie studie word skole gesien as leerin gesien word stellings, ope sisteme en beïnvloed word deur hulpbronne-afhanklikheid. Dit impliseer basies, dat skole in sulke omgewings met ander organisasies moet meeding vir hulpbronne. Daarom kan histories benadeelde skole oorleef en die dringend benodigde hulpbronne waarom hulle meeding, kan aantrek deur entrepreneurskapsgebruike aan te neem en te volhou. Dit beteken, dat omgewingsstoestande wat innovering, proaktiwiteit en riskering aanmoedig en onderneming toelaat, die betrokke skool in staat stel om 'n posisie van mededingingsvoordeel in te neem. Die literatuuroorsig stel bloot die aard van entrepreneurskap, entrepreneursgebruike en die rol van die skoolhoof om entrepreneursgebruike in histories benadeelde skole te bevorder..

Die empiriese studie het sterk vooruitsigte vir die bevordering van entrepreneurseienskappe in histories benadeelde skole gevind. Voortvloeiend uit hierdie kritieke bevindings, stel die studie 'n eenvoudige en ambisieuse strategie voor vir die bevordering van entrepreneursgebruike aan histories benadeelde skole. Die strategie stel 'n proses voor wat 'n entrepreneurskaps-oriëntering van skoolhoofde insluit: 'n daadwerklike proses wat skoolhoofde blootstel aan werklike entrepreneursomgewings en 'n entrepreneursvlak implementering wat

entrepreneurskaps-gebruike aanmoedig, as ook entrepreneursleierskap en skool-entrepreneurskap sal skep.

Die studie stel dus die konsep van entrepreneurskap in skool-opvoeding en die voorsiening daaraan histories benadeelde skole, met die opset om entrepreneuriese skoolkulture en die konsep van die skepping van skoolkulture wat entrepreneuries van aard is, te vestig.

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CHAPTER 1

ORIENTATION

1.1 INTRODUCTION AND PROBLEM STATEMENT

Schools are state-appointed and funded providers of educational services and are domesticated organizations and as such, their survival is seldom held in doubt, because of their dependency on state funding and the domesticated nature of their operations (Eyal & Inbar, 2003:221). However, despite the funding and resource allocation from the state, they face many challenges. The majority of historically disadvantaged schools seem unable to curb the exodus of learners to historically advantaged schools, as well as generate sufficient and supplementary educational resources to help them in their quest to render education that is up to expected standards.

This situation has a negative impact on their state funding and their status as preferred educational institutions. As a result, these schools are continually faced with transferring and redeploying educators due to their being overstaffed (Wildeman, 2000). To illustrate this, in 2003 a school that performed worse than all schools in Gauteng's matriculation results was no longer going to receive funds from the Gauteng Department of Education and the Member of the Executive Committee (MEC) was going to close such a school (Goede, 2003).

Presently historically disadvantaged schools, which are mostly located in townships, experience critical resource challenges. Therefore it makes sense to conclude that the dwindling numbers of learners impact negatively, both in terms of funding and the acquisition of educational resources to render education efficiently. According to the resource dependency theory, organizations being flexible, will adapt if change in the environment threatens critical resource relationships and will

adapt their prevailing repertoire of exchange relations in order to ensure a continuous flow of resources (Cloete & Maasen, 2002:265). This theory postulates that effecting changes in resources, brings about organizational change, which calls for historically disadvantaged schools as organizations, to change or perish.

According to Echols and Neck (1998:1), schools that do not keep up to the fast pace of changes, may go the way of the dinosaur¹, hence the need for them to change. Cummings and Worley (1999:22) further emphasise the importance of schools to change, by indicating that the pace of global, economic, and technological developments makes change an inevitable feature of organizational life.

In contrast, the so-called historically advantaged schools, which are located mostly in urban or more affluent semi-urban areas, have an advantage of staff and learner bases. According to Van den Berg and Burger (2002:31), these schools initially perceived environmental changes as a resource threat and set about enhancing their resource base through a variety of enterprising strategies which were, and still are, remarkably successful in increasing their numbers, thus enlarging their product range and their educational resource base. These schools were incentivised by the threat of subsidy reductions to become much more enterprising than they had been during the apartheid era (Van den Berg & Burger, 2002:32). A combination of their pragmatic orientation to education, an accepted culture of authority and strong leadership and management capacity, enabled these schools to identify potential resources and to access these without internal contestation for control or direction. These actions by historically advantaged schools are a fairly classic resource-dependency response to the changing environment which calls for drastic actions for adaptiveness (Cloete & Maasen, 2002:465).

In terms of the resource dependency theory, it can be argued, that historically disadvantaged schools simply cannot adapt when a change in environment

¹ may face educational quality extinction

threatens critical resources relationships (Cloete & Maassen, 2002:467). Being located in impoverished areas without strong educational and management capacity, these schools have virtually no resources on which to fall back in order to avoid a crisis and in addition, symbolic government policy generated unrealistic expectations about redress and at the same time and unexpectedly, these schools faced intensified market competition for learners (Cloete & Maassen, 2002:467).

Consequently, as postulated by Eyal and Inbar (2003:224) in this regard, historically disadvantaged schools find themselves operating in an environment of increasing uncertainty and this uncertainty does not stem only from competition for learners, but rather from their openness and consequent exposure to rapid environmental changes. The fast pace of environmental changes and limited capacity to predict them, together with the multiple factors operating in the school environment and their dependence on external resources, all serve to increase the uncertainty under which these schools operate (Eyal & Inbar, 2003:224). This uncertainty is further exacerbated by these schools' inexperienced management and lack of redress funding (Cloete & Maassen, 2002:467). There is a much more complex set of interactions between these schools, geographic location and accentuated inequalities, driven by education and management weaknesses in a competitive environment (Eyal & Inbar, 2003:224).

Generally, the major challenge facing many historically disadvantaged schools' leadership in the Sedibeng area and in the country is to renegotiate a bureaucratic culture into an entrepreneurial culture. According to NDMA (2005), in a bureaucracy, people are given a set of resources and manage them as best as they can and think in terms of performing tasks and building empires. In this kind of environment, it is highly probable that they would lose sight of the bigger picture. In an entrepreneurial culture, the opposite is true, because entrepreneurial leaders run lines of business and find ways to serve their customers by acquiring whatever resources are needed and focus on delivering products or results and are

empowered to perform any task and utilize any processes needed to get the job done (cf. NDMA, 2005).

It can be put forward that the dynamic nature of modern education and environmental factors facing educational institutions, make it imperative that historically disadvantaged schools' leadership and their operations become receptive to new ideas, approaches and attitudes, which receptiveness will enable them to anticipate new developments likely to have an impact on their schools in order to accommodate new changes and developments in their environments. Therefore it is important for the historically disadvantaged schools' leadership, not only to clearly define their respective school's values, but also to be flexible and open to new learning. This factors in the concept of entrepreneurial leadership.

Burns (2005:98) postulates that entrepreneurial leadership gives the organization a sense of direction and purposely aligns developments to the vision and direction of the organization. This can be seen as relating to individuals in the communities who take the lead and initiate innovation in creating the means of providing educational products and services. This, in essence, means that for historically disadvantaged schools' leadership to survive, they have to embrace entrepreneurship in their operations and the route that they have to follow in order to adapt adequately to the environmental changes. These schools have thus to be entrepreneurial.

According to Mentors, Ventures and Plans ([www.mvp.cfee.org/en/glossary .html](http://www.mvp.cfee.org/en/glossary.html)), entrepreneurship involves the recognition of opportunities, that is, needs, wants, problems and challenges, and the use of resources in order to implement innovative ideas for new thoughtfully planned ventures. In this sense therefore, entrepreneurship will make historically disadvantaged schools to be highly responsive to change, to see opportunities that other schools in the form of historically advantaged schools do not see, and to mobilize resources to make new things happen. These schools will be in the position to promote innovation and lead

to a higher degree of social, economical and educational sustainability, which in the essence of entrepreneurship, implies the initiation of change through creation and/or innovation and thus innovation within these schools will “blow out” the entrepreneurial flame that formed the basis of the school's success (Birley & Muzyka, 2000:276).

According to Dlamini (2004), organizational entrepreneurship increases the organization's adaptive capabilities and is linked to increased business success, while improved organizational survival in conditions of uncertainty and entrepreneurship is an indispensable prerequisite for success in an increasingly globalized and competitive economy and needs to be embedded into the basic fabric of society, including the school set-up. Thus every aspect of public policy must seek to encourage the entrepreneurial spirit and potential of the nation.

Liberating schools' entrepreneurial instincts should be the focus of historically disadvantaged schools' leadership so as to ensure survival, because by fostering entrepreneurship, they will be in the position to marshal and allocate their resources into a unique and viable posture, based on its relative internal competencies and shortcomings to have a competitive advantage (Coulter, 2001:56). Entrepreneurship embracement is intended to make it the '*raison d'être*²' of their leadership and their ethos to face rapid change of environment and also to be in the position to anticipate changes in the environment and contingent moves by intelligent competitors in the form of historically advantaged schools.

This study assumes that historically disadvantaged school leadership has a role to play in making sure that their schools are capacitated in generating their own resources, attracting a sufficient number of learners and also in inculcating an entrepreneurship spirit in both their learners and staff. The benefits of an entrepreneurial environment within the schools will have positive spin-offs in making schools self-sufficient and, according to Timmons (2002:16), no other

² the underlying principle and motivation

institutional process offers the chance for self-sufficiency, self-determination and economic improvement than the entrepreneurial process. Entrepreneurship organizations are more innovative and organizations that innovate, will be able to renew themselves and to survive longer (Echols & Neck, 1998:6).

An environment of entrepreneurship within schools will provide the engine for innovation and proactivity (Dlamini, 2004). In an entrepreneurial environment, work is more than a job; it is a lifestyle (Lawton, 2005). It is therefore somewhat surprising that research into organizational entrepreneurship, which focuses on organizational entrepreneurship in the public education arena, especially at schools, has not yet claimed its proper place, mainly because entrepreneurship is widely perceived to take place within all sizes and types of organizations with schools not being an exception to that (Eyal & Inbar, 2003:228).

Emanating from the foregoing exposition, the question is: What is the role of the principal in fostering entrepreneurship praxes³ in historically disadvantaged schools? This question translates into the following sub-questions:

- What is the nature and scope of entrepreneurial organizations?
- What is the role of the principal in fostering entrepreneurship in the school?
- How do school principals in historically disadvantaged schools in the Sedibeng area currently foster entrepreneurship customs*?
- What strategy can be recommended for historically disadvantaged schools to adopt so as to foster entrepreneurial praxes?

Answering these questions foregrounds the aim of this study.

³ dimensions/customs

* customs, praxes and dimensions are used interchangeably to refer to entrepreneurial habits in organizations.

1.2 AIMS OF THE STUDY

The overall aim of the study is to examine the prospects of fostering the entrepreneurship praxes by the school principal in historically disadvantaged schools. This aim is operationalized into the following objectives:

- To determine the nature and scope of entrepreneurial organizations;
- To determine role of the principal in fostering entrepreneurship praxes in the school;
- To examine how school principals in historically disadvantaged schools in the Sedibeng area currently foster entrepreneurship customs; and
- To recommend a strategy that historically disadvantaged schools can adopt so as to foster entrepreneurship customs.

1.3 METHOD OF RESEARCH

The research method comprises the literature study and an empirical research.

1.3.1 Literature review

Primary and secondary literature sources were studied to gather information on entrepreneurship organizations. Emphasis was on extracting information on how to create entrepreneurial organizations with an intention of applying that in the school educational situation. An extensive database search did not find studies about entrepreneurship practices being used in educational settings. Therefore this study was based on existing entrepreneurship literature from business settings so as to present a novel application of the entrepreneurship praxes in education.

The following key words were used:

entrepreneurship, entrepreneurship organization, entrepreneurial climate and culture, intrapreneurship, entrepreneurship dimensions, intrapreneur, entrepreneur, innovation, proactiveness, risk-taking, entrepreneurship praxes and customs, entrepreneurial leadership.

1.3.2 Empirical research method

1.3.2.1 Aim

The empirical study aims to examine how school principals of historically disadvantaged schools in the Sedibeng area are currently fostering entrepreneurship customs. A quantitative approach was used to gather information in this regard. According to Stubbs (2005), this entails incorporating a statistical element designed to quantify the extent to which a target group is aware of, thinks, believes or is inclined to behave in a certain way. Statistics in this research were used to quantify the research population's responses to the subject of inquiry. The data was collected from educators whose perceptions, it was decided, would better give an indication of how entrepreneurship customs are currently fostered by their school leadership.

1.3.2.2 Measuring instrument

Information gathered from the literature study, was used to develop and design a questionnaire to gather information from educators about their school leadership's practices in relation to fostering the entrepreneurship praxes at schools. In this research, school leadership refers to the school principal as an official designated to manage and lead the school. The questionnaire was developed with the aid of a number of questionnaires used by various researchers on the question of organizational entrepreneurship (Eyal & Inbar, 2003; McLoughlin, 2005; Service & Boockholdt, 1998).

1.3.2.3 ***Population and sampling***

There are an estimated 270 schools in the Sedibeng Districts. The study population is thus estimated at 270 schools of which approximately 200 can be classified as historically disadvantaged schools. Thus, the target population for this study comprised all educators (N = 5000), based on a snap survey of staff establishments which found an average of 25 educators per school.

The sample of educators (n = 600) was randomly selected in the Sedibeng area, which comprises the Sedibeng East and West District(s), in line with Leedy and Ormrod's (2005:207) and Strydom and Venter's (2002) assertion that at and beyond a certain point (5000), the sample size is irrelevant.

1.3.2.4 ***Pilot survey***

Pilot testing of the questionnaire was conducted with a selected group of respondents (n = 41) from the neighbouring Johannesburg South district in order to determine its qualities of measurement and to review it for clarity.

A Cronbach Alpha test was computed to determine the reliability of the questionnaire, before it was administered. The questionnaire items yielded a Cronbach Alpha coefficient of 0.913287 and an average inter-item correlation of 0.278759, which in consultation with the Statistical Services of the North-West University: Vaal Triangle Campus, was considered valid. The content validity was constructed by adhering to the three entrepreneurship variables namely, innovation, proactiveness and risk-taking (Delport, 2002:167).

1.3.2.5 ***Ethical aspects***

The prescribed research request form of the Gauteng Department of Education was completed and submitted to the Department for approval to administer the

research questionnaire to the target population. The form is obtainable from the Department's website (<http://www.education.gpg.gov.za>).

The questionnaire was accompanied by a covering letter requesting respondents to complete it voluntarily and assuring them of the confidentiality with which their responses would be handled. The letter of approval was also attached to the questionnaire.

1.3.2.6 *Statistical techniques*

The Statistical Consultancy Services of the North-West University: Vaal Triangle Campus, was approached for assistance in the analysis of the data collected. Descriptive data with frequency scores and percentages were generated through the SAS programme. Manova, ANOVA and the Tukey HSD tests were also computed for the analysis of inferential data.

1.4 CONTRIBUTION OF THE STUDY

The study's significance is located in the application of the concept of entrepreneurship in the public school arena. Entrepreneurship is regarded in this study, as a possible solution to the resource dependency problem afflicting historically disadvantaged schools.

1.5 CHAPTER DIVISION

Chapter 1: Orientation

Chapter 2: The nature of the entrepreneurial organization and the role of the principal in fostering entrepreneurship praxes at schools

Chapter 3: Empirical research design

Chapter 4: Data analysis and interpretation

Chapter 5: Summary, findings and recommendations

1.6 CHAPTER SUMMARY

This chapter presented an orientation to the study by outlining the research problem, the research design, which includes aims, method, instrument and the description of the population. Finally, the chapter division for the study is outlined. The next chapter presents the literature review on the nature of the entrepreneurial organization and the role of the principal in fostering entrepreneurship praxes at schools.

CHAPTER 2

THE NATURE OF THE ENTREPRENEURIAL ORGANIZATION AND THE ROLE OF THE PRINCIPAL IN PROMOTING ENTREPRENEURSHIP PRAXES AT THE SCHOOL

2.1 INTRODUCTION AND BACKGROUND

The most common and powerful element of today's life environment, is change. Although by its very nature, change is more dramatic in some sectors of the economy than in others, no one is immune to its threat. In this regard, Lambing and Kuehl (2000:8) postulate that change is everywhere, and according to most observers and the rate of globalization, it will continue to accelerate and have important implications for all kinds of organizations. For this reason, every organization should organize itself so that it complies with the requirements unique to its environment. Maas and Fox (1997:19) point out, that the environment prevailing during the 80's and 90's was regarded as fairly stable and the criteria for success through those decades differ from those applying in the 21st Century due to this being a period characterized by a much more turbulent organizational atmosphere.

Schools exist within this turbulent atmosphere. Thus, according to Eyal and Inbar (2003:221), schools as organizations are also not immune to these environmental changes, which leads them to operate in an environment of increased uncertainty, which uncertainty does not stem only from competition but, rather from their openness and consequent exposure to rapid environmental changes, the fast pace of environmental changes and limited capacity to predict them, together with the multiple factors operating in the schools' environments and their dependence on external resources. These factors all serve to increase the uncertainty under which schools operate.

Eyal and Inbar (2003:221) emphasize that even though schools' survival is generally ensured and schools are not measured by standards of financial profit, in situations of stagnation, they might face losing their relevance to the society they serve. Under such circumstances, alternative educational agencies are likely to take advantage of the schools' lack of adaptiveness, thus diminishing their social function (Drucker *in* Eyal & Inbar, 2003:222).

For this reason, it would appear that the need for new initiatives, flexibility and self-renewal on the part of historically disadvantaged schools are the basic prerequisites in preventing the creation of gaps between societal-environment demands and the function of schools. To this end, it is the researcher's view that schools should embrace entrepreneurial praxes for their survival. The reality is as asserted by Zimmerer and Scarborough (2002:4):

We are living in the age of entrepreneurship and entrepreneurship throughout the world is stirring a revolution that is reforming and revitalizing economies, and because the establishment of entrepreneurial organizations and the growth of existing ones are regenerating the market economy.

In this sense, new and successful organizations are responsible for most products and services that are changing people's lives and entrepreneurs generate most of these new products and services by creating new businesses in the face of risk and uncertainty, for the purpose of achieving profit and growth by identifying opportunity and assembling resources in order to capitalize on them.

Therefore entrepreneurship as one of the fundamental strategies of business organizations seems to be the strategy that has to be employed in the public education arena because it represents organizational activism, which seeks to exercise control over environmental circumstances rather than reacting on them (Eyal & Inbar, 2003:9). Thus principals as leaders need to be highly effective and build mental models or frameworks to understand the world that they face and

operate in, as the modern warning states, "When faced with a team-rolling technology, (you) either become part of the technology or a part of the road" (Davies, 2002:1).

This study assumes the importance of schools' efficiency while examining educational resource generation and increases in learner enrolments as outcomes of the effective use of entrepreneurial praxes within historically disadvantaged schools. This chapter in particular sets out to present a theoretical framework within which this study is grounded. To this end, schools as learning organizations, open systems and the resource dependency theory comprise the conceptual framework for this study.

2.2 CONCEPTUAL FRAMEWORK

This study departs from the premise of a school as an organization existing among and with other societal organizations in its environment. This implies that the school continuously seeks to improve and adjust to changing circumstances in its environment. As mentioned above, schools are not immune to changes within their environment and thus, they operate in an environment of uncertainty, due to their also being subjected to environmental changes and the limited capacity to predict them. In this regard, Eyal and Inbar (2003:222) make the point that schools are limited by multiple factors in their environments and their dependence on external resources.

A striking factor relating to dependence on external sources is the fact that schools in South Africa operate within an education system that is centrally oriented – with the Ministry of Education making most decisions regarding educational policy (Republic of South Africa, 1996:2). Even with the decentralisation of the education system and the devolution of powers to provincial departments and to an extent, districts and schools themselves, the main source of authority and power remains located in the national Ministry itself. For instance, the financial allocation to the so-called Section 21 schools comes with directives as to how it should be expended in

terms of learning and teaching support materials (LTSM), services and school maintenance (Republic of South Africa, 1996; Eyal & Inbar, 2003:223). Schools are therefore subjected to compliance in as far as policy and directives from the Ministry are concerned, that is, they cannot act outside the confines of Ministerial directives. It is for this reason that schools operate within a state of uncertainty and are forever constricted from taking initiative to take risks, to be proactive and to be innovative in their operations (Eyal & Inbar, 2003:222).

However, schools can employ novel ways of acting within the education environment with built-in control mechanisms from the Ministry. This requires schools to operate as entrepreneurial organizations. This is because, as Lumpkin and Dess (1996:142) assert, entrepreneurial organizations possess adaptive capabilities and are linked to increased business success and improved organizational survival in conditions of uncertainty. It can be asserted that schools do not have an option but be entrepreneurial in their operations. This is because, as a point of departure in this study, schools are regarded as learning organizations, as open systems and as entities subjected to external environmental resource dependency. This study is therefore underpinned by a conceptual orientation which regards schools as learning organizations, as open systems and as being influenced by external resource dependency.

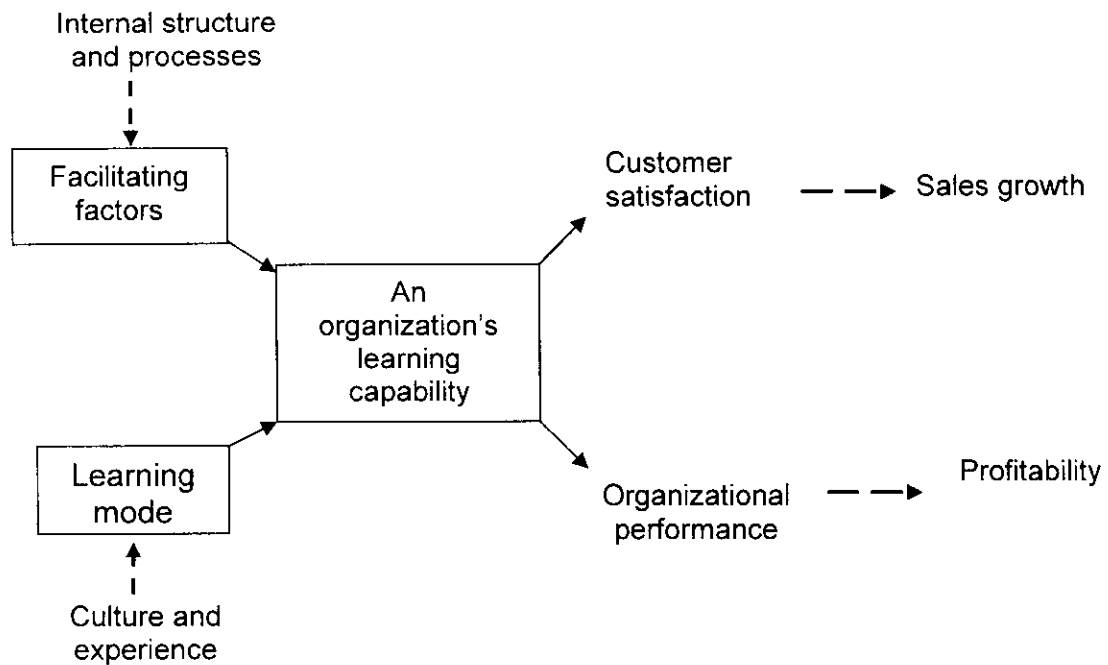
2.2.1 The school as a learning organization

A learning organization is described as an organization that learns, readily adapts to change, detects and corrects errors and continually improves (Argyris and Schon in Silins and Mulford (2002:427). Kreitner and Kinicki (1998:628) define a learning organization as one that proactively creates, acquires and transfers knowledge throughout the organization. Based on these definitions, Kreitner and Kinicki (1998:628) identify the following three key components of a learning organization, namely:

- new ideas, which relates to organizations trying to infuse themselves with new ideas and information by constantly scanning their external environments, hiring new talent and expertise when needed and devoting significant resources to train and develop employees;
- new knowledge transference throughout the organization, which relates to striving to reduce structural, process and interpersonal barriers to sharing of information, ideas and knowledge among organization members; and
- behavioural change as a result of new knowledge, which implies that learning organizations are result-oriented and foster an environment in which employees are encouraged to use and adapt to new behaviours and operational processes to achieve organizational goals.

This description is perhaps the reason why Kreitner and Kinicki (1998:628) point out, that organizations are finding that yesterday's competitive advantage, is becoming the minimum entrance requirement for staying in any business, which subsequently puts tremendous pressure on organizations to learn how best to improve and stay ahead of their competitors. In this sense therefore, an organization's capability to learn, is a key strategic weapon. This implies that organizations need to possess learning capabilities, which consist of core competencies, described as special knowledge, skills and technological know-how, that set organizations apart from their competitors and processes that enable them to adapt to their environment (Kreitner & Kinicki, 1998:629). Figure 2.1 illustrates an organization's learning capabilities.

Figure 2.1 The organization's learning capability



(Adapted from Kreitner & Kinicki, 1998:629)

Figure 2.1 shows that an organization's capability comprises of among other factors:

- *facilitating factors*, which are the internal structure and process that affect how learning occurs and the amount of effective learning that takes place. These include among others factors, the scanning imperative, performance gap, experimental mindset, climate of openness, continuous education, operational variety and involved leadership; and
- *the learning mode*, which relates to the various ways in which organizations attempt to create and maximize their learning. These are influenced by the culture and experience or past history of the organization and include, *inter alia*, analytic learning, experimental learning, interactive learning and institutional learning;

The interplay between facilitating factors and the learning mode results in organizational performance and customer satisfaction, which culminates into sales growth and profitability.

It is the researcher's opinion that this organizational learning capability is the ideal state of affairs in which historically disadvantaged schools should operate in their quest to be efficient and adequately responsive to societal needs. These schools need to possess and display learning capabilities, which in essence, are the fuel for organizational success. Learning capabilities equip schools as organizations to foresee and respond to internal and external changes. This capability in turn, increases the chances of satisfying customers, boosting learner enrolments and acquiring the much needed learning materials. Facilitating factors represent the internal structure and processes that affect how easy or hard it is for learning to occur and the amount of effective learning that takes place, while the learning mode on the other hand, represents the various ways in which schools attempt to create and maximize their learning in order to adapt to challenging conditions.

As a learning organization, the school is an entity that is adaptable and striving continuously to improve. This notion highlights the importance of environmental scanning for changes and challenges to which the school must respond. In this sense, the school is perceived as an open system.

2.2.2 The schools as an open system

Grobler, Campher, Du Preez, Looek and Shaba (2003:2) describe a school as a system. By its very nature, the school constitutes a system in that it comprises various components, all working together to achieve a common purpose. The notion of a school organization as a system is given expression by the systems theory. According to Suchan and Dulek (1998:91), most open systems theorists describe a system as a set of two or more elements that satisfies three conditions. First, every element has an effect on the behaviour of the whole. Second, the parts of the system, often called subsystems, are interrelated; thus, the way each

subsystem affects the whole, depends on at least one other subsystem. Third, if one breaks the system into subsystems, then each subsystem has the same two characteristics described above.

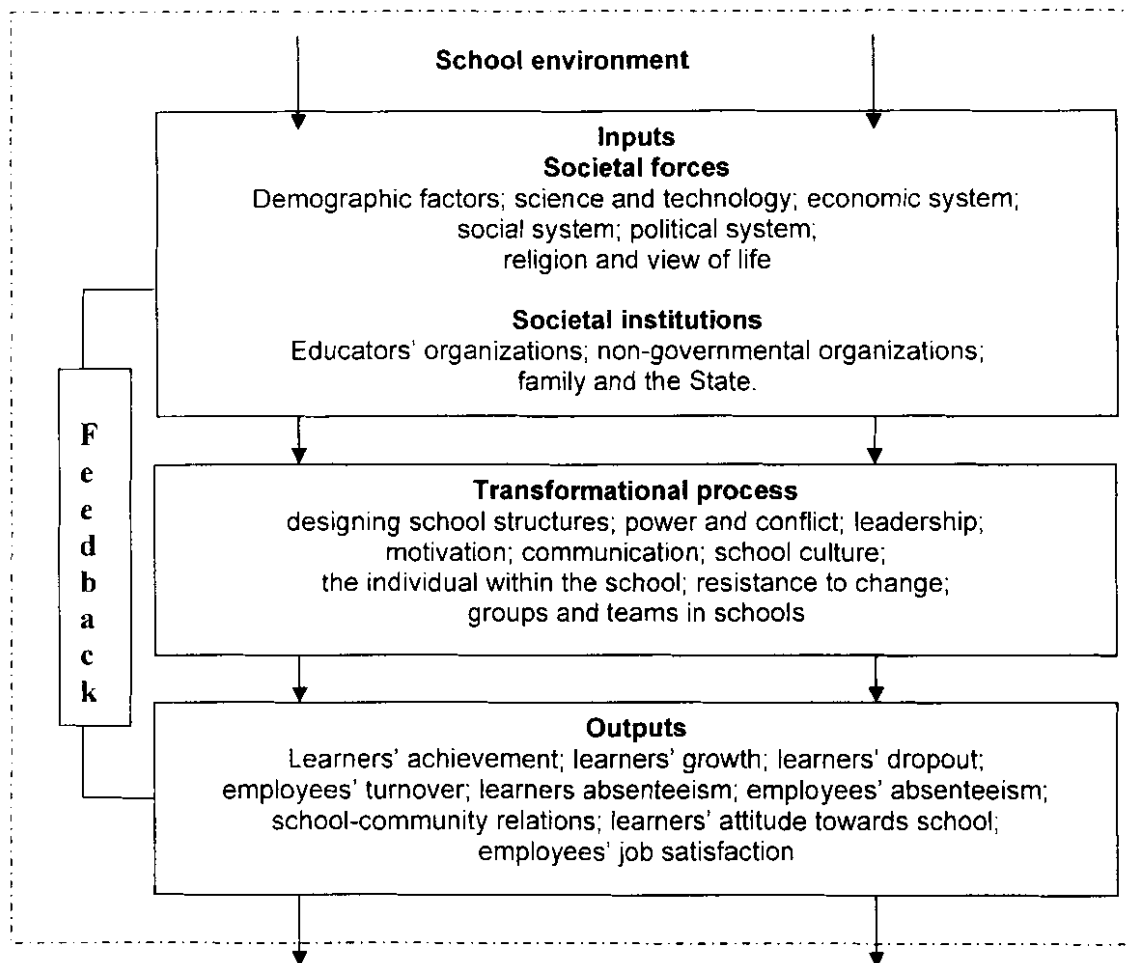
Accordingly then, Suchan and Dulek (1998:92) postulate that from a systems perspective, organizations are metaphorically constructed as organisms that must "sustain" themselves or "survive" through adaptation and that organizations adapt by scanning the external environment in order to determine changes in stakeholders' needs and then by coordinating and managing the activities of their internal environment to meet these new needs. Robbins (2000:606) emphasizes that the open systems approach recognizes that organizations are not self-contained, as they rely on their environment for life-sustaining inputs and as outlets to absorb their outputs. Thus, no organization can survive for long if it ignores government regulations, supplier relations, or the myriad of external constituencies upon which it depends.

Gornitzka (1999:6) indicates general agreement among social scientists that an organization does not and cannot exist in a vacuum but has to interact with its environment for achieving its basic objectives and that there is also little debate about the fact that this interaction implies that organizations to an extent are dependent on their environment for so-called critical resources, be they raw materials, personnel, monetary resources and/or stability.

Being in an environment in which it stands in relation to other organizations and systems, it can be concluded that the school as an organization is open to influences from its environment (Theron, 2002:80). According to Grobler *et al.* (2003:2), when viewing the school as a system, one needs to consider it as a whole, taking into consideration the interrelationships between the various components, and their relationship with the external environment and number of interdependent components that form a whole and work together to attain a common goal. However, it is clear, that while the school could be viewed as a

whole, the various components that make up the whole school system constitute important considerations. Thus, the systems theory represents the school as consisting of the following five parts (Figure 2.2):

Figure 2.2 The basic systems model



(Adapted from Globler et al., 2003:5)

- *Human, material, financial and societal institutions* and the forces which are used to produce a product or a service and which will have an impact on the school.
- *Transformation processes*, which relate to the context of the work in the school and the various management processes that are part of the

educative process by which learners become educated citizens who can make a worthwhile contribution to the society.

- *Outputs*, which include the school's products, services and the generation and distribution of knowledge.
- *Feedback*, which relates to information concerning the outputs that influence the selection of inputs during the next cycle of the school. Such information may lead to changes in both the transformation process and future inputs.
- *Environment*, which relates to all the societal institutions and societal forces surrounding the school.

In addition to the aforementioned factors, Grobler *et al.* (2003:6), state the following as the most important characteristics of the school as an open system organization:

- *All open systems are input-throughput-output mechanisms*, that is, systems take in inputs from the environment in the form of energy, information, money, people, raw materials and so forth. They do something to the inputs via conversion or transformation processes that change the inputs and the products are exported to the environment as outputs. The school, for example, takes in learners and changes them through the educative process into mature learners who hopefully, will provide a worthwhile service to society.
- *Every system has a boundary that separates it from its environment*, implying that the boundary delineates the system, that is, what is inside the boundary is the system and what is outside the boundary, is the environment. In representing a system one may wonder exactly where the boundary should be. A rule of thumb for drawing the boundary is that

more energy exchange occurs within the boundary than outside. Boundaries of open systems are permeable and permit the exchange of information, resources and energy between the system and the environment.

- *Negative entropy*, which, with regard to the law of entropy states that all systems 'run down' and disintegrate, unless they reverse the process of entropy by importing more energy than they can use. In the long run, all open systems are subject to the law of entropy in that they lose inputs or the ability to transform them and they die.
- *Open systems vary in their ability to survive*, which implies that by importing more energy from its environment than it expends, an open system can increase its ability to survive and can live on borrowed time even during the periods of crisis.
- *Information is important to systems in several different ways*. Systems appear to require two types of feedback, negative and positive. Negative feedback measures whether the output is on course with the purpose and goals, or not. Positive feedback on the other hand, comes from the environment to signal whether or not the environment in the form of community needs or wants have been addressed.
- *The coding process*, which implies that because systems are bombarded by all kinds of information, some of which are useful but most of which are not, they are able to 'code' useful information and incorporate it, while screening out useless information. The coding process simplifies the 'blooming, buzzing confusion' of the world around into a few meaningful and basic categories for a given system.
- *The steady state and dynamic homeostasis*, which implies that the importation of energy to arrest entropy maintains some constancy in

energy exchange, so that open systems that survive, are characterized by a steady state. This steady state is, however, not a motionless or true static balance. It is a dynamic balance that maintains itself by means of continual movement and consequently, is known as a dynamic equilibrium.

- *Differentiation*, relating to the fact that systems tend to become more elaborate, differentiated, specialized and complex over time. In other words, social organizations move towards the multiplication and elaboration of roles, with greater specialization of functions. In this regard, one could consider how physicians have moved from being general practitioners to becoming specialists. In education, as one moves from primary to tertiary education, so does specialization increase.
- *Integration*, which implies that as differentiation proceeds, the same processes that bring the system together for unified functioning also counter it. This is similar to the example used to argue the point about stability and instability. In the school, one can recognize, for example, functions such as education, personnel, administrative, financial, purchasing, legal and management functions, each of which is an attempt at the co-ordination or grouping together to prevent fragmentation.
- *Equifinality*, which implies that as a principle, a system can reach the same final state from differing initial conditions and by a variety of paths. These are, in fact, multiple ways of arriving at a particular outcome or state. There can be subsystems within larger systems and systems can be arranged into a hierarchy of systems moving from less important to more important.

Being an open system subjects the school to environmental factors. It stands to reason therefore that schools, historically disadvantaged schools in this context, would be open, for instance, to competition for resources for survival. In this regard, learners, expert educators and teaching and learning resources, are resources that these schools could compete for in their environments with other historically disadvantaged schools as well as historically advantaged schools. This, in essence, highlights the dependence of schools on resources found in their environment and foregrounds the importance of the school and resource dependency.

2.2.3 The school and resource dependency

Resource dependency stems from the notion that schools as organizations exist in an environment within which they compete with and depend on other organizations for resources (Buvik, 2001:341). This is correctly highlighted in the resource dependency theory. According to this theory, a given organization will respond to and become dependent on those organizations or entities in its environment that control resources which are both critical to its operations and over which it has limited control (Buvik, 2001:341).

According to Cloete and Maasen (2002:465), the resource dependency theory assumes that organizations are flexible, that they will adapt if a change in the environment threatens critical resource relationships, and that they will adapt their prevailing repertoire of exchange relationships in order to ensure a continuous flow of resources. In essence, the theory argues that organizations are not self-directed and are not autonomously pursuing their own ends undisturbed by their social context. Thus, in terms of resource availability, the resource dependency theory argues that effecting changes in resource flows brings about organizational change (Cloete & Maasen, 2002:265).

The resource dependency theory seems to relate to how organisations behave with regard to resources. According to Katz, Macquire and Ronceck (2000:478),

the theory suggests that because no organization is self-sufficient and that every organization needs resources that it does not control to survive, they (organizations) must obtain resources to survive, and that to obtain these resources, they must engage in exchange with other organizations in their environment by interacting with external groups or organizations that control them. Accordingly, Johnson and Bob, (1998:1970) assert that such dependency makes the external constraint and control of organizational behaviour possible as an asymmetrical exchange and power relations are created between organizations.

Therefore the resource dependency theory relates organizational behaviour to the critical resources that the organization needs for its survival and functioning. To this end, a crucial activity for organizations is to find ways to eliminate or reduce dependence on outside resources, or to achieve stability in its relationships with those on whom it depends for resources. In that regard, Erakovic and Wilson (2006:468) point out that resource dependency focuses on the role of managers in anticipating and addressing the resource requirements of the organization. This includes making strategic choices to offset external pressures relating to resource acquisition. Erakovic and Wilson (2006:468) argue in this regard that managers' responses could range from adapting or changing the organization to fit the environment by restructuring, refocusing or deploying resources to, at the extreme, altering the environment to fit organizational capabilities, through lobbying for legislative change, establishing alliances or relocating.

Accordingly, Johnson and Bob (1998:1971) describe resource dependency as focused on:

- resources;
- the flow or exchange of resources between organizations;
- dependencies and power differentials created as a result of unequal resource exchanges;

- the constraining effects dependence has on organizational action; and
- the efforts by organizational leaders to manage dependence.

In consideration of the focus of resource dependency, two factors, according to Erakovic and Wilson (2006:468), determine the resource dependency of an organization namely:

- the extent to which certain resources are critical for organizational functioning and survival; and
- the availability or scarcity of the resources in the organization's environment, including the degree to which another organization controls the resources.

Erakovic and Wilson (*ibid*) thus assert that it is through the strategic actions of organizations' managers that organizations compete to gain the required resources.

Katz *et al.* (2002:478) postulate that the resource dependency theory suggests that organizations must obtain resources to survive. Therefore, no organization is self-sufficient - every organization needs resources that it does not control, and must acquire them.

From the viewpoint of the resource dependency theory, it can be argued that historically disadvantaged schools simply cannot adapt if a change in the environment threatens critical resource relationships. In this regard, Muller, Maasen Cloete (2006:298) argue that symbolic government policy generated unrealistic expectations about redress and unexpectedly, these schools faced intensified market competition for learners, with most of them (schools) located in impoverished rural and township areas without strong academic and management capacity, and as a consequence having virtually no resources on which to fall back

on in order to avoid crises, hence an exodus of learners to historically advantaged schools located in former whites-only areas (Muller *et al.*, 2006:298).

From the assertion that the school is both a learning organization and an open system, it can be averred that historically disadvantaged schools have strong possibilities of competing with other schools in the so-called advantaged areas. The reasoning behind this assertion is that all schools are influenced by resource dependency. It can be asserted that since there are historically disadvantaged schools that do perform well and do attract resources, albeit at a smaller scale than their counterparts, that alone can serve as a launching pad for exploring and exploiting opportunities for growth within these schools' social environments. This is precisely what an insight into entrepreneurship advocates, and to gain insight into this phenomenon, the nature of an entrepreneurial organization is critical.

2.3 THE NATURE OF AN ENTREPRENEURIAL ORGANIZATION

Purely from a linguistic point of view, an entrepreneurial organization connotes an organization that practices entrepreneurship. Morris and Jones (2000:71) point out in this regard that entrepreneurship being a process of creating value by bringing together a unique combination of resources to exploit an opportunity, is therefore a process and as such requires both an event and an entrepreneurial agent.

To expose the nature of an entrepreneurial organization in this context, it is necessary to explicate the terms usually associated with entrepreneurship. The next section expounds concepts associated with the entrepreneurial organization, entrepreneur, entrepreneurship and intrapreneur. The concept "entrepreneur" receives attention first.

2.3.1 Entrepreneur

There are numerous definitions of an entrepreneur. According to Lambing and Kuehl (2000:14), the term is borrowed from the French word "entreprendre".

“Entre” can be interpreted as either the verb “to enter” or as the adverb “between” while “prendre” is the verb “to take”. An entrepreneur is therefore one who takes a position between a supplier and a customer. Nieman, Hough and Nieuwenhuizen (2003:9) define an entrepreneur as an individual who establishes and manages a business for the main purpose of profit and growth, so that an entrepreneur is characterized principally by innovative behaviour and employing strategic management practices in an organization.

Johnson (2001:137) sees an entrepreneur as an individual who takes agency and initiative, who assumes responsibility and ownership for making things happen, and is both open to and able to create novelty, who manages the risks attached to the process and who has the persistence to see things through to some identified end-point, even when faced with obstacles and difficulties.

Vosloo (1994:147) posits that an entrepreneur in its broadest sense as a person who has the ability to explore the environment, identify opportunities for improvement, mobilize resources and implement action in order to maximize those opportunities which implies that an entrepreneur predicts, responds to, and creates change regarding the discovery of new resources, new consumer desires, and new technological opportunities and seeks profit by creating new products and services, new businesses and new production methods, so that a successful entrepreneur correctly anticipates consumer preferences and efficiently uses resources to meet these preferences.

According to Maas and Fox (1997:11), entrepreneurs are people who identify opportunities and utilize them to their own good and the internal and external environments. Coulter (2001:16) sees an entrepreneur as someone who initiates and actively operates an entrepreneurial venture, which means, that such a person on top of identifying opportunities that are the basis of pursuing and initiating an entrepreneurial venture, also operates it.

Van Aardt, Van Aardt and Bezuidenhout (2000:4) define an entrepreneur as one who organizes, manages and assumes risks of a business enterprise and a such an entrepreneur is one who creates and builds something of value from practically nothing. In this sense, an entrepreneur finds personal energy by initiating and building an organization, rather than by just watching, analyzing or describing one.

Wickham (2001:7) provides a rather quantifiable definition of an entrepreneur, which seems to reflect various definitions of an entrepreneur, that is,

- a manager undertaking an activity in terms of the particular tasks he/she performs and he/she performs them;
- an agent of economic change in terms of the effects they have on economic systems and the change they drive; and
- an individual in terms of his/her psychology, personality and personal characteristics.

It is clear that there are many definitions of an entrepreneur. To this end, Burns (2005:6) points out, that entrepreneurs can be described in terms of their characteristics and defined by their actions and in that regard, one of the major differentiating factors is a degree of innovation they practice. For this reason, Lambing and Kuehl (2000:16) identify the following as the characteristics of an entrepreneur:

- *A passion for the business:* The entrepreneur must have more than a casual interest in the business because there will be many hurdles and obstacles to overcome. If there is no passion, or consuming interest, the business will not succeed.
- *Tenacity despite failure:* Because of the hurdles and obstacles that must be overcome, the entrepreneur must be consistently persistent. Many successful entrepreneurs succeeded only after they had failed several

times. It has been stated: "Successful entrepreneurs don't have failures. They have learning experiences"

- *Confidence*: Entrepreneurs are confident in their abilities and the business concept. They believe they have the ability to accomplish whatever they set out to do. This confidence is not unfounded, however.
- *Self-determination*: Nearly every authority on entrepreneurship recognizes the importance of self-motivation and self-determination for entrepreneurial success. Self-determination is a crucial sign of a successful entrepreneur, because successful entrepreneurs act out of choice and are never victims of fate. The entrepreneur believes that his/her success or failure depends on his/her own actions (internal locus of control). A person who believes that fate, the economy, or other outside factors determines success has an external locus of control and is not likely to succeed as an entrepreneur.
- *Management of risk*: The general public often believes that entrepreneurs take high risks, although that is usually not true. Entrepreneurs do not put all of their resources and time into a venture until it appears to be viable, they define the risks early in the process and minimize them to the extent possible.
- *Changes are opportunities*: To the general public, change is often frightening and is something to be avoided. Entrepreneurs, however, see change as normal and necessary. They search for change, respond to it, and exploit it as an opportunity, which is the basis of innovation and pro-activeness.
- *A tolerance for ambiguity*: An entrepreneur's life has been described as a professional life riddled by ambiguity - a consistent lack of clarity. The successful entrepreneur feels comfortable with this uncertainty.

- *Initiative and a need for achievement:* Successful entrepreneurs take the initiative in situations where others may not. Their willingness to act on their ideas often distinguishes them from those who are not entrepreneurs. They act on their ideas because they have a high need for achievement, shown in many studies to be higher than that of the general population.
- *Detail-orientation and perfectionism:* Entrepreneurs are often perfectionists, and striving for excellence, or "perfection", and that is what helps make the business successful. The attention to detail and need of perfection result in quality products or services.
- *Perception of passing time:* Entrepreneurs are aware that time is passing quickly and they therefore often appear to be impatient. Because of this time orientation, nothing is ever done soon enough and everything is a crisis.
- *Creativity:* One of the reasons that entrepreneurs are successful, is that they have imagination and can envision alternative scenarios. They have the ability to recognize opportunities that other people do not see. They must know what the customers want - sometimes a little before they know they want it and before they know it's possible.
- *The big picture:* Entrepreneurs often see things in a holistic sense and they have an ability to see the "big picture" when others see only the parts. They scan the environment, which will allow them to see the entire business environment and the industry and this will help them to formulate the larger picture of the business activity.

In scrutinizing the definitions of an entrepreneur, the following common characteristics of successful entrepreneurs became evident:

- The ability to recognize business opportunities.
- Creating, establishing and/or expanding profitable economic organizations through time, effort and money.
- Blending of creativity, pro-activeness, innovation and risk-taking with hard work.
- Correct appropriation of resources.

From the foregoing exposition, it is clear that an entrepreneur is the entrepreneurial agent. The actions of an entrepreneur give expression to the concept process denoted by the concept of entrepreneurship.

2.3.2 Entrepreneurship

Nieman *et al.* (2003:9) define entrepreneurship as the process that causes changes in the economic system through innovations of individuals who respond to change opportunities in the market. Timmons and Spinelli (2004:47) define entrepreneurship as a way of thinking, reasoning, and acting that is opportunity-obsessed, holistic in approach and leadership-balanced.

Echols and Neck (1998:40) expound entrepreneurship as a process, and indicates that it takes place in different environments and settings, which causes changes in the economic system through innovations brought about by individuals who generate or respond to economic opportunities that create value for both those individuals and society.

Kayne (1999:3) further indicates that entrepreneurship is characterized by innovation, creativeness, dynamism, risk-taking, flexibility and growth-orientatedness and that the term is frequently used to refer to the rapid growth of proactive and innovative organizational processes, which also associated with

individuals who create or seize opportunities and pursue them without regard for resources under control.

Timmons (1999:27) asserts that at the heart of entrepreneurship is the creation and/or recognition of opportunities, followed by the will and initiative to seize them and thus it typically requires individuals to devise ingenious strategies to marshal their limited resources.

According to Lambing and Kuehl (2000:14), one of the best definitions of entrepreneurship was developed by Professor Jeffrey A. Timmons, author of *The Entrepreneurial Mind*, that:

Entrepreneurship is a human, creative act that builds something of value from practically nothing. It is the pursuit of opportunity regardless of resources, or lack of resources at hand. It requires a vision and passion and commitment to lead others in pursuit of that vision. It also requires a willingness to take calculated risks.

Johnson (2001:139) identifies the following facts about entrepreneurship and states, that:

- It is a creative act whereby something that did not exist previously is built/created;
- Creation, in the sense of entrepreneurship is based upon perceiving and capturing an opportunity that may be buried in the 'noise' of the environment;
- Creation is opportunity-driven rather than resource driven, that is, if the opportunity is perceived as significant, resources will be found;
- It invariably involves a degree of risk because of the newness and "differentness" that makes it difficult to calculate its value;

- It results in the creation of value for individuals, community or society; and
- It often involves creative destruction.

Maas and Fox (1997:64) highlight the necessary dimensions of entrepreneurship and indicate that entrepreneurship consists of three subcomponents, namely:

- *Risk-taking* which means that in pursuing opportunities, a preference for high-risk and high-return projects is shown;
- *Proactivity*, which implies that there is a willingness to be the first to respond to needs for new or better products and services; and
- *Innovation*, which indicates a willingness to emphasize novel ways of delivering products and services in a more effective, efficient and responsive way.

From the various definitions of entrepreneurship, it can be concluded that entrepreneurship is a result of actions of entrepreneurs. This implies that as an outcome of actions of entrepreneurs, there are driving forces for entrepreneurship apart from the characteristics of entrepreneurs. In this regard, Kroon (1998:85) provides a framework which is based on the fundamental driving forces of entrepreneurship, which are influenced separately and collectively by the environment, namely:

Entrepreneur, which relates to the fact that an entrepreneur or management team is more important than technology, because the management team can change the product and utilize the opportunity creatively. Thus the composition of the management team must bring about synergy in terms of all the skills needed in an organization.

The opportunity, which relates to the fact that entrepreneurs are opportunity people, who constantly examine new ideas in search of opportunities. Therefore a

good opportunity is attractive, sustainable, timely, anchored in product or service that adds value to the customer

The resources, which relates to identifying, obtaining and managing the resources necessary to utilize the opportunity. It is especially in this process of obtaining and identifying resources that the true creativity and innovative capabilities of entrepreneurship are manifested.

Taking key concepts from a number of definitions, including the ones above, one can identify some important aspects of an entrepreneur and entrepreneurship, that is, the two concepts involve:

- Managing the organization, which involves planning, organization, leadership and control of all the functions in the organization or business venture;
- Getting resources, which suggests that capital labour and operating equipment must be found;
- Innovation and pro-activeness, which relates to the fact that something new and different is needed;
- Identifying an opportunity;
- Taking risks, which relates to the reality that there will be personal and financial risks involved for the people who embark on entrepreneurship; and
- Being rewarded, which is an essential element of the free market system and can be in the form of profit or an increase in the value of the business.

It is clear that entrepreneurship can occur in any organizational context and result in a variety of possible outcomes, including new ventures, products, services, processes, markets and technology.

From the foregoing exposition of an entrepreneur and entrepreneurship, it can be seen that entrepreneurship relates to actions of entrepreneurs. This foregrounds the concept of intrapreneurship within an organizational setting.

2.3.3 Intrapreneurship

Intrapreneurship involves fostering entrepreneurial behaviours within an established organization and may be viewed as a system enabling individuals to use creative processes that enable them to apply and invent technologies that can be planned, deliberate and purposeful, in terms of the level of innovative activity desired (Echols & Neck, 1998:40). Coulter (2001:10) sees intrapreneurship as the process of using organized efforts and means to pursue opportunities to create value and grow by fulfilling wants and needs through innovation and uniqueness. Coulter emphasizes that intrapreneurship is the pursuit of entrepreneurship within the confines of an organization.

In short, intrapreneurship means that organizations can foster profit-making and resource acquisition innovations by encouraging employees to think like entrepreneurs and then giving them the freedom and flexibility to pursue their projects without being bogged down in bureaucratic inertia or a system enabling individuals to use creative processes that enable them to apply and invent technologies that can be planned deliberately and purposefully in terms of the level of innovative activity desired (Echols & Neck, 1998:40).

Bridges, O'Neill and Crommie (1998:188) indicate that the word "intrapreneurship" was invented by an American, Gifford Pinchot III, to describe the practice of entrepreneurship within an organization or business and also as a necessary practice if organizations are to continue to develop indefinitely. Intrapreneuring, first espoused by Pinchot (in Wickham, 2001:388), is an attempt to take the mindset and behaviours that external entrepreneurs use to create and build businesses and bring these characteristics to bear inside an existing corporate setting.

McFadzean, O' Loughlin and Shaw (2005:352) define intrapreneurship as a process to promote entrepreneurial behaviours within an organization and uses the fundamentals of management, while adopting a behavioural style that challenges bureaucracy and encourages proactivity and innovations.

Foong, Oliga and Rashid (1997:69) argue that the notion that entrepreneurship and intrapreneurship relate to different problematics, is generally uncontroversial, since the problematic of entrepreneurship is taken to be opportunity-driven, while that of intrapreneurship is problem-driven. Foong *et al.* further point out that entrepreneurs search, without the constraints of an existing threatened organization (that is, *ex nihilo*, as it were) for innovative opportunities that are then carefully appraised in value-chained terms and risk/reward tradeoffs, before a choice decision is made, while intrapreneurship, also known as corporate entrepreneurship, focuses on the innovative "mess" management and problem-solving within an already established organization, whose survival/prosperity is presumed to be threatened and, which therefore needs revitalization, renewal or regeneration.

Pinchot III (1985:195) further emphasizes that before any commitment is made in order to become an intrapreneur, the culture of the organization should be analyzed to establish whether it is suitable for the implementation of intrapreneurship. It is therefore necessary to establish the required culture for the implementation of intrapreneurship. Pinchot III identifies the most important elements of an intrapreneurial culture as freedom, flexibility, trust and co-operation, creativity, independence, risk-taking and feedback.

Just as entrepreneurship is the outcome of an entrepreneur's actions or more precise, entrepreneurial actions, it can be reasoned out that intrapreneurship is the outcome of intrapreneurs' intrapreneurial actions. McFadzean *et al.* (2005:352) posit that an intrapreneur is also responsible for stimulating innovation and proactivity within the organization through the examination of potential new

opportunities, resources acquisition, implementation, exploitation and commercialization of new products or services.

According to Pinchot III (in Wickham, 2001:388), an intrapreneur is an entrepreneur who works within the confines of an organization, and his/her role is being responsible for:

- developing and communicating organizational vision;
- identifying new opportunities for the organization;
- generating innovative strategic options;
- creating and offering an organizational-wide perspective;
- facilitating and encouraging change within the organization; and
- challenging existing ways of doing things and breaking down bureaucratic inertia.

Analyzing the words entrepreneurship, entrepreneur, intrapreneurship and intrapreneur within an organizational setting portrays a notion of a particular organization. It can be reasoned that the practice of entrepreneurship and intrapreneurship must portray an entrepreneurial organization.

2.3.4 An entrepreneurial organization

According to Kotelnikov (www.1000ventures.com), an entrepreneurial organization is an organization that promotes entrepreneurial activity by adapting structure, management and processes accordingly, in order to gain the required agility, speed, creativity and drive to act profitably upon specific opportunities. Thus, an entrepreneurial organization meets two criteria, namely (Kotelnikov, www.1000ventures.com):

- it is structured so that its members are given information and tools necessary to allow each to pursue solutions and take advantage of opportunities at their level, based on the stated objectives of the organization; and
- it has an atmosphere that encourages individual initiative, and actually views mistakes and failure that occur in the process of taking initiative as progress in the personal and organizational quest for excellence.

Lumpkin and Dess (1996:141) define an entrepreneurial organization as an organization's ability to use resources in a novel way, leading to the creation of new products and services in its environment, so that it essentially represents organizational willingness and/or capabilities to act free of existing constraints of the environment. In this regard, according to Lambing and Kuehl (2000:11), the one factor that distinguishes the entrepreneurial organization from any other organization, is its ability to innovate, that is, the ability to innovate quickly and adapt to customers' changing demands, which aspects are viewed as major characteristics of entrepreneurial organizations.

It can be asserted therefore that entrepreneurial organizations *per definition*, focus on being proactive in the recognition of new opportunities, which enables them to develop new products and markets through a process of managed innovation (Lambing & Kuehl, 2000:11). In this sense, entrepreneurial organizations create a positive atmosphere for all employees to foster new ideas and encourage them to act upon their ideas, which necessitates the employees to act as 'intrapreneurs' and just as entrepreneurs transform their ideas either into new or improved products or services within their existing organizations (Bamber Owens & Suleman, 2004:205). This means that employees are empowered to make informed decisions, hence the need for them to be intrapreneurs, having to think of the entire business when making decisions and having to take responsibility for their decisions.

To succeed in creating such an environment, entrepreneurial organizations have structures that are flexible enough to respond quickly to changes in the environment and facilitate communication of these changes, enable efficient and effective communication between members of the entrepreneurial team and between employees in all departments, while such structures ensure delegation of responsibility and authority over work to enable employees to be creative and solve problems (Nayager & Van Vuuren, 2005:31).

Morrison, Rimmington and Williams. (1999:22) aptly surmise the most prominent features of an entrepreneurial organization as consisting of:

- *Knowledge and learning*, which implies a learning organization which is continuously committed to the acquisition of knowledge and expertise relative to both market and management information in order to maximize the organization's potential and to excel within a given activity.
- *Opportunities*, which implies constant vigilance towards identifying new opportunities to be pursued and awareness that opportunities have a limited life. Thus, the importance of acting quickly in order to optimize them.
- *Participants*, which relate to valuing the contribution of participants in the process of entrepreneurship. Entrepreneurial teams are linked to a set of commonly held values. The organization has the ability to manage effectively the relationships involved.
- *Resources*, which imply ingenious mobilization of resources that enable the pursuit and realization of opportunities without regard for the resources an organization actually controls.
- *Risk and uncertainty*, which refers to evaluating the risks and uncertainty associated with projects, but does not suffer from analysis paralysis, in that

it has the confidence to assume a certain degree of risk and is willing to learn from mistakes.

- *Vision and strategy*, which relates to the power to discern future prospects of success and the ambition and strategies to progress towards achieving them. Clear vision and directions for the future are forces which bind the organization.

It is clear from the foregoing exposition that an entrepreneurial organization's distinguishing feature relates to its environment, that is, an environment that fosters entrepreneurship and promotes both entrepreneurs and intrapreneurial activities. Obviously such an organizational environment does not happen *per* chance. It can be asserted that such an environment is fostered. To this end, entrepreneurial leadership takes precedence.

2.3.5 Organizational entrepreneurial leadership

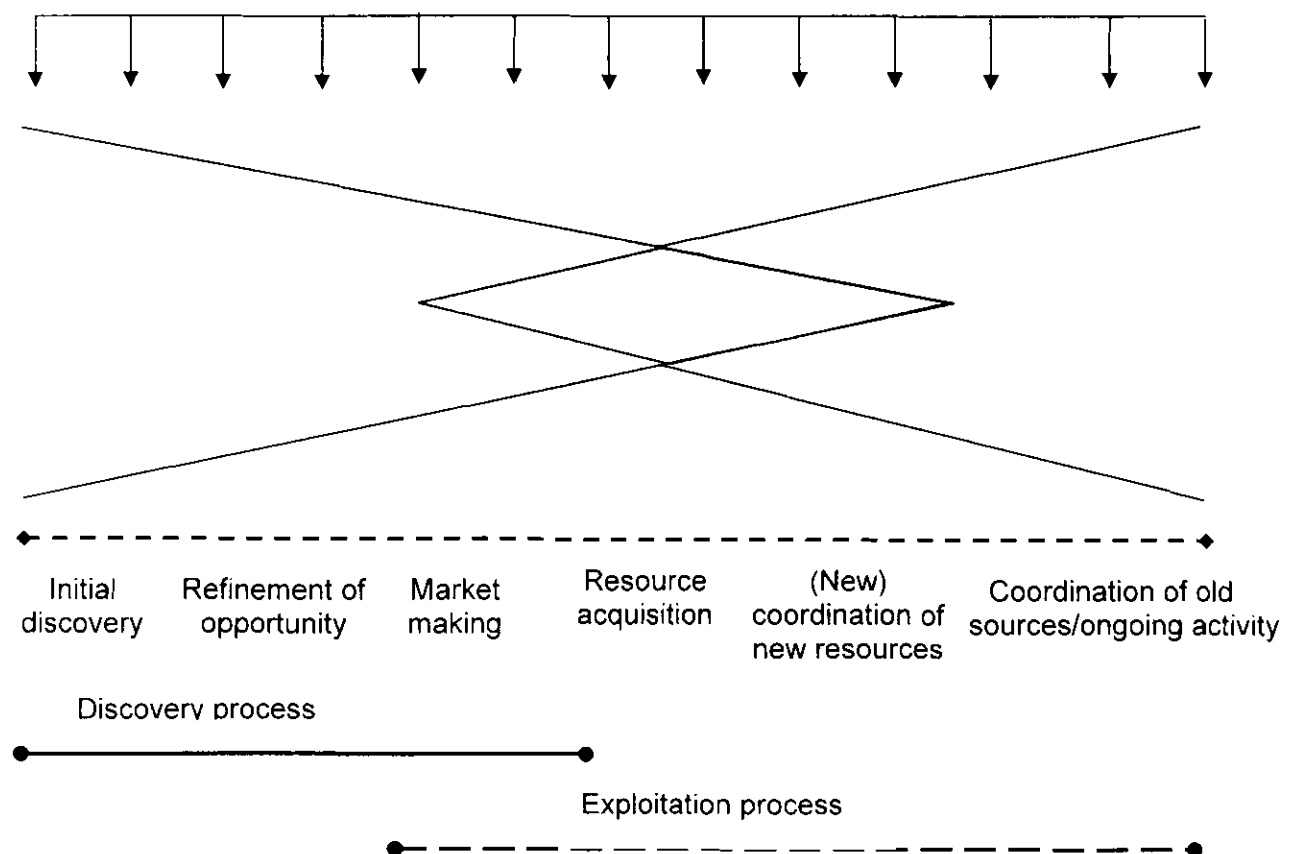
Managing and leading an entrepreneurial organization is a challenge that requires distinctive skills and capabilities. Burns (2005:80) argues that although management and leadership are distinctly different concepts, the skills and competencies associated with each concept, are complementary. In this regard, Burns defines management as concerned with handling complexity in organizational processes and the execution of work and is linked to the authority required to manage within some form of hierarchy. Thus planning, organizing, commanding, coordinating and controlling are functions of management.

Leadership, according to Burns (2005:81), is concerned with setting direction, communicating and motivating and is particularly concerned with change. Thus leadership would be trademarked by having an organizational vision, being able to communicate effectively, being able to think strategically, creating an appropriate culture in the organization and controlling and monitoring performance.

With this definitional background, it can be pointed out that entrepreneurial leadership involves entrepreneurship, the practice of entrepreneurial activities or entrepreneurial orientation and managing the entrepreneurial events or processes (Morris & Jones, 2000:74). In this regard, Gupta, MacMillan and Surie (2004:243) advocate the concept of entrepreneurial leadership as involving fusing together the concepts of “entrepreneurship”, “entrepreneurial orientation” and entrepreneurial management with leadership.

Nieman *et al.* (2003:13) present the domains of entrepreneurship, management and leadership to explain entrepreneurial leadership (Fig. 2.3).

Figure 2.3 Domains of entrepreneurship, management and leadership



(Adapted from Nieman, Hough and Niewenhuizen, 2003:14).

As illustrated in figure 2.3, entrepreneurship covers the discovery process, while management covers the exploitation process, that is, when the entrepreneur starts to manage the process. In the case of the entrepreneurship process, functions involved include, innovative thinking and the identification of opportunities, planning and the establishment and/or growth of the venture and the application of resources. The management process involves the managerial functions of planning, organizing, leading and control, as well as some various business functions like finances, marketing, production, purchasing, administration, human resources and public relations. Therefore entrepreneurial leadership encompasses both the entrepreneurial and the management domains.

Entrepreneurial leadership can thus be defined as leadership that is based on opportunity recognition and exploitation and the management of the entrepreneurial process. This essentially implies that an entrepreneurial leader leads throughout the entrepreneurial process, that is, from the discovery to the exploitation stage. This factors in the element of followers or subordinates. To this end, the entrepreneurial leader exercises leadership that encourages and instils an entrepreneurial and intrapreneurial spirit among followers or subordinates. In this regard, Burns (2005:82) takes from Senge's leadership prime tasks that entrepreneurial leaders have, namely:

- designing the organization and its architecture so as to encourage the learning process, which involves encouraging people to focus activities where change will lead to significant and lasting improvement for the organization;
- being steward of a vision that inspires staff and is transmitted to others; and
- teaching learning or how to develop systematic understanding of how to approach and exploit change.

To succeed in these tasks, entrepreneurial leadership not only pursues innovative ideas, but gives the organization a sense of direction and purposely aligns developments to the vision and direction of the organization (Burns, 2005:98). To this end, Burns asserts that entrepreneurial leadership possesses good interpersonal and team-working skills. Five elements of entrepreneurial leadership are discernable, namely:

- having a vision;
- effective communication, especially of the vision;
- being able to think strategically; and
- controlling and monitoring performance.

Wickham (2001:368) enumerates the following as key elements of entrepreneurial leadership:

- Personal vision, which is the driving force behind leadership;
- Communication with stakeholders, which refers to relating the entrepreneurial vision to stakeholders through a variety of communication channels and forums, which communication is essentially a call to action as against a mere relaying of information.
- Organizational culture, which is the web of rules that define how the organization goes about its tasks;
- Knowledge and expertise, which implies that entrepreneurial leadership involves entrepreneurial expertise;
- Credibility, which means that a leader instils confidence that through his/her ability to take the entrepreneurial process or venture in a direction that will benefit followers or the organization;

- Performance of the venture, which means being seen to make decisions that lead to successful outcomes in terms of stakeholder expectations;
- Leadership role, which means taking the position of leader of the process or venture; and
- Desire to lead, which underpins leadership and possesses the freedom and power to lead.

In a purely entrepreneurial sense, Calvin (2002:23) sees an entrepreneurial leader as a person who:

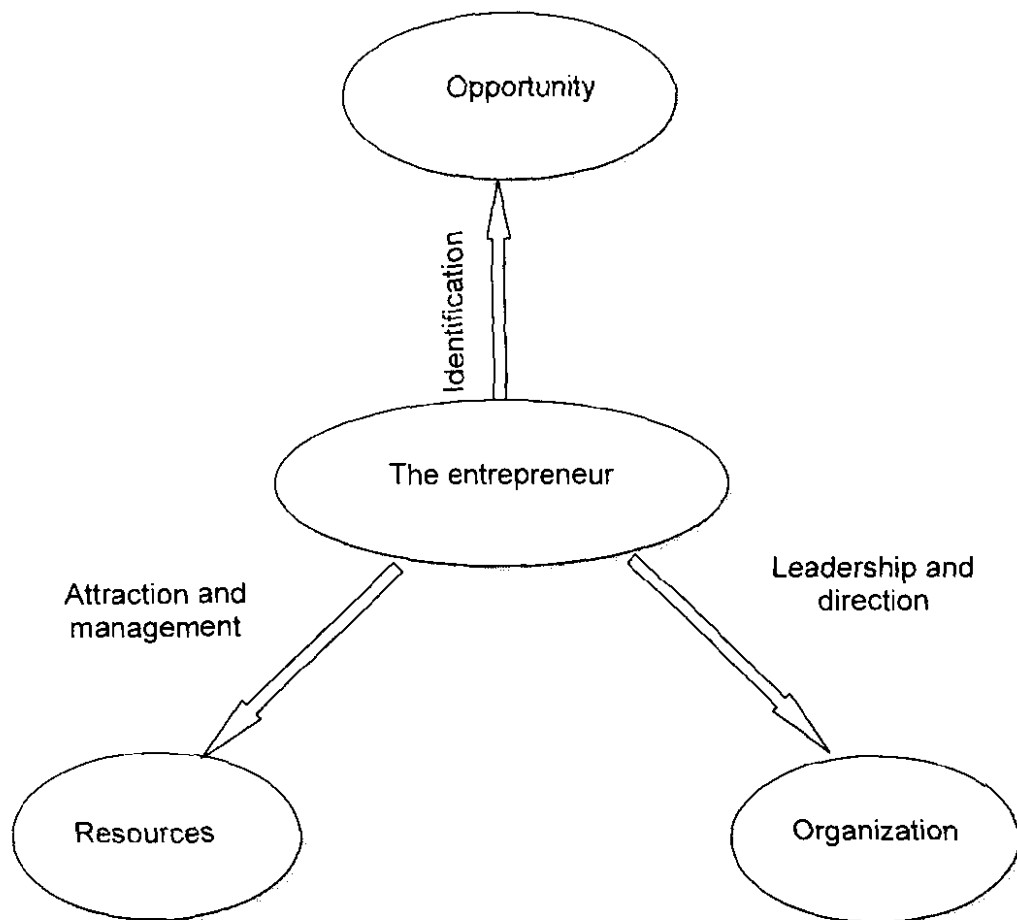
- uses target marketing to focus resources;
- uses market segmentation to differentiate and customize the offering;
- is successfully dealing with change;
- having a cost-efficient, effective sales organization and marketing approach;
- leverages on both technology and human resources;
- ensures operational excellence; and
- alters existing products to meet unfilled needs in specialized markets.

It is clear from the foregoing exposition that for the entrepreneurial organization to succeed in driving the entrepreneurial process, entrepreneurial leadership is a critical process. This in itself poses a challenge for the entrepreneurial leader to be an expert in entrepreneurship and actually know and have expertise about how the organizational entrepreneurial process unfolds.

2.3.6 The organizational entrepreneurial process

It has become clear from the foregoing exposition of entrepreneurial organizations that an entrepreneurial organization exists to pursue entrepreneurship. It is also clear that for this to be realized, an entrepreneurial organization needs to have entrepreneurial leadership to drive the whole organization in the direction of entrepreneurship. Accordingly then, an entrepreneurial process is the apposite vehicle through which this can be done. Wickham (2001:37) presents a framework of an organizational entrepreneurial process. He points out, that the framework is based on four interacting contingencies, that is, those things that must be present in the process but can make an appearance in an endless variety of ways. The four contingencies, according to Wickham, are represented in figure 2.4.

Figure 2.4 The entrepreneurial process



(Source: Wickham, 2001:37)

As illustrated in figure 2.4, the entrepreneurial process has four interacting contingencies. Wickham (2001:38) describes these contingencies as follows:

- *The entrepreneur*, who is the individual who leads the entrepreneurial process;
- *The opportunity*, which is the gap left in a market by those who currently serve it and represents the potential to serve customers better than they are being served at present. The entrepreneur is responsible for scanning the

business environment to unexploited opportunities or possibilities that something important might be done, both differently and critically better than it done at the moment.

- *The organization* which forms the platform for providing the space or platform from which entrepreneurial activities are coordinated. Organization can thus take a variety of forms, depending on a number of factors such a size, their rate of growth, the industry they operate in and the culture that it adopts; and
- *Resources*, which include the money invested in the entrepreneurial venture, the people who contribute knowledge and skills to the venture and the physical assets such as the productive equipment and machinery, buildings and vehicles, including such intangible assets as brand names, organizational reputation and customer goodwill.

The entrepreneurial process clearly indicates the interactive nature of the contingencies involved as explained by Wickham above. Clearly, the entrepreneur plays a crucial role in so far as identifying the opportunities for the entrepreneurial process. This highlights the importance of entrepreneurial leadership, especially in consideration of organization-wide entrepreneurship. Wickham (2001:39) makes the point that, the entrepreneur (leader) must delegate responsibility within the organization. This can be applied to delegating responsibility to teams, for instance. These would identify opportunities in their specialist functions, for example, the finance team could take responsibility for attracting investment. This way, possibilities for intrapreneurship within the organization can better be fostered.

The entrepreneurial process can unfold in a structured manner. Morris and Jones (2000:75) outline a systematic unfolding of the entrepreneurial process and identify the following basic steps:

Step 1: Opportunity identification

This entails exploring venture possibilities or opportunities emanating from changing demographics, emergence of new market segments, process needs, new technologies, funding and regulatory changes, new promotional channels and new sources of funding.

Step 2: Concept development

This could be in terms of new organizational structures, new curricular or programmes, new satellite campuses or sites, new fund-raising methodologies, new recruitment programmes, new tuition financial schemes and new tuition structures.

Step 3: Assessment of required resources

This step involves assessing the need for skilled employees, for capable learners, for funding, for community support, for support from accredited bodies, professional societies and government agencies.

Step 4: Acquisition of the necessary resources

This relates to acquiring resources like early tuition payments, faculty expertise, leveraging or outsourcing schemes, partnerships with NGOs, joint ventures with companies, licensing of inventions and new knowledge.

Step 5: Management and harvest of the venture

This entails implementation of the business concept, monitoring of performance, payback to resource providers, achievement of performance goals, absorption of new business concepts in mainstream operations and shutdown of the venture.

The foregoing exposition indicates clearly that entrepreneurship is a process and thus needs knowledge and skills to execute. However, knowledge and skills to execute entrepreneurial processes, relates specifically to what should be known in executing the process. This is where an organizational entrepreneurial strategy becomes a critical aspect of organizational entrepreneurship.

2.3.7 The organizational entrepreneurial strategy

The essence of entrepreneurial success is found in the strategy(ies) that an organization employs in pursuit of its goals and in the case of entrepreneurial organizations, such a strategy(ies) can be assumed to link the organization and its environment. Chell (2001:278) defines a strategy as the pattern or plan that integrates an organization's major goals, policies and action sequences into a cohesive whole, which implies that a strategy helps to marshal and allocate an organization's resources into a unique and viable posture based on its relative internal competencies and shortcomings, anticipated changes in the environment and contingent moves by intelligent opponents. According to Koch (1999:2), a strategy is a pattern of decisions that intentionally or otherwise sets the long-term direction of the organization and determines its fate, which essentially implies a focus on decision and decision making as well as unintended consequences in the form of possible collisions with the actions of others or competitors.

In the context of entrepreneurial dimensions, it is clear that a strategy involves taking decisions regarding identified opportunities and proactiveness in doing so, bearing in mind the competition and consequent unintended actions, while taking calculated risks because of not knowing with certainty what the outcomes will be. Thus a strategy is the key to fostering organizational entrepreneurial dimensions.

An organizational entrepreneurial strategy is defined as the component of an organization's operations that promotes the persistent search for competitive advantage through innovation, risk-taking and proactivity (Russel & Russel, cited in Nayager & van Vuuren, 2005:29).

An entrepreneurial strategy is also referred to as an entrepreneurial orientation (Lumpkin & Dess cited in Li, Zhang and Chang, 2005:37) and indicates an extension of the concept of entrepreneurship from the individual level to the organizational level (Lee, Lee & Penninggs in Li, Zhang and Chang, 2005:37). Entrepreneurial orientation refers to a process, construct and concerns, methods, practices and decision-making styles managers use and thus it relates to how entrepreneurs implement entrepreneurship (Jun & Deschoolmeester, undated).

In essence, an entrepreneurial strategy or orientation reflects the extent to which an organization is committed to risk-taking, innovation, and proactivity in developing and implementing its strategies. Organizations directed by entrepreneurs are generally committed to growth as a fundamental strategic aim (Roodt, 2005:18). Therefore an entrepreneurial orientation displays innovation, risk-taking and proactivity as a strategic orientation (Jun & Deschoolmeester, undated). This implies that entrepreneurial organizations' strategies, structures, systems, policies and procedures and managers should therefore support innovation, risk-taking and proactivity (Nayager & Van Vuuren, 2005:37).

It can be asserted that since organizations are faced by turbulent environments where they have to compete for resources, they have to develop entrepreneurial strategies in order for their internal environments to be conducive to being entrepreneurial, and to know how their environments can be made to be entrepreneurial and develop those competitive advantages that will position them well in their respective environments.

Feurer and Chaharbarghi (1995:38) posit that developing or formulating an organizational strategy is a continuous learning process, and point out that traditional approaches to strategy formulation tend to analyse the environment in order to identify the ideal position. These authors assert that this is flawed, in that in a dynamic environment, the environment changes before the strategy is implemented. It is therefore necessary to regard strategy formulation as a constant

reconciliation of the organization's goals and selection of dynamic paths for goal realization which represents a comprehensive learning process. In this sense, strategy formulation involves the following key questions:

- What is the environment like?
- Where is the current position of the organization?
- Where does the organization want to be?
- What alternatives exist to get there?
- Which alternative is preferable?
- How will this alternative affect the environment?
- How does the environment change? and
- How fast does the environment change?

On the basis of this exposition, Feurer and Chaharbarghi (1995:40) regard devising an organizational strategy as a continuous learning process which includes:

- a learning cycle which enables an understanding of the wants and needs in the organization and its stakeholders; and
- a learning cycle which establishes how these wants and needs can be satisfied by assessing
 - the current position of the organization and its competitive environment;
 - possible courses of action; and

- the speed with which these actions can be implemented together with the rate of change in the environment.

To strengthen the development of an organizational strategy as highlighted by Feurer and Chaharbaghi (1995:40), requires what according to Osborne (1995:4) are overlapping steps namely:

- *Studying the environment to identify unmet market needs:* Unmet marketplace needs are the principal inspiration of an entrepreneurial strategy. The identification of unmet marketplace needs depends on a thorough understanding of the economic, social, demographic, technological and political trends that reshape the environment. A new business concept that responds to emerging demographic and social trends enhances the likelihood of success.
- *Developing a product or devices to respond to the needs and market place trends:* The selection of the product or service which is to be the basis of the entrepreneurial strategy implies integrating the unmet need opportunity discovered in the environmental scan and the entrepreneur's preparation.
- *Creating a marketing and financial plan to animate the selected product/service concept:* Once the opportunity has been identified, the manager must create a marketing and financial plan to capitalize on the idea, gain control over the requisite resources, and establish a structure that is appropriate. The plan should include the following elements:
 - *Resolve*, which refers to the desired outcomes and objectives to be achieved in the market place during the initial years and focusing on year one. This section describes the organization's implementing strategy - what is to be done and how it is to be achieved.

- *Resources*, which relate to the human, financial, production and other capabilities needed to launch and sustain the business.
 - *Response*, which relates to elements of the strategy that deflect competitor reactions.
 - *Results*, which denote a quantitative financial measurement of the strategy's viability, that is, a projection of revenues, cost structure and cash flow
- *Select suitable level of risk*, which relates to the fact that successful managers (entrepreneurs), contrary to popular notion, generally select risks that avoid huge gambles. They are adept at calibrating the level of risk that matches potential reward and the organization's capacity to manage uncertainty. The manager (entrepreneur) must honestly assess their level of training and preparation, appetite for risk-taking behaviour and then realistically compare these calculations with both rewards and the risks represented by the chosen entrepreneurial strategy.
 - *Marshal the financial resources*, which implies that the requisite financial resources will depend, of course, on the nature of the proposed project. In any event, the entrepreneurial strategy can succeed only if the initial and subsequently generated capital is sufficient. The quality of the original business concept, especially, its congruence with environmental opportunity, is what distinguishes an organizational entrepreneurial strategy.

The extensiveness and comprehensiveness of strategy formulation highlighted above, serves to indicate the importance of an organizational entrepreneurial strategy.

2.3.8 The importance of an organizational entrepreneurial strategy

Thompson (1999:279) advocates the importance of an entrepreneurial strategy, by indicating that the success of any organization is dependent upon the organization's ability to find a valuable strategic position, whereby the organization's resources, competencies and capabilities are deployed and managed to meet and satisfy the demands and expectations of key stakeholders. In the context of this research, this implies that an organization must be able to forever identify *entrepreneurial* opportunities, develop them into operational ideas to be pursued, assess and acquire or use existing resources innovatively and manage or harvest the outcomes of the venture so determined (see 2.3.6), which in essence involves continuous *organizational learning* in so far as devising an organizational entrepreneurial strategy is concerned.

To do this successfully, Dess, Lumpkin and Mckee (in Nayager & Van Vuuren, 2005:30) posit that there must be a good fit among three organizational components namely, hardware, people and software. Organizational *hardware* refers to the organizational structure, planning systems, control mechanisms and reporting relationships; *people* refers to skills, personality and character of employees, and *software* refers to informal networks and practices, value systems and culture. The importance of this is given expression by the gains organizations derive from investing in a well-defined entrepreneurial strategy as (Wickham, 2001:173):

- *It encourages entrepreneurs (managers) to assess and articulate their vision:*

An entrepreneurial strategy represents the way in which the entrepreneur achieves his/her vision. The potential to make a vision into reality is dependent on the possibility of creating a strategy to deliver it. This possibility is a function of the achievability of the strategy in the competitive

marketplace and the feasibility of the strategy in terms of the resource available.

- *It ensures auditing of the organization and its environment:*

If an entrepreneurial strategy is to be successful, it must be based on a sound knowledge of the environment in which the organization finds itself, the conditions within its marketplace, particularly in terms of competitive pressures it faces, and of its own internal capabilities and competencies.

- *It illuminates new possibilities and latitudes:*

An entrepreneurial strategy is developed in response to the dictates of the entrepreneur's vision. However, the process is iterative. Strategy development feeds back to vision. It reinforces the vision's strong parts and asks the entrepreneur (manager) to readdress its weaknesses. It clarifies the possibilities the organization faces and the latitude the entrepreneur accepts for achievement of them.

- *It provides organizational focus:*

An entrepreneurial strategy provides a central theme around which the members of the organization can focus their activities. It relates the tasks of the individual to the tasks of the organization as a whole. It is the stream of actions that make up the organization. As such, it is a unifying principle which gives organizational actions meaning and significance in relation to each other.

- *It guides the structuring of the organization:*

It highlights the tasks necessary for the entrepreneur (manager) to achieve his/her goals. The nature of the tasks that must be undertaken, defines the

roles that must be filled within the organization. This in turn, guides the entrepreneur (manager) in developing a structure for the organization.

- *It acts as a guide to decision making:*

It provides a framework for making decisions. A decision is a response to proffered possibilities. The strategy helps to highlight and evaluate these possibilities. It indicates how significant a particular decision will be, and the impact its outcomes will have. It illuminates the information that will be needed if the decision is to be made confidently. The strategy then enables the various options to be evaluated and the right course of action to be rationalised.

- *It provides a starting point for setting of objectives:*

By specifying the tasks that need to be undertaken in order to achieve the desired outcomes, an entrepreneurial strategy provides a starting point for defining quantified measurable objectives for both the organization as a whole, and for the individuals who comprise it.

- *It acts as a common language for stakeholders:*

An entrepreneurial strategy is the perspective which enables individuals to make sense of the organization's actions and their own part in those actions. It provides a way for its stakeholders to relate to each other; they interact through its strategy. It is a common language they can use to talk to each other about the organization and their relationship to it.

From the foregoing exposition, it is clear that an entrepreneurial strategy is a need for organizations to maze successfully in the kind of environment where innovation, risk-taking and proactivity are used as strategic levers. A critical question to this end relates to how an organization devises an entrepreneurial strategy.

From the foregoing exposition of an organizational entrepreneurial strategy, it can also be seen that an entrepreneurship process is key for the success of today's organization. This foregrounds the role that the principal as the manager (entrepreneur) and leader of the school has to play in fostering entrepreneurial praxes in historically disadvantaged schools.

2.4 THE PRINCIPAL'S ROLE IN FOSTERING ENTREPRENEURIAL PRAXES IN HISTORICALLY DISADVANTAGED SCHOOLS

2.4.1 Context of historically disadvantaged schools

Historically disadvantaged schools face enormous challenges in their quest to deliver quality education. Firstly, these schools are located mostly in poverty-stricken areas, mostly townships. Consequently, they are challenged by poor financial resources coming from the school community, as most parents of learners do not contribute financially to the schools. Being located in these areas, these schools have little to choose from by way of a stimulating infrastructure. As a result, these schools have few structures stimulating enough for them to use creatively in the educational endeavour. For example, in the townships where they are located, there are few business partners with which they could partner in order to provide educational opportunity windows for learners to experience the career world they are likely to enter after school.

Secondly, physical and educational resources at these schools are poorer than at their historically advantaged counterparts in the form of ex-model C schools, mostly located in the former whites-only suburbs. As a result, historically disadvantaged schools experience among others challenges, an exodus of learners to ex-model C schools as parents and learners see those schools as better placed to offer quality education. The result is that many historically disadvantaged schools experience dwindling enrolment figures, which in itself presents two main challenges, namely, a further reduction in funding sources and a

competition for learners with both ex-model C and other historically disadvantaged schools.

Finally, in view of the educational market expectations, that is, the production of school exit learners who are ready for higher education and the career world, historically disadvantaged schools are challenged by the fact that their exit product is usually regarded as inferior in terms of learner readiness to enter the career market or to fit in the higher education sector, due to poor school exit results as reflected by poor matric or senior certificate results. For instance, there are almost always few learners who exit these schools with matric endorsements and/or good results in subjects like mathematics and science, which are post-school market demand-related subjects.

A consideration of these challenges indicates just how mammoth a task these schools face. Yet, a considerable number of these schools have over the years consistently succeeded in producing good overall results, and, by implication, school exit products. It might be asserted that such schools are doing something right despite their historical circumstances, which are by means no different from other historically disadvantaged schools. This fact alone presents a further challenge on historically disadvantaged schools to examine their operations and seek ways to improve in such a way that, with the limited resources at their disposal, they can put them to efficient if not effective use and in innovative ways so as to be able to compete with their ex-model C counterparts and be able to capture that crucial part of the educational market in the form of learners and be able to use resourceful means to attract educational investment from other environmental resources like business and industry.

This also implies that these schools present a strong possibility that historically disadvantaged schools can be proactive, innovative and can take enough risk to improve their educational circumstances. In essence, this implies that these

schools can be entrepreneurial and that their managers can foster entrepreneurial praxes or customs in their operations.

Entrepreneurship in schools is different from entrepreneurship in the sense of business and the private sector. To this end, an understanding of educational entrepreneurship, public sector entrepreneurship and social entrepreneurship make this notion clear.

2.4.2 Educational entrepreneurship

The point of departure in exposing educational entrepreneurship, is to understand that a school is a public sector organization and as such, a structure that provides a social service to the public. In this regard, Morris and Jones (2000:77) describe public sector organizations as organizations that:

- do not have a profit motive and instead, are guided by social and political objectives, typically seeking to achieve a multiplicity and diversity of objectives, which objectives and performance towards them are harder to measure;
- have less exposure to the market and its incentives for cost reduction, operating economies and efficient resource allocation;
- receive funds indirectly from an involuntary taxpayer, rather than directly from a satisfied and voluntary customer;
- have difficulties in identifying the organization's "customer", as there are typically a number of different publics being served by a given agency, department or unit;
- produce services that have consequences for others beyond those immediately involved and, have greater accountability for the indirect consequences of their actions;

- are subject to public scrutiny, such that major decisions have to be made with transparency, whereby, decisions must involve consensus among and with a variety of interest groups and constituencies; and
- face risk-reward trade-offs that strongly favour avoiding mistakes.

From these features of a public sector organization listed above, it can be accepted that a school is indeed a public sector organization because all the above-listed features do qualify a school. This also implies that a school possesses a strong social service character. Considering what entrepreneurship involves, and the quest for improvement that the school pursues, a school can be viewed in terms of social entrepreneurship and an understanding thereof is crucial.

Dees (1998:3) and Sharra (2005:8) define social entrepreneurship as entrepreneurship with a social mission. Dees (1998:4) thus states social entrepreneurship to be a process in which entrepreneurs:

- adopt a mission to create the role of change agents in the social sector;
- recognize and relentlessly pursue new opportunities to serve that mission;
- engage in a process of continuous innovation, adaptation and learning;
- act boldly without being limited by resources currently in hand; and
- exhibit a heightened sense of accountability to the constituencies served and for the outcomes created.⁴

Dees (1998:4) puts emphasis on the role of social entrepreneurship and states:

Social entrepreneurship pioneers creative ways of addressing social problems and marshals resources to support this.

⁴ These aspects are discussed later in this text.

Accordingly, Dees (1998:4) sees social entrepreneurship as a process that focuses on innovation and social impact, that is, creating social value. Dees asserts therefore that social entrepreneurship implements innovative programmes, organizational structures or resource strategies that increase chances of achieving deep, broad, lasting and cost-effective social impact. This suggests that social entrepreneurship is about establishing new and better ways to improve the world.

Linklaters (2006:3) posits that social entrepreneurship combines innovation, opportunity and resourcefulness to transform social systems and practices, while Hartigan and Billimoria (2005) point out that social entrepreneurship identifies practical solutions to social problems by combining innovation, resourcefulness and opportunity, so that new processes, services and products or unique ways of combining proven practice with innovation, to address complex social problems. Morris and Jones (2000:74) define social entrepreneurship in terms of the public sector as the process of creating value for citizens by bringing together unique combinations of public and/or private resources to exploit social opportunities.

Clearly, from the foregoing exposition, social entrepreneurship as practised by social entrepreneurs, basically seeks to address social problems through being innovative, resourceful and seeking opportunities for doing so by finding solutions and producing them in ways that have not been practiced before. In this sense, it can be asserted that the school as a social entrepreneurial organization can innovatively attempt to solve educational problems by exploring existing resources and using them creatively. For instance, schools that have computer technology can seek ways to use them for solving-teaching related problems within their present curricular circumstances.

Considering the explication of the school as a social entrepreneurial organization, calls for the scrutiny of the kind of public social service a school provides. According to Theron (2002:113), a unique feature of the school as a public organisation concerns the kind of public service it provides, that is, a service

qualified by educational factors. This implies that entrepreneurship at school should be regarded in terms of the school's educational purpose. The school can thus be regarded as an educational entrepreneurial organization.

Although entrepreneurship normally refers to private institutions (cf. Hess, 2006; Deal & Hentschke, 2005; Fromm, Hentschke & Kern, undated), there are strong possibilities of practicing educational entrepreneurship in education (Smith & Peterson, 2006; Levia, 2006). To gain insight into the challenges for public schools regarding educational entrepreneurship, a scrutiny of their traditional nature reveals according to Levin (2006:3):

- that schools are the focus of great expectations, and as a result, education is widely believed to be the solution to major social challenges. This, it can be asserted, puts pressure on schools to perform in expected ways so as to produce expected outcomes. As a result, entrepreneurship in the form of risk-taking, innovation and proactivity, appears too much a challenge, especially the risk of failure. Thus schools continue to use traditional approaches so as to deliver on the expected. In South Africa, one could relate this to expectations of good and consistent matric results as superseding any attempt at entrepreneurship;
- that in education, there are very few pure markets because there is considerable regulation at every level and public schools are funded by public authorities, thus the notion of how to free up schools so that they become entrepreneurial and innovative, becomes an important debate (Levin, 2006:5); and
- that educational change is not easy, and as such, much of the change in education seems to be a recycling of core elements in education, which leaves little scope for substantive change and real innovation (Levin, 2006:6,9);.

One might add to these factors, that the traditional approach to educator training and development does not really cater for educational entrepreneurship, but focuses rather on traditional teaching and instruction strategies. Therefore taking these challenges into consideration makes it clear, that educational entrepreneurship is a challenging phenomenon and requires bold and creative initiatives from education practitioners generally.

Educational entrepreneurship in the context of this study can be understood in terms of what educational entrepreneurs do. According to Smith and Petersen (2006:6), educational entrepreneurs have the following three crucial roles, namely:

- *change agents*, who can demonstrate what is possible when resources are used differently and point the way towards how policy and practice might be changed in light of what they accomplish;
- *venues for new skill sets and mindsets*, because they create the kind of culture that draws and retains achievement-oriented employees, who might not otherwise be involved in the more bureaucratic public education system and in return, for the merit-based culture, where they can see significant results from their efforts, and are willing to give up the security of seniority-based progression within the traditional school system; and
- *developers of learning laboratories where experimentation and ongoing learning are encouraged*, who, as problem-solvers, are constant learners who regularly review progress and a correct course, which is what public schools should embrace.

Indeed, from this exposition of educational entrepreneurs' crucial roles, it can be asserted, that educational entrepreneurship is an entrepreneurial process that seeks to foster conditions that allow for entrepreneurship at schools. This locates the status of a principal in educational entrepreneurship. In essence, this implies that a principal assumes a role of a social educational entrepreneur.

The foregoing exposition highlights some important aspects related to educational entrepreneurship. Firstly, schools are public organizations and as such, provide a social service. Secondly, as public service organizations, school entrepreneurship exhibits a strong social entrepreneurship function. However, because schools, are in essence, educational organisations, they can be viewed as social educational entrepreneurial organizations. This implies that the entrepreneurial principal can be seen as a social educational entrepreneur.

In the context of this study, the principal's role in historically disadvantaged schools requires that he/she fosters conditions for social educational entrepreneurship.

2.4.3 Fostering entrepreneurship at school: the principal's role

For historically disadvantaged schools to be entrepreneurial organizations, an apposite organizational entrepreneurial orientation culture is necessary. Entrepreneurial orientation, as alluded to earlier in the text, refers to a process, construct and concerns, methods, practices and decision-making styles managers use and thus, it relates to how entrepreneurs implement entrepreneurship (Jun & Deschoolmeester, undated). According to Coulter (2001:113), organizational culture describes the way in which people in an organization respond to issues as influenced by their beliefs, values and behavioural norms. In the context of this study, the implication of this description means that the principal's role is viewed in terms of three critical dimensions of entrepreneurship namely, innovation, risk-taking and proactivity in the context of the school as a learning organization, which is influenced by resource dependency within its environment.

To this end, the principal's critical role would be to create and foster school organizational conditions that exhibit an entrepreneurial orientation. An entrepreneurial orientation displays three dimensions, namely, *innovation, risk-taking and proactivity* as a strategic orientation (Jun & Deschoolmeester, undated).

2.4.3.1 *Innovation*

Robbins (2000:557) defines innovation as a new idea applied to initiating or improving a product, process or service. Therefore the principal needs to be innovative, which implies the ability to innovate (Burns, 2005:26). The principal also needs to promote school organizational innovativeness. Fostering school organizational innovation according to Robbins and DeCenzo (2001:246) involves three sets of variables namely, structural variables, organizational culture and human resource variables.

- *Structural variables*

According to Robbins (2000:413), an organizational structure defines how job tasks are formally divided, grouped and coordinated. To this end, Robbins (2001:428) points out two extreme models of organizational structures, namely:

- mechanistic, that is, characterized by extensive departmentalization, high formalization, a limited information network and centralization; and
- organic, that is, flat structures that use cross-hierarchical and cross functional teams, have low formalization, possess comprehensive information networks and rely on participative decision-making.

It can be stated that organic organizations would be more preferable for fostering innovation at schools. In this regard, Robbins and DeCenzo (2001:247) assert firstly, that organic structures positively influence innovation because they have less work specialization and fewer rules and are more decentralized than mechanistic structures. Secondly, easy availability of plentiful resources is a key building block for innovation as it allows for the purchase of innovations, bearing of costs of instituting innovations and absorbing failures. Thirdly, frequent interunit, interaction and communication

help to break down possible barriers to innovation by facilitating interaction across departmental lines.

The structural variables of an organization can be directly linked to the school organizational culture.

- *Organizational culture*

According to Coulter (2000:113), organizational culture describes the way in which people in an organization respond to issues as influenced by their beliefs, values and behavioural norms. Robbins (2000:510) outlines the following seven basic characteristics that capture the essence of organizational culture:

- *Innovation and risk-taking*, which relates to the degree to which employees are encouraged to be innovative and take risks.
- *Attention to detail*, which relates to the degree to which employees are expected to exhibit precision, analysis and attention to detail.
- *Outcome orientation*, which refers to the degree to which there is focus on outcomes or results, rather than on the techniques and processes used to achieve these outcomes.
- *People orientation*, which relates to the degree to which decisions taken into consideration affect outcomes on people within the organization.
- *Team orientation*, which relates to the degree to which work activities are organized around teams rather than around individuals.
- *Aggressiveness*, which relates to the degree to which people are aggressive and competitive, rather than easy-going.

- *Stability*, which relates to the extent to which organizational activities emphasize maintaining the *status quo*, in contrast to growth.

According to Robbins and DeCenzo (2001:247), organizational culture affects innovation in the sense that innovative organizations have cultures that encourage experimentation, reward both success and failures and celebrate mistakes. Robbins and De Cenzo (2001:247) assert in this regard that an innovative culture is likely to have the following seven characteristics:

- *Acceptance of ambiguity*, which is based on the fact that too much emphasis on objectivity and specificity restricts creativity;
- *Tolerance of the impractical*, which means that individuals who offer impractical, even foolish answers to “what-if questions are not stifled and that what seems impractical at first, might lead to innovative solutions;
- *Low external controls*, which relate to rules, regulations, policies and similar controls being kept to a minimum;
- *Tolerance of risk*, which implies that employees are encouraged to experiment without fear of consequences should they fail, and mistakes are treated as learning opportunities;
- *Tolerance of conflict*, where diversity is encouraged because, harmony and agreement between individuals or units are not assumed to be evidence of high performance;
- *Focus on ends rather than on means*, where goals are made clear and individuals are encouraged to consider alternative routes towards their attainment; and

- *Open systems focus*, which means that the organization closely monitors the environment and responds rapidly to changes as they occur.

The role of the principal thus revolves around creating an entrepreneurial culture that fosters these school organizational characteristics. The degree to which they are manifested in the school, will determine the principal's success in fostering the entrepreneurial culture.

- *Human resource variables*

Robbins (2000:248) posits that within the human resource category, innovative organizations actively promote the training and development of their members, so that their knowledge remains current, offer their employees high job security to reduce the fear of getting fired for making mistakes and encourage individuals to become champions of change. This way, individuals as champions of change, once the idea is developed, actively and enthusiastically promote the idea, build support, overcome resistance and ensure that the innovation is implemented.

The role of the principal with regard to human resource variables can thus be translated into effective educator development, capacitation and empowerment so as to build self-confidence, self-esteem and commitment to acting entrepreneurially in their school activities.

2.4.3.2 ***Risk-taking***

Risk-taking involves taking a chance, which essentially means embarking on a venture even though there is no certainty of a positive or intended result. In this regard, Coulter (2001:206) points out that-risk-taking describes those conditions in which the decision-maker estimates the likelihood of certain outcomes or assigns probabilities to outcomes. According to Robbins and DeCenzo (2001:119), risk-

taking occurs when knowledge about a problem or venture is inadequate and it cannot be determined with certainty what the outcome will be.

Jun and Deschoolmeester (undated) refers to this phenomenon as risk-handling, which they define as any set of actions taken by individuals or organizations in an effort to alter the risk arising from the primary line of business, so that risk-handling is the process in which potential risks are identified, analyzed, mitigated and prevented, along with the process of balancing the cost of protecting the organization against the risk versus the cost of exposure to that risk. Accordingly, the personal capacity of the entrepreneur (principal) to handle risk is dependent on (Jun & Deschoolmeester, undated):

- premeditative understanding of the environment where risk lies;
- assessment of the potential risk of all sorts, that is, risk likelihood and risk impact;
- readiness of the pre-planned risk-handling measures;
- familiarity with and effective utilization of the risk-handling measures;
- evaluation of the effectiveness of the risk-handling measures; and
- modification and improvement of the risk-handling activities.

Therefore it can be concluded that risk-taking presents a dilemma for schools in terms of their long-standing traditional expectations. It would for instance, be difficult to get stakeholders to agree to the taking of risks in the “education of children” as well as in the midst of state regulations, which tend to prescribe how things should be done. However, the principal's role would be to take highly calculated risks and actually ensure that stakeholders are thoroughly conversant with all circumstances requiring the risk. This includes a thorough understanding of

the aims of the risky venture and the acceptance of probabilities regarding failure or success.

2.4.3.3 ***Proactivity***

According to Jun and Deschoolmeester (undated), proactivity is the ability to take initiative whenever the situation demands. Burns (2005:28) sees proactivity as seeking out opportunities, acting quickly and decisively to make the most of the opportunity before somebody else does. In that sense, proactiveness means being restless and being unwilling to wait for others to complete tasks. Maas and Fox (1997:64) see proactivity as being willing to be the first to respond to needs for new or better products and services.

Therefore proactivity is related to pioneering and initiative-taking in pursuing new opportunities or entering new markets (Lumpkin & Dess, 1996:148). In this sense, proactivity signifies aggressive posturing relative to competitors and as Morris and Kurakto (2002:4) assert, a proactive organization is inclined to take risks through experimentation and is bold and aggressive in pursuing opportunities, thus attempting to lead rather than to follow competitors because the essence of proactivity is about the implementation and bringing an entrepreneurial concept to fruition.

According to Garcia-Morales and Llorens-Montes (2006:4), school proactivity is geared toward modifying the environment and not simply adapting to it and favours generative learning (learning that not only allows existing errors to be detected, but also changes the values of the theory-in-use, strategies or assumptions).

It is clear from the foregoing exposition, that the principal's roles revolve around being proactive in identifying opportunities for improvement and acting on them decisively. In this regard, Garcia-Morales and Llorens-Montes. (2006:24) maintain that proactivity involves introducing opportunities into the school set-up and calls for shaping the environment, rather than merely reacting on it and calls for leading,

rather than following. To this end, proactive schools assume a proactive attitude and aspire to control their environment.

Creating an entrepreneurial culture at school would require the principal to foster these dimensions. Doing so, as alluded to earlier would be facilitated if the principal played the role of change agent (Dees, 1998:5), which means seeking to create systemic changes and sustainable improvement at their schools. This the principal can do by (Dees, 1998:5):

- *adopting a mission to create and sustain social (educational) value*, which is the core of what distinguishes business entrepreneurs from social entrepreneurs. To this end, the mission for a principal, the mission is important in that it determines the long-term return on investment and serves the purpose of creating lasting improvements, thus sustaining the impact.
- *recognizing and relentlessly pursuing new opportunities*, which implies seeing opportunities where others see problems by being visionary and persistent, combined with a willingness to makes adjustments where necessary. This is actually guided by the question: How can this obstacle be surmounted?
- *engaging in a process of continuous innovation, adaptation and learning*, which relates to being innovative in many ways so as to ensure the ventures have access to resources and create social value and impact. This is a continuous process of exploring, learning, improving and taking cognisance of uncertainty and risk of failure, so that there should be a high tolerance for ambiguity and learning how to manage risk for individuals themselves and others. This way, failure is treated as a learning experience, and not a personal tragedy.

- *acting boldly without being limited by resources currently in hand*, which implies not being let down by limited resources from pursuing the vision. This means being skilled at doing more with less, being able to use scarce resources efficiently and leveraging the limited resources by drawing in partners and collaborating with others.
- *exhibiting a heightened sense of accountability to the constituencies served and for the outcomes created*, which means understanding constituencies served, assessing the needs and values of people being served and the communities in operations are carried out. This in essence requires an understanding of expectations and values of “investors” including investors of money and/or expertise.

It is clear that the role of the principal in fostering entrepreneurial praxes involves taking the lead in making the school amenable to entrepreneurial customs highlighted above. This implies being a change agent. This also implies an awareness of the school as a learning organization in its environment and being acutely aware of the school's dependency on resources it competes for with other organizations in its environment (2.2.1 & 2.2.3). Most importantly, this implies that the principal has to create conditions which allow for entrepreneurial customs in the schools. To this end, the ability to be a strategist in so far as being able to see the school's entrepreneurial potential as being dependent on a continuous learning process, is crucial (see 2.3.7 & 2.3.8).

2.5 CHAPTER SUMMARY

This chapter presented the literature review with regard to the nature of entrepreneurial organizations and the role of the principal in promoting entrepreneurial praxes at the school. On the basis of the nature of entrepreneurial organizations and the role of the principal in fostering entrepreneurial praxes at the school, it is important to determining the status of these schools as regards

practising entrepreneurial customs. The next chapter outlines the research design to this end.

CHAPTER 3

EMPIRICAL RESEARCH DESIGN

3.1 INTRODUCTION

This chapter outlines the design of the empirical research regarding how school principals of historically disadvantaged schools in the Sedibeng area are currently fostering entrepreneurship customs. In essence, this relates to the question: How do school principals of historically disadvantaged schools currently foster entrepreneurial customs? To answer this question, this research investigates how the main dimensions of entrepreneurship are fostered in these schools, that is, proactivity, innovation and risk-taking. A research method was used for this purpose.

3.2 METHOD OF RESEARCH

The research method included a literature review and an empirical research.

3.2.1 Review of literature

Primary and secondary literature sources were studied in order to gather information about the nature of an entrepreneurial organization, as well as the role of the principal in promoting entrepreneurial customs in schools. Key words used, include the following:

entrepreneur, intrapreneur, entrepreneurship, entrepreneurial culture and climate, entrepreneurial organization, entrepreneurial leadership, entrepreneurial strategy, learning organization, open systems and dependency theory.

3.2.2 Empirical research design

The research design was quantitative in nature. Quantitative research is defined as a formal, objective and systematic process where data are used to obtain

information about study phenomena (Stubbs, 2005). A quantitative research approach uses descriptive statistics as a method of organising data, facilitating the organisation and the interpretation of numbers obtained from measuring a characteristic or variable (Leedy & Ormrod, 2005:30; McMillan & Schumacher, 2001:191). Leedy and Ormrod (2005:180) contend that the focus in quantitative research is typically one aspect of behaviour which is quantified in some way to determine its frequency. According to Vockel and Asher (1995:192), quantitative research involves the use of questionnaires. To this end, this study makes use of a questionnaire as the quantitative research instrument because the questionnaire would facilitate the quantification of educators' perceptions regarding the practice of entrepreneurial customs at their schools.

3.2.2.1 *The questionnaire as a research instrument*

A questionnaire is used in a survey design where participants in a study respond to a set of questions or statements. In this research, a questionnaire survey was used because of the following reasons (Creswell, 2002:361):

- A questionnaire is a convenient way to reach a geographically dispersed sample of a population.
- Its distribution facilitates quick data collection, often in as little as six weeks from the first distribution to the conclusion of data collection.
- A distributed questionnaire is economical because it involves only duplication and distributing expenses.

Added to these reasons, the choice of a questionnaire as a data collecting instrument, was the advantage in that respondents are able to complete questionnaires anonymously (Delport, 2002:172). However, the following disadvantages of a questionnaire as a research instrument were noted by, *inter alia*, Best and Kahn (2003:307):

- Respondents who do not have an opinion of or the knowledge concerning the subject, will answer the questions instinctively or respondents might have little interest in a particular problem and therefore might answer the questionnaire indiscriminately
- As motivation of the respondents is difficult to check, the researcher might receive misleading responses and misinterpretation of questions can occur.
- The respondents can be forced to give simple answers to complicated issues.
- Questionnaires that do not probe deep enough may not reveal a true picture of opinions and feelings.
- The length of a questionnaire can give cause to inaccurate responses and a low percentage of feedback.

It was, however, decided that the advantages of the questionnaire far outweighed the disadvantages, especially if the necessary procedures to ensure validity and reliability are followed. The design of the questionnaire thus took these disadvantages into consideration.

3.2.2.2 *The questionnaire design*

The design of a questionnaire must be well-organized by a thorough process. As suggested by Delport (2002:175), the following factors were considered in the preparation of this questionnaire.

- The nature of the questionnaire was determined on the basis of the study variables and in line with the information required. Thus, the dimensions for innovation, proactivity and risk-taking were identified as variables to be investigated. This led to the identification of the target population of

educators and this informed the length of the questionnaire and the clusters of questions per dimension.

- The questionnaire format was informed by the fact that this would be a questionnaire delivered or distributed by hand, through personal administration and the assistance of contact persons at schools. This was accompanied by a covering letter, detailing the purpose of the study and indicating for whom the study was meant, because the covering letter is of major importance concerning the willingness of the respondents to complete the questionnaire.
- The composition of questions was guided by basic principles like brief sentences, clear language, unambiguity, relevance and non-threatening phrasing.

Also, as stated by Gall, Borg and Gall (1996:294), the following guidelines were considered in the preparation of this questionnaire, namely that -

- the questionnaire should reflect scholarship so as to elicit high returns;
- the questionnaire has to be as brief as possible so that answering it requires a minimum of the respondents' time;
- the questionnaire should not include unnecessary items;
- all questionnaire items should be phrased in a manner that is understandable;
- items should be phrased in such a manner that they avoid bias or prejudice that might predetermine respondents' answers;
- questions that might elicit embarrassment, suspicion or hostility in the respondents, should be avoided;

- the questionnaire should be attractive, neatly arranged and clearly duplicated or printed;
- questions should communicate the necessary rules about the process of answering so as to reduce complexities; and
- questionnaire items must be constructed carefully in order to measure a specific aspect of the study's objectives or hypotheses.

On the basis of these guidelines, the design and construction of the questionnaire items was done carefully with the aim of the empirical research taken into consideration. From the literature review, a review of existing questionnaires on entrepreneurial organizations and fostering entrepreneurial customs was conducted, which helped to ensure the validity of constructs used in the questionnaire. The following questionnaires were used as the basis for constructing the questionnaire for this research -.

- Public School Entrepreneurship Inventory (Eyal & Inbar, 2003).
- The Christian Entrepreneur Self-diagnosis (McLoughlin, 2005).
- Survey on Innovation Management (Service & Boockholdt, 1998).

From the analysis of these questionnaires, the final questionnaire for this research was designed and consisted of the following two sections (Annexure C):

- *Section A: Biographic information*

Items in this section related to the biographic information of the respondents, which Delport (2002:225) refers to as categorical variables which, on arithmetic operations, can be performed and include both nominal and ordinal variables and relate to which group a subject belongs.

Items in this section related to information about respondents' age, gender, number of years in the teaching profession, position held at the school, qualifications, type of school, number of educators at school, number of learners at the school and location of the school. These items would assist in statistically determining reason for any discrepancies in responses.

- *Section B: Dimensions related to entrepreneurial customs:*

Section B consisted of a total of 30 questions. Questions in this section were categorized according to entrepreneurship dimensions derived from the literature study. They were clustered as follows:

- Innovation (questions: 1, 2, 3, 4, 8, 9, 10, 15, 16, 18, 19, 21, 23, 24)
- Proactivity (questions: 5, 11, 12, 20, 25, 27, 29, 30)
- Risk-taking (questions: 6, 7, 13, 14, 17, 22, 26, 28)

Respondents were asked to indicate on a four point rating scale the degree to which they view each item in their present work situation and environment, that is:

1= Strongly agree 2= Agree 3= Disagree 4= Strongly Disagree

In constructing and formatting the questionnaires, guidelines provided by authors on research design were considered and used to finalise the questionnaires (McMillan & Schumacher, 2001:258, Delport, 2002:176, Leedy & Ormond, 2005:190). The questionnaire was then subjected to a process of administration, which included the pilot survey, finalisation and distribution.

3.2.2.3 ***Administering the questionnaire***

In administering the questionnaire, the following procedural aspects were taken into cognisance:

- *Reliability and validity*

The validity of a measuring instrument is determined by whether the instrument measures what it is supposed to measure (Delpont, 2002:166). This implies that the instrument must have content validity, face validity, criterion validity or construct validity (Delpont, 2002:167-168). Reliability on the other hand, is determined by the accuracy of an instrument and the extent to which that instrument yields the same or similar results under comparable conditions (Delpont, 2002:168).

To establish the reliability and validity of the questionnaire, the entrepreneurship constructs of innovation, proactiveness and risk-taking were used as the starting point so as to ensure that the questionnaire content was appropriate and would ensure dependability and reproducibility and that the questionnaire would measure what it was intended to.

According to Leedy and Ormrod (2005:92), content validity is the extent to which a measuring instrument is representative of the content or domain being measured, that is, the extent to which the content of the instrument appears to logically examine and comprehensively include the characteristic it is intended to measure. To this end, the various questionnaires and inventories referred to elsewhere in this chapter were used as bases for developing the questionnaires and ensuring that the terminology used was suitable for local conditions. This also ensured that questionnaire items covered the theoretical framework of the entrepreneurship dimensions mentioned above. The development of the questionnaire in this manner necessitated that it be pre-tested.

- *Pilot test*

Creswell (2002:367) indicates that after good questions have been developed using the principles of question construction, a researcher pilot tests the questions, which helps determine that individuals in the sample are capable of completing the survey and that they can understand the questions. A pilot test of a questionnaire is therefore a procedure in which a researcher makes changes in an instrument, based on feedback from a small number of individuals who complete and evaluate the instrument and in which the pilot participants provide written comments directly on the survey, and the researcher modifies or changes the survey to reflect those concerns (Creswell, 2002:367). Because the pilot group provides feedback on the questionnaire, they always are, and in this research were, excluded from the final sample for the study.

In this research a sample of educators (n=41) from the historically disadvantaged schools in the adjacent Johannesburg South District 11, was used for this purpose. The educators were requested to respond honestly and note any questions that were either confusing or ambiguous and to make comments and suggestions so that the questionnaire could be readjusted before being distributed to the target population.

All questionnaire items yielded a Cronbach Alpha coefficient of 0.913287 and an average inter-item correlation of 0.278759, which in consultation with the Statistical Services of the North-West University: Vaal Triangle Campus, was considered highly valid. The content validity was constructed by adhering to the three entrepreneurship constructs namely, risk-taking, innovation and proactiveness (Delport, 2002:167). The entrepreneurship dimensions also yielded high Cronbach Alpha coefficients, which was indicative of the high reliability, as illustrated in table 3.1.

Table 3.1 The Cronbach Alpha coefficients for the reliability of dimensions

Dimension	Cronbach Alpha
Innovation	0.955306
Proactivity	0.925052
Risk-taking	0.749947

- *Final Questionnaire*

Subsequent to the pilot study and the noting of results thereof, the necessary adjustments were made and the final questionnaire developed (Annexure C). The researcher distributed the questionnaires in order to minimize the disadvantage of postal questionnaire surveys and to ensure a high return rate, as well as the exercise control over the time for returning the questionnaires. A covering letter was enclosed (Annexure B) with the aim of orienting the respondents to the questionnaire and assuring them of confidentiality and anonymity (Delpont, 200:176; Creswell, 2002:369). The collection of the questionnaire was done personally with the help of contact persons at schools where the questionnaires were distributed.

- *Questionnaire distribution*

A total of 600 questionnaires were randomly delivered to educators at schools. The permission of school principals was asked to administer the questionnaires and this was done strictly after school hours through contact persons at schools.

- *Population and sampling*

The target population comprised educators in Sedibeng Districts. There are an estimated 270 schools in the Sedibeng Districts. The study population is thus estimated at 270 schools, of which approximately 200 can be classified as historically disadvantaged schools.

A snap survey of staff establishments found an average of 25 educators per school. Thus, the target population comprises all educators (N=5000). In line with guidelines provided by Leedy and Ormrod (2005:207), McMillan and Schumacher (2001:177) and Strydom and Venter (2001:200), who assert that beyond a certain point (5000), the sample size is irrelevant, the sample for this research was set at 600 educators randomly selected from historically disadvantaged schools in the two districts.

3.2.3 Response rate

Of the 600 questionnaires distributed, 486 usable questionnaires were returned. This represented 81.0% of the sample, which was considered representative of the target population in the two districts. Table 3.2 illustrates the response rate.

Table 3.2 The response rate of questionnaires

Population category	Questionnaires distributed	Usable questionnaires returned	% return
Educators	600	486	81.0%

It can be seen from Table 3.2 that the return rate from the educators was 81.0% which, according to Delport (2002:172), is considered an acceptable return rate. This return rate can be attributed in part to the personal administrative procedures followed by the researcher. It must be mentioned, however, that most respondents showed a reluctance to complete the questionnaire, due to being overworked as well as having, in the past, completed questionnaires without getting feedback of any sort.

3.2.4 Administrative procedures

The prescribed research request protocol of the Gauteng Department of Education detailed in the Department's website ([http://www.education .gpg.gov.za](http://www.education.gpg.gov.za)) was

followed for the approval to administer the research questionnaire to the target population.

The questionnaire was accompanied by a covering letter requesting respondents to complete it voluntarily and assuring them of the confidentiality with which their responses would be handled.

3.5 STATISTICAL TECHNIQUES

The North-West University: Vaal Campus Statistical Services processed the data collected by means of a computer using the SAS-Programme. The programme was used to compute the frequency analysis and analysis of variance, including the MANOVA test and the Tukey HSD (Honestly Significant Difference) test.

Personal follow-up visits were undertaken in order to collect outstanding questionnaires. These were mainly in schools where educators were engaged in school activities that required the researcher to allow for delays in collecting the questionnaires, although some educators indicated a reluctance to complete the questionnaires.

3.6 CHAPTER SUMMARY

In this chapter the research design was presented and outlined with regard to the research method, the development of the research and pilot study description. Finally, the questionnaire was used as a research instrument because of its advantages and was distributed and collected through contact persons at schools.

The next chapter will present the research data analysis and interpretations

CHAPTER 4

DATA ANALYSIS AND INTERPRETATION

4.1 INTRODUCTION

This chapter presents the analysis and interpretation of how school leadership currently fosters entrepreneurship customs in historically disadvantaged schools through data collected by means of a questionnaire.

4.2 DATA ANALYSIS

Data analysis is a set of information obtained through systematic investigation and refers to information that is numerical or narrative (De Poy & Gitlin, 1998:305). Neuman (1997:271) asserts that data analysis is a technique for gathering and explaining the content of text. The content refers to words, meanings, ideas or any messages that can be communicated. The text is anything written, visual or spoken that serves as a medium of communication. This chapter assumes the quantitative method of data analysis, with narrative reporting and interpretation of results. Respondents' demographic data are reported hereunder.

4.2.1 Demographic data of the respondents

Respondents' demographic data indicate information relating to their backgrounds and provide the opportunity to get insight of who they are in terms of their biographical details. The data are represented by means of frequency counts (f) and percentages (%). Tables are used for this purpose.

4.2.1.1 *Gender of respondents*

Table 4.1 depicts data on respondents' gender.

Table 4.1 Data on respondents' gender

Variables	f	%
Male	209	43.0%
Female	269	55.4%
No response	8	1.6%
Total	486	100%

The majority of respondents (55%) were females whilst males accounted for 43% of the respondents. The data indicate that females are strongly represented in the teaching profession, which exactly depicts the present demographics of the South African population.

4.2.1.2 *Age of respondents*

Table 4.2 illustrates data on the ages of respondents.

Table 4.2 Data on the ages of respondents

Variables	f	%
24 years & younger	2	0.4%
25-35 years	81	16.7%
36-45 years	209	43.0%
46-55 years	172	35.4%
56 years & older	15	3.1%
No response	7	1.4%
Total	486	100%

From the data in figure 4.2, it seems that the majority of educators (43.0%) in historically disadvantaged schools fall within the 36-45 years age category. This is followed by staff in the 46-55 years category (35.4%), 25-35 years age category (16.7%), 56 years older (3.1%) and lastly, the 24 years and younger category (0.4%). From this data, it can be expected that perceptions about how entrepreneurship customs are fostered in schools would differ as the age category may dictate different outlooks towards events occurring at schools. For instance, the younger educators might relish opportunities for innovation and risk-taking as against much older educators who might be more cautious in their approach.

4.2.1.3 *Post description of respondents*

Table 4.3 below illustrates data on the post descriptions of the respondents.

Table 4.3 Respondents' post descriptions

Variables	f	%
Principal	24	4.9%
Deputy Principal	54	11.1%
HOD	127	26.1%
Senior Educator	189	38.9%
Educator P1	84	17.3%
No response	8	1.7%
Total	486	100%

From the data collected, it seems that the majority of the respondents (38.9%) are senior educators and educators at P1 (17.3%), followed by HOD's (26.1%), deputy principals (11.1%) and school principals (4.9%). Clearly, from this data, the majority of educators are at senior educator level. This is interesting, in that this category of post description has been recently introduced in the department of

education as part of the department of education's Integrated Quality Management Systems which have to do with educator development career and pay progression.

It was noted that only 4.9% of the questionnaires returned indicated responses by school principals. A follow-up with contact persons indicated that most principals, for one reason or another, did not complete the questionnaires, which was a concern to the researcher. However, since the research basically intended to investigate the prospects of fostering entrepreneurship customs at schools, it was decided that data provided by the rest of the respondents would adequately address the research aim, moreover because, other than principals, respondents would provide an indication of their perceptions about entrepreneurship customs at their schools. In addition the sample was purposely not stratified as the educators' perceptions were initially targeted.

4.2.1.4 *Teaching experience of the respondents*

Table 4.4 below illustrates data on the teaching experience of respondents.

Table 4.4 Data on teaching experience

Variables	f	%
Less than 2 years	26	5.4%
2-5 years	28	5.8%
6-10 years	66	13.6%
11-20 years	49	10.1%
Longer than 20 years	310	63.7%
No response	7	1.4%
Total	486	100%

From the data collected, the majority of respondents (63.7%) fall within the twenty plus years of teaching experience, followed by the 6-10 years of experience (13.6%) while other respondents (10.1%, 5.8% and 5.4%) fall within the 11-20, 2-5

and less than 2 years categories respectively. The majority of the teaching staff has relatively long teaching experience. This is commensurate with data collected with regard to the ages of respondents, which factor can have an effect on educators approach to entrepreneurship customs.

4.2.1.5 *Academic qualifications of the respondents*

Table 4.5 below illustrates data on the highest academic qualifications of respondents.

Table 4.5 Data on academic qualifications

Variables	f	%
Grade 12	61	12.5%
Diploma	250	51.4%
Degree	115	23.7%
Degree plus	51	10.5%
No response	9	1.9%
Total	486	100%

From data collected, it seems that the majority of respondents (51.4%) have diplomas. This is followed by 23.7% who have degrees as their highest academic qualification. The fact that most respondents are in possession of diplomas and degrees, is an encouraging sign for academic and personal growth at schools and is indicative of a possible fertile ground in which principals can foster entrepreneurial customs due to a wide ranging array of skills and knowledge on a variety of specific areas of expertise. This in itself presents opportunities that can be explored for the schools to gain a competitive edge in their environment.

4.2.1.6 *Professional qualifications of the respondents*

Table 4.6 below illustrates data on the professional qualifications of respondents.

Table 4.6 Data on professional qualifications

Variables	f	%
Certificate	13	2.7%
Diploma	261	53.7%
Degree	170	34.9%
Masters	27	5.6%
Doctorate	1	0.2%
No response	14	2.9%
Total	486	100%

From the data collected, it seems that the majority of respondents (53.7%) have diplomas, followed by 34.9% who have degrees as their professional qualification. The data on professional qualifications indicate that most educators are properly qualified as educators. This bodes well for schools in their quest for being entrepreneurial because being qualified, implies that the principal works with professionals who will be better able to understand and embrace entrepreneurship praxes at schools. For instance, the Masters and Doctoral degrees increase the scope for understanding implications for introducing and implementing new ventures.

4.2.1.7 School type

Table 4.7 illustrates data on the school type of respondents. From the data collected, there is a marginal difference in terms of the number of respondents from the primary (50.8%) and secondary schools (46.1%). This will present an interesting exploration of the possibility of the practice of entrepreneurship customs in the two school types, especially since they function at different levels. The principal's role could be more significant in secondary schools since, in my opinion, these are the schools where there exist numerous opportunities for fostering entrepreneurship customs. Primary schools also do provide such opportunities,

since they lay the foundation for any future development of learners. Thus, entrepreneurial habits at these schools would position them favourably in their environments.

Table 4.7 Data on respondents' school types

Variables	f	%
Primary	247	50.8%
Secondary	224	46.1%
Combined	7	1.4%
Other	3	0.6%
No response	5	1.1%
Total	486	100%

4.2.1.8 *Data on the number of teaching staff at schools*

Table 4.8 illustrates data on the number of respondents at schools.

Table 4.8 Data on the number of teaching staff in the school

Variables	f	%
Less than 10	20	4.1%
10-20	139	28.6%
21-40	266	54.7%
More than 40	55	11.3%
No response	6	1.3%
Total	486	100%

From the data collected, it seems that most respondents (54.7%) are at schools with 21-40 teaching staff, followed by 28.6% who are at schools with 10-20 teaching staff. It is noteworthy that a significant number of schools (11.3%) have

staff exceeding 40. These are indeed big schools in terms of the department's post provisioning model.

The schools with big numbers have significant implications for principals who strive to foster entrepreneurial customs. Quite clearly, the more educators there are on the school staff, the more onerous the task of the principal in fostering some aspects of entrepreneurship customs. This includes being able to pay attention to all their needs for being, *inter alia*, innovative, risk-taking and proactive.

4.2.1.9 **Data on the location of the respondents' schools**

Table 4.9 illustrates data on the location of respondents' schools.

Table 4.9 Data on location of respondents' schools

Variables	f	%
Township	450	92.7%
Farm/Rural	1	0.2%
Town	1	0.2%
No response	34	6.9%
Total	486	100%

From the data collected, the majority of respondents (92.7%) are in township schools, followed by both town school (0.2%) and rural school at (0.2%). The fact that most schools are located in townships indicates the demographic make-up of schools in the Sedibeng area. In terms of historical disadvantagedness, it can be expected that many more challenges will exist in this schools, especially in the form of the exodus of learners to advantaged schools, lack of educational resources and staff redeployment. This in itself can present novel entrepreneurial opportunities in terms of innovation and proactivity for school principals.

4.2.1.10 **Data on learner numbers of at respondents' schools**

Table 4.10 illustrates data on the number of learners in respondents' schools.

Table 4.10 Data on learner number at respondents' schools

Variables	f	%
0-500	77	15.8%
0-800	112	23.1%
0-1000	111	22.8%
1000 plus	177	36.4%
No response	9	1.9%
Total	486	100%

As illustrated in figure 4.10, the majority of respondents (36.4%) are at schools with 1000 plus learners, followed by 23.1% with 0 - 800 learners, 22.8% with 0 - 1000 learners and 15.8% with 0 - 500 learners. This information confirms the earlier findings that most historically disadvantaged schools are quite big as evidenced by large staff numbers and learner numbers.

The large enrolments in these schools have particular implications for principals' efforts in fostering entrepreneurial praxes. For instance, most of these schools are in townships, which presents challenges for the principals, *inter alia*, of exploring and identifying opportunities that can be explored in competition with other schools and historically advantaged schools. Indeed, one of the challenges is the exodus of learners to town schools. However, the fact that these schools still have high enrolments, presents opportunities for innovation and proactiveness on the part of principals to use their existing resources in novel ways so as to position themselves in ways that give them a competitive advantage.

Having analyzed the demographic data of the respondents, a frequency analysis of responses to the questionnaire items of the entrepreneurship dimensions was

undertaken. The purpose was to understand the responses to individual items constituting each dimension.

4.3 ANALYSIS OF DATA ON ENTREPRENEURSHIP CUSTOMS IN HISTORICALLY DISADVANTAGED SCHOOLS

Data collected were analyzed in terms of the three dimensions for fostering entrepreneurship praxes in schools, namely innovation, proactivity and risk-taking (2.4.3). For the purpose of analysis, the responses pertaining to "agree" and "strongly agree" were combined to denote "agree", and those for "disagree" and "strongly disagree" were combined to denote "disagree". Data on innovation at schools are presented in the next section.

4.3.1 Data on innovation

Innovation refers to a new idea applied to initiation or improving a product, service or process and consists of structural variables, organizational variables and human resource variables (see 2.4.3.1). Table 4.11 below illustrates data on the innovation dimension of entrepreneurship customs.

Data from the table indicates that marginally more than half (53.5%) of the respondents agreed that the school leadership treats them fairly and consistently (question 1) while 45.5% disagreed and 1% did not respond. There is a strong suggestion of a mixed reaction to this item and indicates that some school environments may be innovative while others may not be. Since the responses indicating "agree" and "disagree" are almost equally split, this indicates that there is a strong prospect that these schools can embrace entrepreneurship customs.

Table 4.11 Data on innovation

Questions	Agree		Disagree		NR
	f	%	f	%	%
1. Staff members are treated fairly and consistently	260	53.5%	221	45.5%	1.0%
2. Educators' failures are accepted as part of the process of learning	233	47.9%	247	50.8%	1.3%
3. Educators are encouraged to strive for excellence in their work	297	61.1%	185	37.9%	1.0%
4. Many educational activities that have not been tried previously, are implemented	240	49.4%	239	49.4%	1.2%
8. An environment where educators are free to try new things is created	245	50.4%	232	47.8%	1.8%
9. The school leadership communicates a vision of how the school could be better in the future if certain improvements were to be made	270	55.5%	212	43.6%	0.9%
10. Educators are pushed to be creative and innovative in how they do their work	244	50.2%	241	49.6%	0.2%
15. Educators are challenged to creatively discover ways to do more with less	250	51.4%	233	47.9%	0.7%
16. An extensive network of people throughout the community that are willing to help if called upon are utilized	215	44.2%	267	54.9%	0.9%
18. Suggestions from others about how to do things differently are willingly listened to	242	49.8%	241	49.6%	0.6%
19. There is a tendency from school leadership to bring new problem-solving ideas into use	231	47.5%	252	51.9%	0.6%
21. Leadership strives to build a culture of creativity and innovation within the school	267	54.9%	210	43.2%	1.9%
23. School leadership encourages open communication and idea sharing across the school department and functions	261	53.7%	223	45.9%	0.4%
24. Staff are informed and kept up to date on educational trends and strategies used by other successful schools	243	50.0%	242	49.7%	0.3%

Treating staff fairly and consistently is a good indicator of a school climate that is amenable to entrepreneurship customs (cf. 2.3.4).

On whether educators' failures are accepted as part of the process of learning (question 2), a little less than half of the respondents (47.9%) of the respondents agreed, while just over half (50.8%) disagreed. While it is encouraging that almost half of the respondents agreed with the statement, it is worrisome that the majority of them of them disagree, which signals levels of intolerance for mistakes as being part of process of learning. This could be a result of demands on schools to produce predetermined results, like good matric results and thus could be the reason why there is no tolerance for mistakes. It, however, stands to reason that an entrepreneurial organization thrives on mistakes and lessons learnt from them, which actually encourages innovation (2.4.3.1)

Responses on the question of whether educators are encouraged to strive for excellence in their work (question 3), indicated that the majority of respondents (61.1%) agreed while 37.9% disagreed and 1.0% did not respond. This is an encouraging indication of the prospects existing for historically disadvantaged schools to be entrepreneurial and to embrace entrepreneurship customs in their operations.

Almost half of the respondents (49.4 %) agreed that many educational activities that have not been tried previously are implemented in the school (question 4), while an equal number (49.4%) disagreed with the statement. This suggests that opportunities for trying out new things are provided at schools. In the same breath it can be said that principals are also cautious about allowing activities that deviate from the norm. This seems to support the notion mentioned earlier about ensuring that schools produced predetermined outcomes and as such, trying new ventures may be seen as too risky. It is, however, clear that possibilities for entrepreneurial and innovative actions exist in historically disadvantaged schools.

Half of the respondents (50.4%) agreed that an environment where educators are free to try new things is created (question 8), while almost half (47.8%) disagreed and 1.8% did not respond. These responses seem to support the argument raised earlier, that school principals may be cautious in their approach to school operations that border on innovation. It could be that “trying new things” is seen as indeterminate in terms of results, while schools are expected to produce results. Clearly and understandably so, principals, because they carry the brunt of any failure, could be very careful in allowing free venturing in schools. However, the fact that some respondents agree that they are free to try new things, indicates that the potential exists for entrepreneurial practices at schools.

On whether the school leadership communicates a vision of how the school could be better in the future if certain improvements were to be made (question 9), more than half (55.5%) of the respondents agreed, while 43.6% disagreed. This is a crucial finding, in that communication of an entrepreneurial vision is a key driver to entrepreneurial practices in organizations (cf.2.2.7; 2.3.5). This could also be indicative of the fact that in some schools, educators are not always involved in deciding the strategic direction of the school or that opportunities are not created for respondents to shape and influence strategic planning of the school.

Marginally over half (50.2%) of the respondents agreed that educators are pushed to be creative and innovative in how they do their work (question 10) while 49.6% disagreed and 0.2% did not respond. The positive response is an encouraging one as it indicates that principals do challenge educators to be creative and innovative in how they do their work, though in some schools, this is not the case. However, it seems from the earlier findings about the possibility of “cautious” principals, that this is not coupled with action that could spell a deviation from the normal way in which things are done. It would be interesting to find out if these responses are pertinent to primary schools or to secondary schools. The fact that primary schools have been implementing outcomes-based education (which allows for creativity

and innovation) for a longer time than secondary schools, could be the reason for this possible variance.

Just over half of the respondents (51.4%) agree that educators are challenged to creatively discover ways to do more with less (question 15), while 47.9% disagree. This is an important aspect of fostering entrepreneurship praxes in schools, in that it relates directly to resource availability and utilization. From the responses, it is clear that principals do emphasize the notion of using resources creatively. This is positive in so far as innovation is concerned. It is also noted that almost half of the respondents do not agree. This creates scope for a focus on promoting an understanding of entrepreneurial practices among principals at schools.

Less than half (44.2%) of the respondents are of the view that an extensive network of people throughout the community that are willing to help if called upon are utilized (question 16), while almost 54.9% agreed. This is an important finding since it indicates that schools do not go out to utilize available people (resources) in the community and implies a disjuncture between the school and the community. This can be a “spanner in the works” in terms of fostering entrepreneurship praxes at schools.

Just under half of the respondents (49.8%) agreed that suggestions from others about how to do things differently are willingly listened to (question 18), while almost an equal number (49.6%) disagreed. This is indicative of the strong potential that historically disadvantaged schools have with regard to being entrepreneurial organizations. It also indicates school organizational cultures that are amenable to entrepreneurship customs which embrace collaborative venturing as an aspect of innovation in an organization (cf. 2.3.1; 2.3.5).

On whether there is a tendency from school leadership to bring new problem-solving ideas into use (question 19), less than half (47.5%) of the respondents agreed, while just over half (51.9%) disagreed. In terms of this finding, there

appears to be a strong indication that school leadership does not try new problem solving practices, which indicates a reliance on tried and tested solutions to problems. In a turbulent environment of change and competition, this is not good for entrepreneurial custom practices. However, a promising sign can be gleaned from the responses that agreed with the statement, which sends out a signal of the prospects for making historically disadvantaged schools entrepreneurial organizations.

On whether school leadership strives to build a culture of creativity and innovation within the school (question 21), over half of the respondents (54.9%) agreed, while 43.2% disagreed with the statement. This is indicative of the challenge regarding fostering entrepreneurial school organizations and points to the need for principals not to be pressured into pursuing the same operational approaches in pursuit of predetermined outcomes.

It is also equally important to note the significant percentage of the respondents who indicated agreement with the statement. While this could not be an indication of real entrepreneurial exercise at historically disadvantaged schools, it is indicative of the strong possibility that exists to turn these schools into giant entrepreneurial organizations.

More than half of the respondents (53.7%) are of the view that school leadership encourages open communication and idea-sharing across the school departments and functions, while 45.9% disagreed. These responses are indicative of prevailing environments within schools whereby communication and idea-sharing across the school department and personnel are adequately and effectively used. This is a condition that can be utilized to maximum advantage in so far as fostering entrepreneurship customs is concerned. It is also clear that many schools do not have this condition, which places even more urgency on promoting entrepreneurship in schools.

Half of the respondents (50.0%) believe that staff are informed and kept up to date on educational trends and strategies used by other successful schools (question 24) while 49.7% disagreed. This is an important aspect of innovation – seeing and learning from others, even competition (cf. 2.4.3.1), so as to respond to changes rapidly. The fact that half of the respondents agree with the statement indicates a potential for historically disadvantaged schools to be entrepreneurial organizations and the fact that almost half of the respondent disagree, indicates the challenge awaiting attempts at inducing these schools to embrace entrepreneurship customs.

- *Summation*

The analysis of responses regarding innovation in historically disadvantaged schools seemsto indicate that most items do exist. However, it is also noted that the responses show a marginal variance. This could be seen as a positive sign in so far as the possibility of practising entrepreneurship customs at these schools is concerned. Most importantly, these responses indicate that there indeed is potential for embracing entrepreneurship customs at these schools. It is possible that the staff, including principals, may not be conscious that they are practising some of these customs, which would be an advantage in the event of concerted efforts being endowed in cultivating entrepreneurship at these schools.

It is also noted that there could be challenging constraints in the form of expectations for uniformity and consistency of operations, which might account for most negative responses. However, this will be clearer when these variances are investigated in terms of comparative analysis through an examination of variance with regard to independent variables of respondents' demographics.

Innovation can be meaningful only if it is accompanied by proactivity.

4.3.2 Data on proactivity

Proactivity relates to a willingness to be the first to respond to needs for new or better products and service (cf. 2.3.2).

Data in relation to this dimension is depicted in table 4.12 on the next page. Over half (52.1%) of the respondents agreed that new educational opportunities are actively initiated for both learners and staff (question 5), while 46.0% disagreed. This is a positive sign in so far as fostering entrepreneurship customs at schools is concerned. In essence, this points to a strong prospect of this happening at schools. The question that may be posed relates to whether these opportunities refer to those that make schools to gain a competitive advantage over their competitors. This may be possible to an extent, especially if the learner enrolments of these schools (cf. 4.3.2.10) are considered despite the exodus of learners to historically advantaged schools.

On whether job-related training and development for educators are initiated (question 11), the majority of respondents (55.4%) agreed, while a sizeable number (44.0%) disagreed. Respondents may be relating to staff development exercises which have been on a "high" since the introduction of the new curriculum. This is said on the basis of the 44.0% of the respondents whose responses were negative. This negative response may be attributed to the possibility that job-related training is often of limited duration and consequently, educators see it as ineffective. However, this is an indication that entrepreneurial aspects relating to staff training and development are recognized as important and this can only attest to the potential of embracing entrepreneurship customs in these schools.

Table 4.12 Data on proactivity

Questions	Agree		Disagree		NR
	f	%	f	%	
5. New educational opportunities are actively initiated for both learners and staff	253	52.1%	224	46.0%	1.9%
11. Job-related training and development for educators are initiated	269	55.4%	214	44.0%	0.6%
12. Educators are encouraged to take initiative and to act on their own ideas	252	51.8%	233	48.0%	0.2%
20. Improved communication and effective teams have been initiated	251	51.6%	233	47.9%	0.5%
25. School leadership is overly or too optimistic	189	38.9%	270	55.6%	5.5%
27. New ways of increasing learner enrolment at school have been initiated	237	48.8%	237	48.9	2.3%
29. Rendering of new subjects and developmental programmes for learners are initiated	250	51.4%	232	47.8%	0.8%
30. Innovative ways to manage, use or rearrange schools' assets and resources are initiated	248	51.0%	233	48.0%	1.0%

On whether educators are encouraged to take initiative and act on their own ideas (question 12), more than half (51.8%) of the respondents agreed that job-related training and development for educators are initiated, while 48.0% disagreed. The positive responses are a good sign for historically disadvantaged schools, in that taking initiative and acting on own ideas is a sure indicator of proactivity. The negative responses are disconcerting, in that without this aspect, educators would not be proactive and schools would not be entrepreneurial. However, this indicates the awareness of educators regarding the necessary entrepreneurial activities, that is, that taking initiative is a crucial element of fostering entrepreneurship praxes. These responses are in alignment with the earlier findings relating to the pursuit of predetermined outcomes and being cautious or wary of initiatives that may deviate from the normal routine of achieving outcomes.

Over half of the respondents (51.6%) agreed that improved communication and effective teams have been initiated at their schools (question 20). Although this may not relate directly to entrepreneurship, it is a good sign and is indicative of a fertile ground for fostering entrepreneurial practices in historically disadvantaged schools. However, it is noted that almost half (47.9%) of the respondents disagreed with the statement. This can only mean that some schools do not exercise good communication and teamwork. These are crucial aspects of proactiveness, especially in the context of fostering entrepreneurship in these schools' environments.

Less than half (38.9%) of the respondents believe that school leadership is overly or too optimistic (question 25), while the majority (55.6%) disagreed. The negative responses actually imply that principals in these schools are very proactive and educators see them as such. This response is a positive aspect for principals in terms of their being proactive. However, the 38.9% that indicated that principals are overly optimistic indicates lack of understanding of optimism as an aspect of proactivity and thus seems to agree with an earlier finding regarding poor or no

communication of the vision for innovation. This creates scope for introducing and cultivating entrepreneurial practices at these schools.

On whether new ways of increasing learner enrolment at school have been initiated (question 27), just under half of the respondents (48.8%) agreed, while almost an equal percentage (48.9%) disagreed. This is a crucial finding as it relates to principals' proactiveness in pursuing novel and innovative ways of attracting learners to their schools in competition with historically advantaged schools. The responses indicate that some schools have initiated ways of increasing enrolments while others have not. The positive responses augurs well for the fostering of entrepreneurship praxes, while the negative responses indicate the potential for doing so. This item is significant in so far as it highlights the attitude of schools and in particular, principals towards innovation and proactivity regarding improving their "product" or service, so as to gain a competitive advantage.

Slightly over half of the respondents (51.4%) agreed that rendering of new and developmental programmes for learners are initiated (question 29), while 47.8% disagreed. This item is indicative of proactiveness in so far as positioning the school to have a competitive advantage is concerned and clearly from the responses, there seems to be an indication of few programmes in this regard. This could be attributed to a lack of resources or failure to recognise this as an opportunity to be explored innovatively. However, the fact that some respondents agreed with the statement, is indicative of the possibility existing in historically disadvantaged schools for the fostering of entrepreneurship customs.

In response to whether innovative ways to manage, use or rearrange school's assets and resources are initiated (question 30), just over half (51.0%) of the respondents agreed and 48% disagreed. These responses, being almost equal, are indicative of the practice of this custom. The negative response to this item indicates that historically disadvantaged schools need to focus more on innovative

ways of resource management and utilization. It in essence, is also indicative of the potential for doing so in these schools.

- *Summation*

On the whole, it appears that proactivity at school is a feature of operations, albeit minimal in terms of split responses. This alone presents the prospects for entrepreneurship in historically disadvantaged schools. This is embracing proactivity as a driver for entrepreneurial praxes and is crucial in ensuring that innovation and risk-taking are part of schools' operational endeavours to be competitive and to render outstanding service to the community. This way, these schools will be able to attract the much needed educational resources they so direly need.

4.3.3 Data on risk-taking

Risk-taking involves taking a chance, which essentially means embarking on a venture, even though there is no certainty of a positive or intended result and also describes those conditions in which the decision-maker estimates the likelihood of certain outcomes or assigns probabilities to outcomes and occurs when knowledge about a problem (or venture) is inadequate and it cannot be determined with certainty, what the outcome will be (cf. 2.4.3.2). Table 4.13 below depicts data with regard to risk-taking aspects.

Table 4.13 Data on risk-taking

Questions	Agree		Disagree		NR
	f	%	f	%	%
6. Educators' suggestions for improving the school are supported even when not sure if they will work	223	45.9%	256	52.6%	1.5%
7. There is a tendency of making choices to gain a desired outcome in the face of possible loss and uncertainty	210	43.2%	263	54.1%	2.7%
13. Some of the duties are delegated to educators	284	58.4%	198	40.7%	0.9%
14. An environment where new things are tried is promoted even when not sure if they will work	218	44.9%	264	54.2%	0.9%
17. Decisions are made impulsively	200	41.1%	274	56.4%	2.5%
22. School leadership believes in the motto: nothing ventured, nothing gained	311	64.0%	166	34.1%	1.9%
26. School leadership overrates or exaggerates the probability of realizing desired educational outcomes	185	38.0%	295	60.7%	1.3%
28. School leadership believes in the saying "if it is not broken, don't fix it"	308	63.3%	169	34.8%	1.9%

On whether educators' suggestions for improving the school are supported even when not sure if they will work (question 6), less than half of the respondents (45.9%) agreed, while over half (52.3%) disagreed. This is a worrisome situation in that entrepreneurship customs, among others things, require that educators or organizational members get the latitude to take risks. It is, however, encouraging that a sizeable number agreed with the statement. As such, it is understandable in the light of earlier comments regarding school outcomes and taking risks, especially when the outcome of such risk-taking is indeterminate.

Table 4.13 also indicates that on the question of whether there is a tendency of making choices to gain a desired outcome in the face of possible loss and uncertainty (question 7), less than half (43.2%) of the respondents agreed while more than half (54.1%) disagreed. This clearly shows that risk-taking is not a feature of historically disadvantaged schools, although a significant percentage of respondents indicated that this happens. That alone is an indicator of entrepreneurship prospects in schools.

Almost two thirds of the respondents (58.4%) agreed that some of the duties are delegated to educators (question 13), while 40.7% disagreed. Risk-taking is indeed a difficult challenge for schools. It is thus understandable that the majority of schools do not show inclinations towards allowing for risk-taking. As pointed out earlier, embarking on actions with indeterminate outcomes challenges, in particular, the principal, who almost always shoulders the responsibility for any failure.

On whether an environment where new things are tried is promoted, even when not sure if they will work (question 14), less than half (44.8%) of the respondents agreed and more than half (54.2) disagreed. Such an environment is necessary for entrepreneurial risk-taking. Clearly from the responses, such environments do not really exist in historically disadvantaged schools. It must be noted though, that a significant number of respondents indicated that such an environment existed in

their schools. Apart from being a matter of perceptions, it is equally clear that these schools have the potential for such environments as has been pointed out in lieu of earlier responses.

About two fifths of the respondents (41.1%) agreed that decisions are made impulsively (question 17). Impulsive decision-making is indicative of an environment tolerant of risk-taking. The response to outcomes thereof, will be a function of the school's tolerance to mistakes as part of learning, as alluded to earlier. From the responses, it is clear that in these schools decisions tend to be made carefully. This implies a low level of tolerance for risk-taking. In the light of the nature of the schools and expectations of consistency of operations and outcomes, this becomes understandable.

On whether school leadership believes in the motto: "nothing ventured, nothing gained", more than two thirds of the respondents (64%) agreed, while only 34.1% disagreed. It is somehow intriguing that the positive responses are so overwhelming, while in earlier responses, there was an indication of low tolerance for risk-taking. This can be attributed to personal perceptions of respondents. In any case, this is indicative of the existing prospects of fostering entrepreneurship customs.

Less than two fifths of the respondents (38.0%) agreed that school leadership overrates or exaggerates the probability of realizing desired educational outcomes (question 26), while the majority (60.7%) disagreed. The essence of this question is a leadership that is highly risk-taking and proactive and this might be viewed by educators as overrating or exaggerating the realization of educational outcomes. In this sense then, the negative responses indicate perceptions of a rather low level of risk-taking. However, the 38% of respondents who agreed points to possibilities in terms of embracing entrepreneurial practices.

The majority of the respondents (63.3%) agreed that school leadership believes in the saying "if it is not broken, don't fix it" (question 28), and just over a third (34.8%) disagreed. This is also indicative of an environment that prefers consistency, knowledge and surety of expected outcomes. It is certainly not an entrepreneurial environment that is tolerant of risk-taking.

- *Summation*

On the whole, it seems that school leadership is not comfortable in trying out and venturing out on untested processes. This is as a result of the uncertainty of outcomes attached to risk-taking. Therefore it is understandable that principals would not easily allow free venturing, especially on issues that have to do with learner achievement outcomes. Another factor that can be attributed to this cautious stance, is the fact that processes at schools are usually prescribed by the department and so it is not easy for principals and schools to deviate from prescribed processes (cf. 2.2). In the same breath, it can be asserted that some responses indicate that school principals do allow risk-taking to take place. This is indicative of the potential and prospects existing for historically disadvantaged schools to be entrepreneurial organizations.

4.4 CONCLUSIONS ON THE FREQUENCY ANALYSIS

The frequency analysis has served to indicate the status of historically disadvantaged schools regarding entrepreneurship customs. It is clear from the analysis that these schools have great prospects for their principals to embrace and foster entrepreneurial praxes. Because the phenomenon of entrepreneurship is relatively untested in school environments, the positive responses to the aspects of entrepreneurship dimensions, imply that unawares, school principals in these schools do practise some of the habits of entrepreneurship. This indicates a positive and enabling basis for conscientizing them with regard to the benefits of creating a competitive advantage for themselves and their schools.

The problem statement of this research is thus given weight about the need and possibility of the historically disadvantaged schools to be entrepreneurial organizations. However, the responses to the questionnaire items were in most instances split between respondents who agreed and those who disagreed. It is therefore necessary to investigate the possible causes of these variances in responses, especially in consideration of the respondents' differing demographics. This is based on the assumption that in an environment of turbulence and change, many other factors could be responsible for differences in perceptions of people on the same issue.

The next section thus investigates the possible reasons for the differences in perceptions of the respondents regarding the dimensions of entrepreneurship customs.

4.5 ANALYSIS OF VARIANCE ON THE ENTREPRENEURSHIP DIMENSIONS

The analysis of variance between variables on entrepreneurship dimensions necessitated a factor analysis.

4.5.1 Factor analysis

A factor analysis discovers simple patterns in the pattern of relationships among variables. In particular, it seeks to discover if the observed variables can be explained largely or entirely in terms of a much smaller number of variables called factors (Darlington, 2004). This, in essence means that factor analysis seeks to reduce the original set of variables into smaller sets of composite variables or to describe interrelationships among original variables in terms of common underlying dimensions (Diamantopoulos & Schlegelmilch, 2000:216).

In this study, the intention was to find out if such independent variables as gender, post description, experience in teaching, academic and professional qualifications and school type, would influence the respondents' perceptions about

entrepreneurial customs at their schools. For this purpose, the principal component analysis (see Diamantopoulos & Schlegelmilch, 2000:216) was computed.

The factor analysis reduced the questionnaire's 30 items investigating the perceptions of educators about the entrepreneurship practices at their schools to only one factor which was named, *entrepreneurship customs*, with three dependent variables namely, innovation, proactivity and risk-taking. This factor then consisted of 30 items. Having factor-analyzed the data from the 30 items, it was important to determine the variances between the dependent and independent variables on this factor. For that purpose, the analysis of variance was computed.

A multivariate test for significance (MANOVA) was thus conducted, using demographic independent variables with entrepreneurship categories as dependent variables. A MANOVA test for significance is conducted when there is more than one dependent variable and is thus a statistical procedure for analysing many variables at the same time (Salkind, 2000:269; McMillan & Schumacher, 2001:384). In this research, the multivariate test was conducted to determine if responses were influenced by respondents' demographic backgrounds. For that reason, independent variables tested were the gender, experience, position held, academic qualifications, professional qualifications and school type.

4.5.2 An analysis of variance between independent variables and entrepreneurship customs

The purpose of this analysis was to determine if there were any statistical differences in responses between the dependent variable, entrepreneurship customs and independent variables drawn from respondents' demographic data.

4.5.2.1 *The relationship between gender and entrepreneurship customs*

In this case, the test was computed to determine if respondents' gender resulted in differences of perceptions and if these differences were of any statistical

significance and if so, to determine if the statistically significant differences were of any practical effect. Table 4.14 illustrates data with regard to the relationship between gender and entrepreneurship customs, as computed through the MANOVA test.

Table 4.14 Relationship between gender and the entrepreneurship customs

Independent variable	Test	Value	F	Effect	Error	P
Gender	Wilks	0.984466	1.866	4	473	0.115255 [#]

[#] No significant difference

* Significant difference at $p < 0.05$

Data from table 4.14 indicates that no statistically significant differences were found between the gender of the respondents and the factor, entrepreneurship customs. This means that respondents were not influenced by being male or female in their responses and thus there is no relationship between the dependent and independent variables.

4.5.2.2 *The relationship between experience as an educator and the entrepreneurship customs*

The purpose in this instance was to determine if there was any influencing relationship between respondents' experience as educators and entrepreneurship customs. Table 4.15 illustrates data with regard to the relationship between teaching experience and entrepreneurship customs as computed through the MANOVA test.

Table 4.15 The relationship between teaching experience and entrepreneurship customs

Independent variable	Test	Value	F	Effect	Error	p
Experience	Wilks	0.873119	4.077	16	1436.511	0.000000*

No significant difference

* Significant difference at $p < 0.05$

Data from table 4.15 indicate that there are statistically significant differences between respondents' teaching experience and the factor, entrepreneurship customs. This means that statistically, their responses were influenced by these factors. It thus became necessary to determine if these differences were chance differences or if they were of any practical effect.

Due to the statistically significant differences, a univariate (ANOVA) test was conducted on the factor entrepreneurship customs – in terms of the independent variables. For this purpose, an ANOVA test was conducted for the factor. The ANOVA test is, according to McMillan and Schumacher (2001:373), conducted in a study where two or more sample means are compared on one independent variable and allows for testing differences between all groups and to make accurate statements rather than using a series of separate test for statistical differences, like using the t-test (cf. Salkind, 2000:220). Table 4.15 illustrates ANOVA values for the teaching experience in relation to the independent variables.

Table 4.16 The ANOVA values for independent variable – teaching experience in relation to each dependent variable

Source of variation	DF	Dependent variable	SS	MS	F	p
Teaching experience	4	Innovation	21.316	5.329	12.350	0.000000*
		Proactivity	20.664	5.166	12.216	0.000000*
		Risk-taking	6.441	1.610	6.873	0.000022*

No practically significant effect

* Significant with practical effect

From table 4.16 it can be seen that there were statistically significant differences between the independent variable, teaching experience, and the three dependent variables – innovation, proactivity and risk-taking. Consequently, a *post hoc* test was conducted to determine which groups of respondents in terms of their teaching experience displayed these differences. A Tukey Honestly Significant Difference test (HSD) was conducted for this purpose. A Tukey HSD test is conducted in order to compare each pair of conditions to see if the difference is significant (Hinton, 1995:131) as well as between which groups of respondents. Table 4.17 illustrates the Tukey HSD values for teaching experience and entrepreneurial customs.

Table 4.16 The ANOVA values for independent variable – teaching experience in relation to each dependent variable

Source of variation	DF	Dependent variable	SS	MS	F	p
Teaching experience	4	Innovation	21.316	5.329	12.350	0.000000*
		Proactivity	20.664	5.166	12.216	0.000000*
		Risk-taking	6.441	1.610	6.873	0.000022*

No practically significant effect

* Significant with practical effect

From table 4.16 it can be seen that there were statistically significant differences between the independent variable, teaching experience, and the three dependent variables – innovation, proactivity and risk-taking. Consequently, a *post hoc* test was conducted to determine which groups of respondents in terms of their teaching experience displayed these differences. A Tukey Honestly Significant Difference test (HSD) was conducted for this purpose. A Tukey HSD test is conducted in order to compare each pair of conditions to see if the difference is significant (Hinton, 1995:131) as well as between which groups of respondents. Table 4.17 illustrates the Tukey HSD values for teaching experience and entrepreneurial customs.

data reflecting the MANOVA values between position held and the factor – entrepreneurship customs.

Table 4.18 The relationship between position held and the entrepreneurship customs

Independent variable	Test	Value	F	Effect	Error	p
Post held	Wilks	0.856133	4.693	16	1439.566	0.000000*

No significant difference * Significant difference at $p < 0.05$

Table 4.18 indicates statistically significant differences in responses regarding respondents' positions and the factor – entrepreneurship customs. This means that statistically, their responses were influenced by these factors, so that there is a relationship between the dependent and independent variables. It thus became necessary to determine if these differences were chance differences or if they were of any practical effect. The ANOVA test was conducted in order to determine whether the differences were statistically significant or were chance differences. Table 4.19 illustrates the ANOVA values in this regard.

Table 4.19 The ANOVA values for independent variable – position held in relation to each dependent variable

Source of variation	DF	Dependent Variable	SS	MS	F	p
Position held	4	Innovation	26.687	6.672	15.901	0.000000*
		Proactivity	24.523	6.131	14.795	0.000000*
		Risk-taking	8.807	2.202	9.618	0.000000*

No practically significant effect

* Significant with practical effect

From table 4.19, it can be seen that there were statistically significant differences between the independent variable, position held and the three dependent variables – innovation, proactivity and risk-taking. A *post hoc* test was conducted to determine which groups of respondents in terms of respondents' positions displayed these differences. For this purpose, a Tukey Honestly Significant Difference (HSD) test was conducted. Table 4.20 illustrates the Tukey HSD values for position held and entrepreneurial customs.

Table 4.19 The ANOVA values for independent variable – position held in relation to each dependent variable

Source of variation	DF	Dependent Variable	SS	MS	F	p
Position held	4	Innovation	26.687	6.672	15.901	0.000000*
		Proactivity	24.523	6.131	14.795	0.000000*
		Risk-taking	8.807	2.202	9.618	0.000000*

No practically significant effect

* Significant with practical effect

From table 4.19, it can be seen that there were statistically significant differences between the independent variable, position held and the three dependent variables – innovation, proactivity and risk-taking. A *post hoc* test was conducted to determine which groups of respondents in terms of respondents' positions displayed these differences. For this purpose, a Tukey Honestly Significant Difference (HSD) test was conducted. Table 4.20 illustrates the Tukey HSD values for position held and entrepreneurial customs.

Table 4.22 The ANOVA values for each dependent variable in relation to independent variable – academic qualification

Source of variation	DF	Dependent variable	SS	MS	F	p
Academic qualifications	3	Innovation	15.789	5.263	11.840	0.000000*
		Proactivity	16.991	5.664	13.135	0.000000*
		Risk-taking	7.414	2.471	10.577	0.000001*&

No practically significant effect

* Significant with practical effect

From table 4.22 it can be deduced that there were statistically significant differences between the independent variable, academic qualifications and the three dependent variables – innovation, proactivity and risk-taking. A *post hoc* test was conducted to determine which groups of respondents in terms of respondents' positions displayed these differences. For this purpose, a Tukey Honestly Significant Difference (HSD) was conducted. Table 4.23 illustrates the Tukey HSD values for position held and entrepreneurial customs.

Table 4.22 The ANOVA values for each dependent variable in relation to independent variable – academic qualification

Source of variation	DF	Dependent variable	SS	MS	F	p
Academic qualifications	3	Innovation	15.789	5.263	11.840	0.000000*
		Proactivity	16.991	5.664	13.135	0.000000*
		Risk-taking	7.414	2.471	10.577	0.000001*&

No practically significant effect

* Significant with practical effect

From table 4.22 it can be deduced that there were statistically significant differences between the independent variable, academic qualifications and the three dependent variables – innovation, proactivity and risk-taking. A *post hoc* test was conducted to determine which groups of respondents in terms of respondents' positions displayed these differences. For this purpose, a Tukey Honestly Significant Difference (HSD) was conducted. Table 4.23 illustrates the Tukey HSD values for position held and entrepreneurial customs.

4.5.2.5 *The relationship between professional qualifications and entrepreneurship customs*

It was also necessary to determine if there was any relationship between respondents' professional qualifications and the factor - entrepreneurship customs. Table 4.24 illustrates data in this regard as determined through the MANOVA test.

Table 4.24 The relationship between professional qualifications and entrepreneurship customs

Independent variable	Test	Value	F	Effect	Error	p
Experience	Wilks	0.867189	4.2323	16	1418.181	0.000000*
#	No significant difference		*	Significant difference at $p < 0.05$		

There were statistically significant differences with regard to the factor – entrepreneurship customs and the independent variable – professional qualifications. This result implies that respondents were influenced by their professional qualifications. There was thus, a relationship between the factor – entrepreneurship customs and the independent variable. To determine whether these differences were statistically significant or were a result of mere chance, the ANOVA test was computed. Table 4.25 illustrates the ANOVA values in this regard.

Table 4.25 The ANOVA values for each dependent variable in relation to the independent variable – academic qualification

Source of variation	DF	Dependent variable	SS	MS	F	P
Academic qualifications	3	Innovation	15.789	5.263	11.840	0.000000 [*]
		Proactivity	16.991	5.664	13.135	0.000000 [*]
		Risk-taking	7.414	2.471	10.577	0.000001 ^{*&}

[#] No practically significant effect

^{*} Significant with practical effect

From table 4.25, it can be deduced that there were statistically significant differences between the independent variable, professional qualifications and the three dependent variables – innovation, proactivity and risk-taking. A *post hoc* test was conducted to determine which groups of respondents in terms of respondents' positions displayed these differences. For this purpose, a Tukey Honestly Significant Difference (HSD) was conducted. Table 4.26 illustrates the Tukey HSD values for professional qualifications and entrepreneurial customs.

Table 4.25 The ANOVA values for each dependent variable in relation to the independent variable – academic qualification

Source of variation	DF	Dependent variable	SS	MS	F	P
Academic qualifications	3	Innovation	15.789	5.263	11.840	0.000000*
		Proactivity	16.991	5.664	13.135	0.000000*
		Risk-taking	7.414	2.471	10.577	0.000001*&

No practically significant effect

* Significant with practical effect

From table 4.25, it can be deduced that there were statistically significant differences between the independent variable, professional qualifications and the three dependent variables – innovation, proactivity and risk-taking. A *post hoc* test was conducted to determine which groups of respondents in terms of respondents' positions displayed these differences. For this purpose, a Tukey Honestly Significant Difference (HSD) was conducted. Table 4.26 illustrates the Tukey HSD values for professional qualifications and entrepreneurial customs.

4.5.2.6 *The relationship between types of schools and entrepreneurship customs*

It was necessary to determine if there was any relationship between respondents' school types and the factor - entrepreneurship customs. Table 4.27 illustrates data in this regard as determined through the MANOVA test.

Table 4.27 The relationship between school type and entrepreneurship customs

Independent variable	Test	Value	F	Effect	Error	p
Experience	Wilks	0.879344	15.985	4	466	0.000000*

No significant difference * Significant difference at $p < 0.05$

There were statistically significant differences with regard to the factor – entrepreneurship customs and the independent variable –school types. This result implies that respondents were influenced by their school types. There was thus a relationship between the factor – entrepreneurship customs and the independent variable. To determine whether these differences were statistically significant or were mere chance differences, the ANOVA test was computed. Table 4.28 illustrates the ANOVA values in this regard.

4.5.2.6 *The relationship between types of schools and entrepreneurship customs*

It was necessary to determine if there was any relationship between respondents' school types and the factor - entrepreneurship customs. Table 4.27 illustrates data in this regard as determined through the MANOVA test.

Table 4.27 The relationship between school type and entrepreneurship customs

Independent variable	Test	Value	F	Effect	Error	p
Experience	Wilks	0.879344	15.985	4	466	0.000000*
#	No significant difference			*	Significant difference at $p < 0.05$	

There were statistically significant differences with regard to the factor – entrepreneurship customs and the independent variable –school types. This result implies that respondents were influenced by their school types. There was thus a relationship between the factor – entrepreneurship customs and the independent variable. To determine whether these differences were statistically significant or were mere chance differences, the ANOVA test was computed. Table 4.28 illustrates the ANOVA values in this regard.

educators in primary schools and those in secondary schools would differ in perceptions regarding how entrepreneurship customs are currently fostered at their schools, mainly because of the differing nature of their work.

This result in any case, means that respondents in these categories were influenced by whether they were at a primary or a secondary school. Therefore there were significant differences in responses and these were of practical effect.

- *Summation*

The analysis regarding variances between respondents perceptions about entrepreneurship dimensions at their schools indicates two scenarios, namely, that some schools exercise entrepreneurship customs, while others do not. The fact that there are statistically and practically significant differences in responses, shows that there is generally an awareness of what constitutes entrepreneurial customs, albeit it on a small scale. Overall, the statistical analysis seems to lend credence to the notion that historically disadvantaged schools can embrace entrepreneurship customs.

4.6 CONCLUSION

It is possible that entrepreneurial habits exhibited by principals, as indicated by respondent educators' perceptions, could be part of their personal and leadership make-up and not necessarily geared towards a conscious fostering of entrepreneurship at schools. This is where the strength of historically disadvantaged schools lies: that there are strong prospects of fostering entrepreneurship praxes. What seems to be crucial, is a drive to conscientize schools generally about embracing entrepreneurship as an answer to their environmental competitiveness. A strategy is thus a necessary lever in turning these schools around to position themselves competitively.

The next chapter presents summary, findings and recommendations.

CHAPTER 5

SUMMARY, FINDINGS AND RECOMMENDATIONS

5.1 INTRODUCTION

This chapter presents the summary of the study. The focus is on important aspects that were found from the literature study regarding the nature of the entrepreneurial organization and the fostering of entrepreneurial praxes by school leadership (principal) in schools. This chapter also presents findings of the empirical study regarding the current leadership practices in fostering of entrepreneurial customs at historically disadvantaged schools in the Sedibeng area. Finally, recommendations based on the research findings are presented.

5.2 SUMMARY OF THE STUDY

Chapter 1 outlined the rationale of the study. The crux of the study relates to the prospects of fostering entrepreneurial praxes at historically disadvantaged schools. This is prompted by the state of affairs in historically disadvantaged schools in the Sedibeng area, whereby schools seem incapable of curbing the exodus of learners from township schools to historically advantaged school in the suburbs and the struggle of these schools in acquiring additional educational resources on their own (see 1.1). Problems experienced by these schools motivated the question of whether there were prospects of fostering entrepreneurial customs in schools as a way of alleviating and addressing this adverse situation that seems to have a negative impact these schools' educational outcomes. This chapter essentially guided the reader through this research's content by presenting the problem statement, research aims and the research methodology.

Chapter two focused on the nature of entrepreneurial organizations and the roles of the school principals in promoting entrepreneurial customs within their schools.

The conceptual framework of the research presented the school as a learning organization (2.2.1), as an open system (2.2.2) and as being subject to resource dependency (2.2.3).

The nature of the entrepreneurial organization (2.3), which is an ideal organization envisaged for schools, is described and espoused in detail (2.3.1) with an exposition of concepts like, entrepreneurship (2.3.2), intrapreneurship (2.3.3), entrepreneurial organization (2.3.4), organizational entrepreneurial leadership (2.3.5), organizational entrepreneurial process (2.3.6), organizational entrepreneurial strategy (see 2.3.7) and the importance of the organizational strategy (2.3.8)

The role that the principal has to play in fostering entrepreneurial customs in a school involves entrepreneurship customs namely, innovation (2.4.3.1), risk-taking (2.4.3.2) and proactivity (2.2.3.3).

Chapters 3 and 4 presented the empirical research design and data analysis and interpretation respectively. Chapter 3 detailed the research design including the method, research instrument and its development, the pilot study, population and sampling, response rate and the administrative procedures. Chapter 4 outlined the data analysis and interpretation. This included a discussion of the demographic data, the frequency analysis and tests for variance between dependent and independent variables.

Chapter 5 concludes the study by presenting the summary, findings and recommendations. The next section presents the findings with regard to research aims, so as to indicate how each aim was realised.

5.3 FINDINGS FROM THE RESEARCH

Research findings presented in this section relate to the research aims as stated in Chapter 1.

5.3.1 Findings from research aim #1: the nature and scope of the entrepreneurial organization

The literature review on nature of entrepreneurial organizations revealed the following:

- The rationale for a focus on the prospects of fostering entrepreneurial customs at schools, is informed by the fact that the environment in which schools find themselves is changing at a rapid pace (see 2.1). Thus, schools are required to cope with changes or face loosing relevance in their communities (2.1).
- Mastering this turbulence as a result of changes within the environment in which school find themselves, requires the understanding of the following issues:
 - The school is a learning organization that learns, which means that it has to readily adapt to change, detect and correct errors and seek continually to improve (2.2.1)
 - The school is an open system (2.2.2), which means that a school should be seen as a system that comprises various components that work together to achieve a common purpose, but is open to external influences, as is evident from its competition for resources in its environment.
 - the school depends on the resources from the environment for its existence (2.2.3), so that the school becomes dependent on those entities in its environment that control resources, which are both critical to its operations and over which it has limited control.
- The nature of entrepreneurship exposed the following:

- Entrepreneurship is a process of creating value by bringing together a unique combination of resources to exploit an opportunity, and is therefore a process and as such, requires both an event and an entrepreneurial agent (2.3)
- An entrepreneur establishes and manages a business for the main purpose of profit and growth. Thus, an entrepreneur is principally characterized by innovative behaviour, and will employ strategic management practices in the organization (2.3.1). Therefore an entrepreneur displays a passion for the business, tenacity despite failure, confidence, management of risk, initiative and a need for achievement, detail-orientation and perfectionism, perception of passing time, creativity and vision of the big picture (2.3.1).
- Entrepreneurship consists of three subcomponents (2.3.2) namely:
 - Risk-taking, which means that in pursuing opportunities, a preference for high-risk and high-return projects is shown.
 - Proactivity, which implies that there is a willingness to be the first to respond to needs for new or better products and services.
 - Innovation, which indicates a willingness to emphasize novel ways of delivering products and services in a more effective, efficient and responsive way.
- As an aspect of an entrepreneurial organization, intrapreneurship means that organizations can foster profit-making and resource-acquisition innovations by encouraging employees to think like entrepreneurs, and then giving them the freedom and flexibility to pursue their projects without being bogged down by bureaucratic inertia or a system enabling individuals to use creative processes that enable them to apply and invent technologies that

can be deliberately and purposefully planned in terms of the level of innovative activity desired (2.3.3).

- The entrepreneurial organization meets two criteria, namely (2.3.4):
 - it is structured so that its members are given information and tools necessary to allow each to pursue solutions and take advantage of opportunities at their level, based on the stated objectives of the organization; and
 - it has an atmosphere that encourages individual initiative, and actually views mistakes and failure that occur in the process of taking initiative, as progress in the personal and organizational quest for excellence.
- Entrepreneurial leadership involves leadership that is based on opportunity recognition and exploitation and the management of the entrepreneurial process and requires, that leaders be people with a personal vision, who engage in communication with stakeholders, create an entrepreneurial organizational culture, have knowledge, expertise and credibility, are involved in venture performance, assume a leadership role and have a desire to lead (2.3.5).
- The organizational entrepreneurial process has four interacting contingencies, namely (2.3.6):
 - The entrepreneur, who is the individual who leads the entrepreneurial process;
 - The opportunity, which is the gap left in a market by those who currently serve it and represents the potential to serve customers better than they are being served at present;

- The organization, which forms the platform for providing space or a platform from which entrepreneurial activities are coordinated; and
 - Resources, which includes money invested in the entrepreneurial venture, the people who contribute knowledge and skills to the venture and the physical assets, such as the productive equipment and machinery, buildings and vehicles, including such intangible assets as brand names, organizations' reputations and customer goodwill.
- The entrepreneurial process thus unfolds over the following steps (2.3.6):
 - *Step 1:* Opportunity identification, which entails exploring venture possibilities or opportunities emanating from changing demographics, emergence of new market segments, process needs, new technologies, funding and regulatory changes, new promotional channels and new sources of funding.
 - *Step 2* Concept development, which can be in terms of new organizational structures, new curricular or programmes, new satellite campuses or sites, new fund raising methodologies, new recruitment programmes, new tuition financial schemes and structures.
 - *Step 3* Assessment of required resources, which involves assessing the need for skilled employees, for capable learners, for funding, for community support, for support from accredited bodies, professional societies and government agencies.
 - *Step 4* Acquisition of the necessary resources, which relates to acquiring resources like early tuition payments, faculty expertise, leveraging or outsourcing schemes, partnerships with NGOs, joint ventures with companies, licensing of inventions and new knowledge.

- *Step 5 Management and harvest of the venture*, which entails implementation of the business concept, monitoring of performance, payback to resource providers, achievement of performance goals, absorption of new business concept in mainstream operations and shutdown of the venture.
- Organizational entrepreneurship involves providing answers to the following questions (2.3.7):
 - What is the environment like?
 - Where is the current position of the organization?
 - Where does the organization want to be?
 - What alternatives exist to get there?
 - Which alternative is preferable?
 - How will this alternative affect the environment?
 - How does the environment change? and
 - How fast does environment change?

5.3.2 Findings from research aim #2: role of the principal in fostering entrepreneurship praxes in the school

- The principal's role is that of being a social educational entrepreneur. This role basically involves him/her being:
 - Change agent, who can demonstrate what is possible when resources are used differently and points the way towards how policy

and practice might be changed in the light of what he/she accomplishes;

- Venue for new skill sets and mindsets, because he/she creates the kind of culture that draws and retains achievement-orientation; and
 - Developer of learning laboratories where experimentation and ongoing learning are encouraged, who as a problem solver is a constant learner who regularly reviews progress and corrects course, which is what public schools should embrace.
- The principal's critical role would be to create and foster school organizational conditions that exhibit an entrepreneurial orientation. An entrepreneurial orientation displays three dimensions namely, innovation, risk-taking and proactiveness (2.4.3). Essentially this means the principal's role revolves around creating school environmental conditions that promote entrepreneurial customs.

5.3.3 Findings from research aim #3: How school principals in historically disadvantaged schools in the Sedibeng area currently foster entrepreneurship customs

Generally, it was found that historically disadvantaged schools displayed real and strong prospects for embracing and fostering entrepreneurship praxes. This is based on the fact that responses indicated notable frequency counts with regard to "disagree" on almost all dimensions, and that this was an indication that these schools can be encouraged and made to embrace entrepreneurship in their operations.

On how the principals in historically disadvantaged school foster entrepreneurship customs in their respective schools the following findings were made:

- Innovation (4.4.1)

Educators' responses mainly indicated that this entrepreneurship custom prevails at their schools. The fact that in most items, frequency counts were over 50% for "agree", indicates that, though they may not be aware, school principals in historically disadvantaged schools already have innovation tendencies. It was, however found that, generally responses indicated a "cautious" approach to issues like, accepting failures as part of the learning process, using the extensive network of people in the community who are willing to help if called upon, willingly listening to suggestions from other on how to do things differently and bringing new problem-solving ideas into use,

This can be attributed to principals, not only being used to abiding by prescribed ways of doing things, but also from wanting to ensure that the school produces expected outcomes. It was, however, clear from the findings that historically disadvantaged schools have very strong prospects of fostering entrepreneurship customs.

- Proactivity (4.4.1)

Findings on practising proactivity indicated possibilities of historically disadvantaged schools embracing and fostering it as an entrepreneurship custom. Responses to items in this dimensions mostly rates frequency counts just above 50%. However, initiating new ways of increasing learner enrolment was rated below 50% in terms of both the "agree" and "disagree" responses.

It can be concluded in the case of proactivity as well, that historically disadvantaged schools do embrace this dimension.

- Risk-taking (4.4.3)

On risk-taking, it was found that educators disagreed with most the items denoting risk-taking in their schools. This was with the exception of such items as making a choice to gain a desired outcome in the face of possible loss and uncertainty, promoting an environment where new things are tried even when not sure if they would work, making decisions impulsively and over-exaggerating the probability of realizing desired educational outcomes.

This was found to be indicative of school cultures that are intolerant of risk-taking. While this understandable because of the nature of the school's work regarding learner achievement and prescribed ways of doing things as well as expectations of predetermined result, there was also an indication that in some schools risk-taking was tolerated. This is indicative of possibilities existing in historically disadvantaged schools for fostering entrepreneurship customs.

The analysis of variance also indicated that there indeed are prospects for historically disadvantaged schools to be entrepreneurial organizations and to foster entrepreneurial praxes. This is based on the differences in perceptions, which related mainly to differences in educators' teaching experiences (4.5.2.2), the positions they hold at schools (4.5.2.3), their academic and professional qualifications and their school types.

The fact that these differences were significantly practical, implies that educators have an awareness of how entrepreneurship customs and this is on the basis of their different demographic data. That, in itself presents an opportunity to be explored in terms of initiating debate and discourse about embracing entrepreneurship at schools. Recommendations to the study serve this purpose.

5.4 RECOMMENDATIONS

This study investigated the prospects of fostering entrepreneurship customs at historically disadvantaged schools by principal in Sedibeng area. On the basis of the literature review and the empirical study, the following recommendations are made:

Recommendation 1

Efforts should be made for entrepreneurship and entrepreneurship education to be a feature of historically disadvantaged schools.

Motivation

Entrepreneurship seems to be a solution to resource problems of schools, especially historically disadvantaged schools. Making it a feature of schools, would introduce entrepreneurial thinking and a dominant entrepreneurial paradigm to the whole school community.

Recommendation 2

Since there are strong prospects for historically disadvantaged schools to be entrepreneurial organizations, and for them to embrace and foster entrepreneurship customs, a strategy for promoting entrepreneurship praxes should be embarked upon and implemented in these schools.

Motivation

There are strong prospects for fostering entrepreneurship customs in historically disadvantaged schools. This study proposes an entrepreneurship strategy for historically disadvantaged schools. This strategy is presented as annexure A to this study because, while it is extensive in practice, its brevity dictates the nature of its

compilation, as well as the fact that it has not been tested in practice, but is a proposed strategy. Its testing can be a subject of another research study.

Recommendation 3

In the absence of a strategy for entrepreneurship in historically disadvantaged schools, school principals need to pay attention to self-development in terms of entrepreneurship.

Motivation

Findings in the research indicated that already, principals do exercise some aspects of entrepreneurship customs. Self-development in this regard would only enhance and strengthen their practice, by equipping them with entrepreneurship-specific skills and knowledge base. This way, their entrepreneurship practises will not be coincidental as a result of their own personal make-up, but will be infused with deliberate and purpose-driven actions.

Recommendation 4

The departmental functionaries at district level should also be part of the development and capacity building processes regarding entrepreneurship.

Motivation

Very often, and from the researcher's experience, capacity-building ventures are aimed at the operational level, that is, school level, without the concomitant inclusion of departmental functionaries, like, Institutional Development and Support Officers. Since these are functionaries who must support and monitor implementation of programmes at schools, it makes sense to include them in capacity-building ventures.

Recommendation 5

Possibilities of directed twinning exercises between independent schools and historically disadvantaged schools should be explored and carried out.

Motivation

Independent schools have been operating entrepreneurially for a long time and their experience would be of benefit to historically disadvantaged schools.

Recommendation 6

Historically disadvantaged schools in the same vicinity could explore possibilities of forming a local network cluster for entrepreneurial ventures like the ambitious institution of multi purpose centres at schools.

Motivation

Most of these schools in the township are centrally located. It is not uncommon to find two to five schools built at an intersection. Forming such local nodal clusters, would bring about synergy in their entrepreneurship ventures and would encourage joint-venturing. This would preempt and eliminate a potential for “resource wars” or overly robust competition for learners, in a bid to increase enrolments.

5.5 LIMITATIONS OF THE STUDY

The scope of this study did not allow for the testing of the proposed model, mainly because it is a long-term capacity building model. It can, however, be a subject of another study.

The findings of this research can be generalized only to the historically disadvantaged schools in the Sedibeg Area. Historically disadvantaged schools in other areas may have other demographic factors that differ from the schools in the area of study.

These findings culminate into recommendations for further research.

5.6 RECOMMENDATIONS FOR FURTHER RESEARCH

- A longitudinal study can be conducted on the applicability of the proposed entrepreneurial strategy in practice over a long period
- A comparative study between historically advantaged and disadvantaged could be undertaken.
- Research could also be undertaken to investigate how the entire SMT can be involved in fostering entrepreneurship in schools, and in particular, their departments.
- Research could be undertaken to investigate the reasons behind the exodus of learners from township schools to suburban schools and the impact of travelling on learners from township schools to suburb schools.

5.7 CHAPTER SUMMARY

This chapter presented the synopsis of the entire study in terms of findings and recommendations, as well as limitations of the study and areas for further research.

The entire study investigated the prospects of entrepreneurship within school as being fostered by school leaders (principal). Entrepreneurship customs were investigated in Sedibeng schools area. The study rounded off by presenting an entrepreneurial strategy for schools to implement, which is it is hoped, will capacitate school staff and learners in their endeavours to make schools efficient and effective in their quest to render and have quality education.

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ANNEXURE A

A PROPOSED STRATEGY FOR FOSTERING ENTREPRENEURSHIP PRAXIS AT HISTORICALLY DISADVANTAGED SCHOOLS

1. INTRODUCTION

The literature review and the empirical study indicated clearly that there are strong prospects for historically disadvantaged schools to be entrepreneurial and thus to be able to foster entrepreneurship praxes. It is important to note that entrepreneurship customs as highlighted in the literature review and the empirical study related mainly to the school organizational conditions that allow for such variables as innovation, proactivity and risk-taking. The onus thus falls on the principal's functional domain to create such an environment at schools so as to position the schools in a competitive advantage in its environment.

From the conceptual framework provided in chapter 2 and the empirical investigation conducted in chapters 3 and culminating to research results in chapter 4, an entrepreneurship strategy is developed in this chapter. An understanding of a strategy is worth presenting at this point.

2. A STRATEGY

A strategy seeks to present a plan integrating an organization's major goals, policies and action sequence into a cohesive whole, so that a strategy marshals and allocates an organization's resources into a unique and viable posture based on its relative internal competencies and shortcomings, anticipated changes in the environment and contingent moves by intelligent opponents (*cf.* 2.3.7). In other words, a strategy is essentially about *planning a route of action* and *implementing* the plan. In this regard the following points are essential in engaging in the strategy formulation and implementation process (*cf.* 2.3.7):

- The planning process is about creating a "plan";
- Strategy, right through to implementation, needs to be approached as a process;
- Plans do not implement themselves; and
- The environment is changing at a rapid pace

Therefore strategy and its development thus contain elements of strategic planning. The strategy proposed here assumes that the current status of historically disadvantaged schools is indicative of a need for entrepreneurship praxes and, these schools have a great prospect and potential for embracing and fostering entrepreneurship customs. This was clear in the empirical study results as well as in the literature review.

3. A STRATEGY FOR FOSTERING ENTREPRENEURSHIP AT HISTORICALLY DISADVANTAGED SCHOOLS IN THE SEDIBENG AREA

The point of departure is to take cognisance of the following factors about schools as organizations:

- *Schools are learning organizations*, which means that they learn, readily adapt to change, detect and correct errors and continually improve (2.2.1).
- *Schools are open organizations*, which means that they have the ability to "sustain" themselves or "survive" through adaptation and adapt by scanning the external environment to determine changes in stakeholders' needs and then by coordinating and managing the activities of their internal environment to meet these new needs (2.2.2).
- *Schools are subject to resource dependency*, which means that they exist in an environment within which they compete with and depend on other

organizations for resources and that it is through their strategic actions that school organizations can compete to gain the required resources (2.2.3).

Taking cognisance of these factors leads to considering historically disadvantaged schools' contextual circumstances as possibilities for entrepreneurship. Firstly, these schools are mostly located in poverty stricken areas, mostly townships, secondly, their physical and educational resources are poorer than their historically advantaged counterparts and thirdly, their exit product (matriculants) is usually regarded as inferior in terms of learner readiness to enter the career market or to fit in the higher education sector due to poor school exit results as reflected by poor matric or senior certificate results (2.4.1).

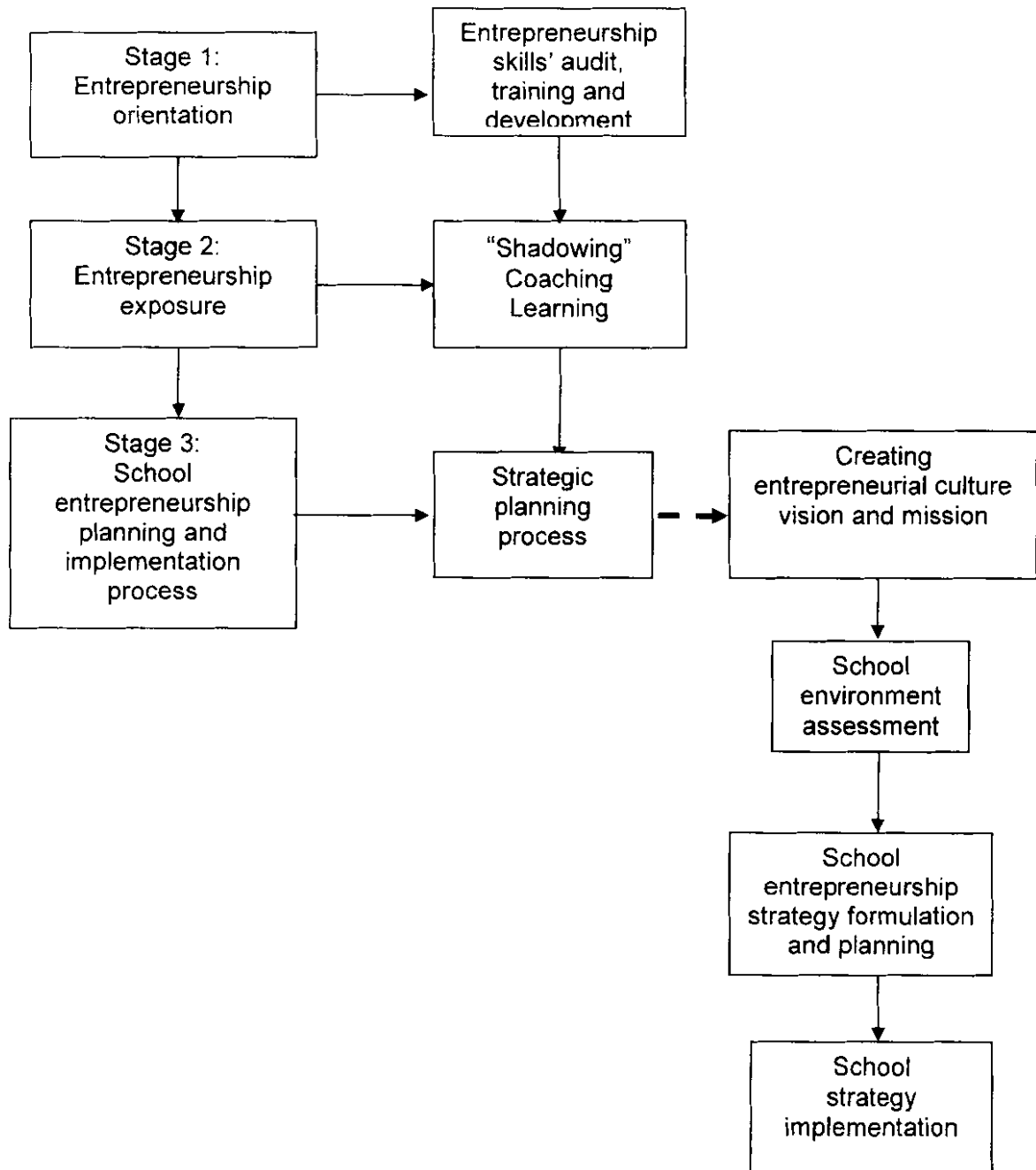
The entrepreneurship strategy for historically disadvantaged schools needs to consider these factors if it is to be really useful and productive.

This research study proposes a long-term strategy for historically disadvantaged schools. This is, as inferred from the empirical study, that entrepreneurship and associated concepts are relatively unknown or used in these schools. Consequently, such concepts do not form part of their operational vocabularies (4.4.1; 4.6.2.4: 4.6.2.5).

The proposed strategy unfolds over three phases. This in recognition of the arduous undertaking it presents as well as the disadvantages of too detailed a strategy in the face of a turbulent and ever changing environment. Thus the strategy does not intend to provide short-term solutions that can be addressed by change management strategies. It seeks to provide a long-term solution to schools by proposing ways of transforming school environments in an evolutionary manner, to those of sustainable self-sufficiency and ability to attract resources by gaining a competitive advantage in their environments. Owing to its fundamental implications on the school systems regarding legislative prescriptions in terms of operations and the implications of for instance, risk-taking, the entrepreneurship strategy

proposed in this study begins at departmental level. Figure A.1 illustrates the strategy.

Figure A.1 The proposed entrepreneurship strategy



The proposed strategy unfolds in the following manner:

Stage 1 Entrepreneurship orientation: Preparing the ground for school entrepreneurship through advocacy, initial and practical and hands-on in-service training of school leadership

Preparing the ground relates to advocacy and conscientization of school leadership to entrepreneurship, especially in terms of social educational entrepreneurship. This stage involves initial training and development.

The *first step* in this stage entails forming partnerships with reputable consultancy or Higher Learning Institutions to develop training programme(s) geared specifically towards entrepreneurship education. This is to be conducted over a specified period and is to be accredited. This step thus introduces school leadership to the necessary entrepreneurship terminology and serves to conscientise them with regards to entrepreneurship customs.

The *second step* in this stage involves conducting an audit of school leadership's qualifications to find out which principals have qualifications that are related to entrepreneurship, those principals whose qualifications are related to formal entrepreneurship studies and or whose experience includes exposure to and involvement in entrepreneurship environments. These are the principals who will be first in terms of training and development and will serve as the pilot group and serve as a resource base in further training and development of other principals.

The *third step* entails arranging training courses with reputable training and or consultancy institutions. This way, the training will be formalised and will target the expected mandate regarding educational entrepreneurship leadership. In essence this will provide practical support and incentives to encourage school leadership to take-up entrepreneurship activities and programmes. Training at this stage could entail a skills development regarding entrepreneurship customs namely,

innovation, proactivity and risk-taking. It is important that this training assumes a loaded bias towards social educational entrepreneurship.

Once this stage is concluded and there is certainty that advocacy has succeeded, trainees should be exposed to real entrepreneurial environments.

Stage 2 Exposure to (an) entrepreneurial environment(s)

This stage follows the orientation stage. At this stage, principal trainees are assigned to established and credible entrepreneurial concerns, for instance, business concerns or they could be assigned to successful entrepreneurial private schools. The aim would be for the trainees to shadow or be mentored by experienced entrepreneurship practices.

This can be seen as an ongoing process of providing a supportive environment for principals. This stage becomes an entrepreneurial role model and support system and in essence, affords trainee principals the opportunity to learn in practical situations and actually see the practice of entrepreneurship in action.

Stage 3 School entrepreneurship planning and implementation process

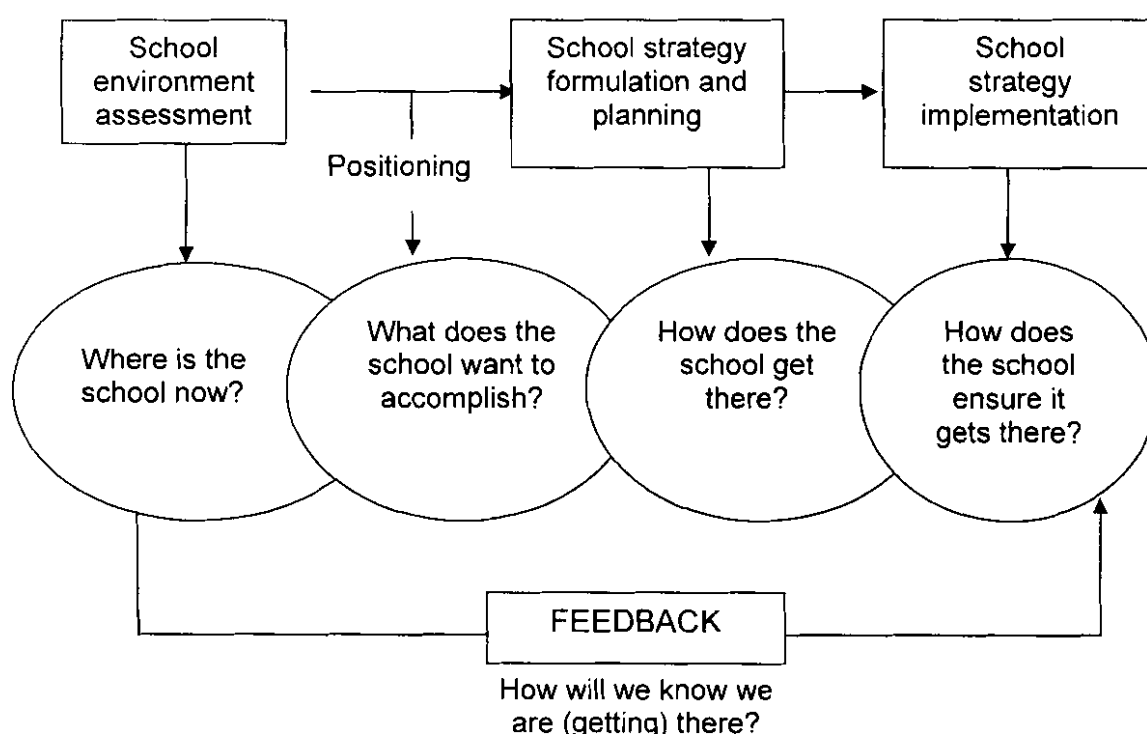
At this stage, the principal is equipped with knowledge and skills regarding initiating, planning and implementing entrepreneurial ventures. The knowledge base and skills include the ability to scan the school's internal and external environment for opportunities to explore in order to position the schools at a competitive advantage.

The principal at this stage should be a change agent and should involve all stakeholders in initiating, planning for and implementing ventures for the schools. This can be achieved by the application of entrepreneurship dimensions namely, innovation, proactivity and risk-taking. This includes the entrepreneurial orientation process for staff members and other stakeholders. The idea would be to facilitate

the attitude and mindset change from the rigid expectation of the normal in school operations, to novel and innovation operations that seek to position the school in a way that gives it a competitive edge.

The *first step* would be to engage the school community in an entrepreneurial strategic planning process as illustrated in figure A.1. This step is conceptualised in figure A.2 below.

Figure A.2 The entrepreneurial strategic planning process



The first step of the strategic planning process aims to develop and articulate an entrepreneurship vision and mission. This is an important step in the process as it affords the principal the opportunity to create an entrepreneurial culture through empowerment and development of the school's stakeholders. In this regard, educators who exhibit knowledge and an inclination towards entrepreneurship habits in the school become a strategic resource to be enlisted and utilised.

Having developed an entrepreneurial vision and mission, the next step is to engage in school environment assessment. The aim of this step is to study the school's environment as a market for unmet needs or in entrepreneurship, identify opportunities to be exploited (cf. 2.2.7). The question addressed is: Where is the school now? This is in terms of entrepreneurship. Studying the school environment will provide answers to this question and lead to the next step.

The *second step* of the strategic planning process will involve the strategy formulation and planning, which actually addresses the questions: where does the school want to accomplish and, How does the schools accomplish this? (cf. 2.3.7). This in essence, implies developing a product or service to address the unmet market need. For instance, the lack of government services in townships can be seen as an opportunity for school facilities to be used as multi-purpose centres. This will, in the long run, bring government departments nearer to the community, but in essence, serve as a unifying force between the school and community. The spin-off for the schools will be in the form of resources to the school, *inter alia*, fund-raising from small-business ventures that will develop near the school to service the multi purpose centre "clients".

The school will also enjoy the safety and security that will be a feature of government departmental service that have been brought to the community through the use of the school as a multi purpose centre.

The third step will be the strategy implementation, which addresses the question: How does the school ensure that it gets to its destination, that is, accomplish what it set out to. The whole process is glued together by a continuous thread of feedback which from each progression step to the origin or previous step, depending on what needs to be done in terms of progress or corrective action.

It is important at this stage for the responsible departmental functionaries to create and provide an environment of support. Among others, continuous monitoring and

evaluation of the school's ventures should be a feature of this stage. This could include the training and mentoring institutions that were involved in the process from the beginning. This is because the strategy clearly functions within the district-wide human resource development approach and the school-level development approach.

4 Strengths of the strategy

The school entrepreneurship strategy has the following strengths

- The strategy takes cognisance of school leadership's existing knowledge base and experience. This way it does not propose a "one-size-fits-all" approach to training and development.
- Unlike the usually used "train-the-trainer-and-cascade" approach, this strategy proposes a hands-on training experience for principals where experienced entrepreneurship practitioners are engaged. This includes a mentoring process.
- Because it is a long-term strategy, the model does not propose "quick-fix" solutions. Rather, it focuses on a thorough and well planned process aimed at lasting school transformation in an evolutionary manner.
- The strategy recognises the concept of resource dependency and encourages learning from others, even the competition. The use of private schools as resources is indicative of this.
- This strategy, though detailed in execution, is simple and does not require hard-to-find resources. It essentially uses available resources in the form of Higher Learning institutions and private schools, which basically are part of the education system and receive funding from the department.

- The strategy uses existing aspects of principals' knowledge and skills base. For instance, it uses their knowledge of strategic planning to advance the implementation at school or institutional level.

5. Limitations of the strategy

- The strategy requires full commitment from all concerned, from departmental functionaries to the schools. This is because it may require that principals' duties be fully delegated to deputy principals while principals undergo training. This also has financial implications in that it might require funding to execute.
- The strategy may be seen as too ambitious and relying on the goodwill of private schools. However, if the state of education in historically disadvantaged schools is considered, the proposed strategy is worthwhile.
- The strategy can be perceived as being too simplistic, especially if care is not taken to gain a deep insight into the values and benefit of equipping schools to be effective competitors in their environments. In any case, schools do compete for scarce resource (i.e. learners, additional educational materials, qualified educators) even now and this has led, in some instance, to a proliferation of "fly-by-night" institutions which do nothing but make money out of the so-called education "crisis" in township schools.

6. Implications for practice

Historically disadvantaged schools do exhibit the prospects of being entrepreneurial in their operational approach. The empirical study has indicated that, already some principals exhibit the practice of some entrepreneurship customs. It can be asserted in this regard that there is a strong possibility that schools can be turned around and made to embrace entrepreneurship customs.

This implies that departmental functionaries have to recognise this as a strength in schools and use it as an opportunity to inculcate entrepreneurial norms in education. Thus the entrepreneurship strategy proposed in this study requires their full commitment and recognition that this is a long-term process that cannot be implemented cascade-wise as is normally the practice. This suggests a careful approach that starts with clusters of selected schools, thus avoiding a large scale knee-jerk approach that seeks to involve all schools at once.

Annexure B: Letter to respondents

54 Moffat Street
SE 6
Vanderbijlpark
1911

Dear Sir/Madam

Schools are currently faced with tremendous changes that call for innovative, risk-taking and pro-active leadership (**entrepreneurial leadership**). Entrepreneurial fostering will place them in a better position to tackle these changes by being entrepreneurial in their leadership. Unfortunately many of our schools seems not in the position to respond adequately to this changes which among other manifest themselves in the exodus of learners to historically advantaged schools, redeployment of teachers, closure of some schools and lack of additional educational resources that they deem necessary in providing quality education in the communities they serve.

This research explores the extent to which school leadership are fostering entrepreneurial customs. It is hoped that the findings in this regard will offer new insights for schools leadership to foster entrepreneurial customs for the betterment of schools.

Please assist us in conducting this research by completing this pilot questionnaire. Your genuine and honest responses will be highly appreciated in validity and reliability of this questionnaire. **Please note that your anonymity is guaranteed and you are not required to write your name or name of the school anywhere on the questionnaire.** You are further assured that this questionnaire and information you will provide will be used only for pilot purposes- no part of this questionnaire will be used by anyone.

Thank you in anticipation for your co-operation.

Dr Mgadla Isaac Xaba
(Promotor)

Mr. Johannes Malefane Lebusa
(Researcher)

Annexure C

QUESTIONNAIRE ON SCHOOL ENTREPRENEURSHIP CUSTOMS

SECTION A

Biographical information

Please answer the following questions by marking the appropriate boxes:

1. **Gender:** 1. Male ☐ 2. Female ☐

2. **In which age group do you fall?**

24 years and younger	☐	1.
25-35 years	☐	2.
36-45 years	☐	3.
46-55 years	☐	4.
56 years and older	☐	5.

4. **How many years have you been in this position?**

Less than 2 years	☐	1.	11-20 years	☐	4.
2-5 years	☐	2.	Longer than 20 years	☐	5.
6-10 years	☐	3.			

5. **Your post description**

Principal	☐	1.	Senior Educator	☐	4.
Deputy Principal	☐	2.	Educator P.1	☐	5.
HOD	☐	3.			

6. **Your highest academic qualification**

Grade 12 1. Diploma 2. Degree 3. Degree + 4.

7. **Your professional qualification**

Certificate 1. Diploma 2. Degree 3. Masters 4.

Doctorate 5.

8. **Your school type**

Primary		1.
Secondary		2.
Combined		3.
Other		4.

9. **Number of staff members in your school**

Less than 10		1.
Between 10 - 20		2.
Between 21 - 40		3.
More than 40		4.

10. **School location:**

Township 1. Farm/Rural 2. Town/Surburb 3.

11. **Number of learners in the school**

0-500		1.
0-800		2.
0-1000		3.
+1000		4.

SECTION B

This section contains statements describing the courses of entrepreneurial activities practiced in schools. Please help by completing the questionnaire. For each statement please indicate by (X) in the box that best describes your school using the scale below. There is no right or wrong answer, only honest ones.

SCALE:

1. STRONGLY AGREE	2. AGREE	3. DISAGREE	4. STRONGLY DISAGREE
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	STATEMENTS	SCALE			
1	Staff members are treated fairly and consistently	1	2	3	4
2	Educators' failures are accepted as part of the process of learning	1	2	3	4
3	Educators are encouraged to strive for excellence in their work	1	2	3	4
4	Many educational activities that have not been tried previously, are implemented	1	2	3	4
5	New educational opportunities are actively initiated for both learners and staff	1	2	3	4
6	Educators' suggestions for improving the school are supported even when not sure if they will work	1	2		4
7	There is a tendency of making choices to gain a desired outcome in the face of possible loss and uncertainty	1	2	3	4
8	An environment where educators are free to try new things is created	1	2	3	4
9	The school leadership communicates a vision of how the school could be better in the future if certain improvements were to be made	1	2	3	4
10	Educators are pushed to be creative and innovative in how they do their work	1	2	3	4
11	Job-related training and development for educators are initiated	1	2	3	4
12	Educators are encouraged to take initiative and act on their own ideas	1	2	3	4
13	Some of the duties are delegated to educators	1	2	3	4

14	An environment where new things are tried is promoted even when not sure if they will work	1	2	3	4
15	Educators are challenged to creatively discover ways to do more with less	1	2	3	4
16	An extensive network of people throughout the community that are willing to help if called upon are utilised	1	2	3	4
17	Decisions are made impulsively	1	2	3	4
18	Suggestions from others about how to do things differently are willingly listened to	1	2	3	4
19	There is a tendency from school leadership to bring new problem solving ideas into use	1	2	3	4
20	Improved communication and effective teams have been initiated	1	2	3	4
21	Leadership strives to build a culture of creativity and innovation within the school	1	2	3	4
22	School leadership believes in the motto: nothing ventured, nothing gained	1	2	3	4
23	School leadership encourages open communication and idea sharing across the school departments and functions	1	2	3	4
24	Staff are informed and kept up to date on educational trends and strategies used by other successful schools	1	2	3	4
25	School leadership is overly or too optimistic	1	2	3	4
26	School leadership overrates or exaggerates the probability of realizing desired educational outcomes	1	2	3	4
27	New ways of increasing learners enrolment at school have been initiated	1	2	3	4
28	School leadership believes in the saying “ if it is not broken, don’t fix it”	1	2	3	4
29	Rendering of new subjects and developmental programmes for learners are initiated	1	2	3	4
30	Innovative ways to manage, use or rearrange school’s assets and resources are initiated	1	2	3	4