The influence of school principals as potential entrepreneurial leaders on the emergence of entrepreneurial activities for school funding

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The South African Department of Basic Education introduced school funding regulations to ensure that all learners will have access to quality education. However, the dynamic, complex, turbulent and competitive macroenvironmental conditions, which have resulted in decreased public finances being available, will have a negative impact on the already burdened school funding system. This study explored the role of school principals as entrepreneurial leaders who influence the emergence of entrepreneurial activities for the purpose of school funding. This article explores school principals’ entrepreneurial leadership characteristics and entrepreneurial activities and the outcomes thereof. The qualitative findings of 9 interviews conducted with school principals show that these individuals possess the necessary entrepreneurial know-how and, in their leadership roles, they have the personal, and managerial skills required to identify and exploit entrepreneurial opportunities. The study found that the entrepreneurial activities introduced by the school principals comprised internal resource mobilisation through learner-led and management-led projects, and external mobilisation through partnerships with the private sector and former learners. Overall, the entrepreneurial activities contributed positively to the schools’ finances and improved learners’ entrepreneurial skills. The article concludes by making certain recommendations for various stakeholders.

Keywords: entrepreneurial activities; entrepreneurial leadership; entrepreneurship education; funding; leadership; learners’ entrepreneurial skills; resources; school principals

Introduction

South Africa’s education system is subjected to a volatile, uncertain, complex and ambiguous environment (Bagheri & Pihie, 2011; Bennett & Lemoine, 2014; Yemini, Addi-Raccah & Katarivas, 2015). In addition to the macroenvironmental challenges, the current funding regulations that form part of the South African Schools Act No. 84 of 1996 (Republic of South Africa, 1996), and the National Norms and Standards for School Funding (NNSSF) (Department of Education, 1998), introduced by government to promote equity in school funding to redress past imbalances caused by the apartheid era, do not in fact provide free education for all. Sayed and Motala (2012) explain that the NNSSF regulations increased the funds available for poor schools and reduced state funding to schools located in affluent areas. Even so, there are challenges with the implementation of the poverty ranking status based on the quintile system, whereby some schools in affluent areas that have received reduced funding support from government cater for learners who do not live in those areas (Mestry, 2016; Van Dyk & White, 2019).

Broadly, government appears to have reduced many of the funding inequalities (Mestry & Ndhlovu, 2014). However, the advent of Covid-19 will have severe implications for the availability of financial resources from government to fund schools, as well as the financial support required by such schools. This will overburden the Department of Basic Education (hereafter referred to as the Department) and render the funding insufficient to meet schools’ needs (Van Dyk & White, 2019). The Department will have to relook into their funding regulations to ensure that all schools have equitable resources to provide quality education for all learners. Funding is an essential consideration, because studies have demonstrated that schools with sufficient resources contribute positively to learners’ enhanced performance and the realisation of learning outcomes (Levačić & Vignoles, 2002).

As most parts of the world are currently experiencing difficult economic conditions, schools in emerging markets such as South Africa, which are characterised by a general shortage of resources, will experience an even greater impact from the challenging economic conditions. The Department, together with school leaders and their school governing bodies (SGBs), will have to find ways to generate alternative funding streams to support schooling activities, and teaching and learning materials (Mestry, 2016). Perhaps introducing entrepreneurial leaders who will drive school entrepreneurial activities could be one of the unconventional ways of raising the needed funds (Blake & Mestry, 2014; Mestry, 2016).

In recent years, entrepreneurial leadership has attracted the attention of scholars and practitioners in a quest to address individual, organisational and societal challenges or crises (Bagheri & Pihie, 2011; Gupta, MacMillan & Surie, 2004; Leitch & Volery, 2017). It is argued that entrepreneurship and leadership, when considered as individual constructs, contribute to the performance of individuals and that of their organisations, thus making entrepreneurial leadership important for organisational survival (Bierwerth, Schwens, Isidor & Kabst, 2015; Gupta et al., 2004; Wang, Oh, Courtright & Colbert, 2011). Entrepreneurship and leadership share some common qualities, including an individualised vision and influence over others, as well as being based on innovation, creativity and planning (Cogliser & Brigham, 2004). As a way of expanding this nascent research area, Leitch and Volery (2017) call for more research to explore entrepreneurial leadership in multiple contexts. This study...
applies entrepreneurial leadership in one specific sector, namely the school environment, following the example of Pihie, Asimiran and Bagheri (2014).

Some authors believe that leadership in the education sector can become entrepreneurial and that school principals, as entrepreneurial leaders (Yemini et al., 2015), can introduce entrepreneurial activities that will raise additional revenue for their schools. Effective school principals must possess entrepreneurial skills and display behaviours such as innovativeness, proactiveness and a realistic risk-taking propensity to identity, evaluate and exploit existing entrepreneurial opportunities. Since entrepreneurial leadership is founded on a collective approach to tasks (Sklaveniti, 2017), school principals can influence teachers and learners to develop their entrepreneurial behaviours. The collective efforts of school principals, teachers and learners will result in the identification and exploitation of school entrepreneurial opportunities that should result in a positive economic and social impact.

Therefore, this study conducted exploratory interviews with nine high school principals to explore how school principals – as potential entrepreneurial leaders – can influence the emergence of entrepreneurial activities for school funding. The contribution of this study is threefold. First, the study identified the entrepreneurial leadership qualities possessed by the school principals. In addition, the study discovered that there are other factors such as managerial and personal skills that contribute to the impact of entrepreneurial leadership on entrepreneurial activities. Also, the school principals rely on a dynamic combination of different entrepreneurial leadership styles for the effective execution of the entrepreneurial activities. Second, the study showed that entrepreneurial leaders introduce entrepreneurial value-creation activities through learner-led initiatives, school-led initiatives and external resource mobilisation. Finally, the study indicated that the entrepreneurial activities contribute to learners’ entrepreneurial skills and lead to increased school funding. However, the success of the entrepreneurial activities is influenced by the context and the economic activities surrounding the schools.

Research Problem and Research Questions
In the South African context, and particularly in historically disadvantaged schools, school principals are faced with poor learner performance, low staff and learner morale, poor school governance, and the deteriorating quality of education (Mestry, 2014). In addition, a study conducted by Van Dyk and White (2019) found that funding received from the Department is not sufficient to meet these schools’ needs so as to overcome their various challenges. Furthermore, the current uncertain economic conditions and the additional financial burden caused by the Covid-19 pandemic pose a challenge to school funding budgets.

Consequently, school principals will have to find alternative ways to secure funding for educational purposes. They will have to use their scarce resources judiciously to identify, evaluate and exploit any potential entrepreneurial projects in which their schools can become involved. In the absence of significant resources such as technology, financial capital or appropriately trained personnel, school principals will find it challenging to introduce new initiatives (Renko, El Tarabishy, Carsrud & Brännback, 2015). Although financial resources are generally considered to play a significant role in starting any entrepreneurial project, non-financial resources are also important. For example, approval by and support from the Department may contribute to principals’ self-efficacy and resilience in introducing entrepreneurial projects in their schools.

At the practical level, this study explores the role of school principals in securing funding that will be used to improve the financial sustainability of their schools. At the theoretical level, the study will use entrepreneurial leadership anchored on the resource-based view and transformational leadership theories to explore the required traits that will enable the school management to lead in a resource-constrained environment. Therefore, the three research questions in this study are:

1) What are the entrepreneurial leadership qualities possessed by high school principals?
2) How do high school principals use their entrepreneurial leadership qualities to attract funding for their schools?
3) How do entrepreneurial activities benefit their schools and the learners?

Literature Review
Theoretical underpinnings
Since there is no specific theory on entrepreneurial leadership, this paper is underpinned by the resource-based view of the firm and transformational leadership theories. The resource-based view of the firm (Barney, 1991; Seddon, 2014) is anchored on the assumption that a firm has unique resources or internal characteristics that will contribute to its competitive advantage over competitors. These unique, valuable and rare resources, which include capabilities, information, assets and knowledge, may result in the sustained performance of the organisation (Barney, 1991; Seddon, 2014). In the context of this study, an argument is that entrepreneurial leadership is an intangible resource that school principals can use to improve the sustainability of their schools and to attract funding. Further, school principals can use their unique entrepreneurial and leadership
behaviours to build networks that will provide access to other funding streams.

From a leadership perspective, school principals have to be transformational leaders who inspire followers (teachers and learners) with a sense of purpose, encourage them to solve problems, focus on the followers’ individual abilities and needs, and reward them for meeting the expected levels of performance (Bass, 1985; Bass, Avolio, Jung & Berson, 2003). A commonality between the two theories is that both focus on the capabilities that contribute to the improved performance of an organisation. Therefore, to provide an explanation of how school principals and their followers can mobilise alternative resources to improve the financial status and sustainability of their schools this study asserts that entrepreneurial leadership is underpinned by the two theories discussed here.

Funding mechanisms in South African schools

Funding mechanisms for South African schools are explained in the South African Schools Act (Republic of South Africa, 1996) and the NNSSF (Department of Education, 1998). According to the Act, the state must fund public schools through public revenue sources on an equitable basis to improve the quality of education, especially in poor communities (Mestry, 2014; Republic of South Africa, 1996). The NNSSF sets the equity criteria for the way schools are to be funded, as well as positioning learners and schools in quintiles according to their financial means or poverty status (Department of Education, 1998; Sayed & Motala, 2012). These policies aim to reduce inequalities in education according to the equitable share formula, which considers the “provincial variables such as the size of the school, age, population, the number of learners enrolled in ordinary public schools, the distribution of capital needs, the size of the rural population in each province, and the size of the population for social security grants weighted by a poverty index” (Sayed & Motala, 2012:675). The implementation of these policies resulted in schools being classified as no-fee and fee-based schools (Veriava, 2007). The no-fee-based schools are mainly historically disadvantaged schools that receive significant funding from the Department, more than their funded counterparts in affluent areas.

Although the no-fee schools policy has increased resource allocation to poorer schools (Wildeman, 2008), there are still many challenges with the implementation of the policy (Sayed & Motala, 2012; Van Dyk & White, 2019). Some of the challenges revolve around the inaccurate and flawed allocation of the quintile, as explained in the NNSSF (Department of Education, 1998; Mestry, 2014; Sayed & Motala, 2012), based on the notion that schools in affluent areas may receive smaller amounts of funding despite the fact that they serve poorer learners from outside those areas (Mestry, 2014; Van Dyk & White, 2019). Empirical evidence by Van Dyk and White (2019) demonstrates that inaccurate quintile ranking results in insufficient funding, and this in turn has an impact on schools’ maintenance, learning and teaching. Further, the effectiveness of these policies in reducing the gap between the richer and poorer schools is yet to be explored (Sayed & Motala, 2012). Therefore, a key concern remains the inability of the state to provide free quality education for all, while many parents battle to pay the school fees which are based on user fees (Mestry & Ndhlovu, 2014).

It is against this background that this paper suggests that schools must be afforded the autonomy to introduce activities that will contribute to revenue generation (Mestry, 2016). Since SGBs are responsible for their schools’ financial management (Department of Education, 1998; Mestry, 2004; Republic of South Africa, 1996), they must collaborate with the school principals and teachers who will be responsible for the introduction of entrepreneurial activities. They must also be involved in the process not only of introducing such activities, but also of instilling an entrepreneurial approach to securing alternative funding resources that will improve the financial status of their schools. Mestry (2004) argues that in the past, fundraising activities were usually undertaken to provide additional resources required for educational purposes and extramural activities. Therefore, the SGBs’ support and their positive attitudes towards entrepreneurship will be extremely important for seeing the successful implementation of any entrepreneurial activities in these schools.

Entrepreneurial leadership approach to school funding

Entrepreneurial leadership

Entrepreneurial leadership is still in a nascent phase of development (Bagheri & Pihie, 2011; Leitch & Volery, 2017; Renko et al., 2015), and as such, scholars are making an effort to clarify its definition and validate the tools for assessing its characteristics and behaviours (Leitch & Volery, 2017). This construct exists at the interface between leadership and entrepreneurship (Renko et al., 2015). On the one hand, entrepreneurship had been defined by Shane and Venkataraman (2000) as the identification, evaluation and exploitation of a business opportunity. On the other hand, the core of leadership involves mobilising individuals and collective efforts to achieve the predetermined set of goals (Bass, 1985; Bass et al., 2003; Leitch & Volery, 2017).

Entrepreneurial leadership is a highly fluid or dynamic concept, and it can have different interpretations, depending on the context in which it is used or which it refers to (Dean & Ford, 2017). Since there are multiple definitions of
entrepreneurial leadership, this study adopts the definition provided by Renko et al. (2015:62), which defines this concept as “influencing and directing the performance of group members towards the achievement of organisational goals that involve recognising and exploiting entrepreneurial opportunities.” A motivation for selecting this definition in the current article is that it emphasises the relationships between leaders (school principals), followers (teachers and learners) and the context (the South African resource-constrained environment). Applying the definition in this study implies that it is the school principal’s role to influence teachers and learners to achieve the school’s goals. This involves the identification, evaluation and exploitation of entrepreneurial opportunities in a resource-constrained environment. Therefore, in sum, an entrepreneurial leader must display the leadership traits/behaviours to influence others and the entrepreneurial traits to be able to exploit opportunities (Bagheri & Pihie, 2011; Bass et al., 2003; Shane & Venkataraman, 2000).

School principals as potential entrepreneurial leaders
The increasing turbulence and competitiveness in the world economy, including the education sector, is also changing the role of school principals to be seen as entrepreneurs rather than merely managers (Bagheri & Pihie, 2011; Cogliser & Brigham, 2004; Yemini et al., 2015). The increasing competitiveness brings about changes that present school principals with many challenges, as well as with many opportunities to mobilise alternative resources, introduce new activities, and become thought leaders in their communities (Yemini et al., 2015). Since school funding is one of the significant issues the leadership in schools have to face, they can benefit from entrepreneurial competencies to deal with those challenges (Bagheri & Pihie, 2011; Cogliser & Brigham, 2004; Mestry, 2016). School principals can contribute to limiting the funding challenges by introducing entrepreneurial activities within their school settings.

To be able to achieve this, first of all they must possess and apply a transformational leadership style. Transformational leaders “share risks with followers, encourage followers to envision attractive future states, stimulate their followers’ effort to be innovative and creative, and pay attention to each individual’s need for achievement and growth” (Bass et al., 2003:208). When transformational leadership is compared to other leadership styles such as the charismatic, transactional or passive-avoidant styles, it is found to have a significant impact on enabling change and entrepreneurial activities, and enhancing organisational performance (Renko et al., 2015; Rose & Mamabolo, 2019; Zaech & Baldegger, 2017).

Second, there are various entrepreneurial leadership behaviours required to motivate and effect change. These include innovativeness, proactivity, risk-taking, creativity, passion, motivation, and being visionary (Bagheri & Pihie, 2011; Gupta et al., 2004; Pihie et al., 2014; Renko et al., 2015). Innovativeness relates to school principals’ ability to develop and introduce new initiatives such as entrepreneurial activities, educational activities and improved processes within the school environment (Bagheri & Pihie, 2011; Gupta et al., 2004; Renko et al., 2015; Sklaveniti, 2017). Innovativeness requires that a person possesses creativity, where they use their imagination to solve the problems identified (Renko et al., 2015). Although school principals can be both innovative and creative, they must also have a risk-taking propensity to deal with the surrounding uncertainty (Bagheri & Pihie, 2011). Once principals have identified opportunities and are willing to take risks, they will be able to take action before the school funding challenges become too big and too difficult to address. School principals must also remain motivated throughout the entrepreneurial journey and share their vision with their followers (Bagheri & Pihie, 2011; Baltaci, 2017). The support offered by their followers will contribute to the successful implementation of the entrepreneurial activities, which will lead to new and alternative income streams for their schools.

Entrepreneurial activities in school
Entrepreneurship in schools is associated with various frameworks and theories (Yemini et al., 2015), presenting an opportunity for future research to conceptualise entrepreneurship in an educational setting. Some of the factors to consider in selecting an entrepreneurial focus for schools include the training of the schools’ leadership and the size of the schools. School principals and teachers who have a business-related educational background may be able to implement the entrepreneurial projects better than those with generic qualifications (Mamabolo, Kerrin & Kele, 2017a). Regarding the size of a school, Minna, Elena and Timo (2018) state that larger schools are able to implement entrepreneurial education and projects or activities better than smaller schools.

In this study, the focus is on two perspectives, namely, corporate and social entrepreneurship. School entrepreneurship is part of corporate entrepreneurship, which is defined as the organisation’s ability to introduce new innovations or ideas in both its internal and its surrounding contexts (Kuratko & Audretsch, 2013; Yemini et al., 2015). Drawing insights from the corporate entrepreneurship literature, school principals and teachers must support all entrepreneurial activities within the school, reward the learners who exhibit innovativeness, provide enough time to exploit the
identified opportunities, and provide the necessary resources to support the implementation of the activities.

Another perspective on school entrepreneurship is that it can be linked to social entrepreneurship, which is founded on the notion that some organisations fulfil both social and economic activities (Chand & Misra, 2009; Yemini et al., 2015). Schools can introduce projects that not only benefit the school’s economic status, but also provide an opportunity for learners to positively influence their communities. Waghid (2019) argues that the concept of social entrepreneurship – entrepreneurial activities with a positive impact on society – is not sufficiently integrated in South African secondary school business education. Introducing school activities that focus on both the economic and the social impact may help to shape learners into responsible citizens who care about the social, economic and environmental welfare of their societies.

**Research Methodology and Design**

**Research Design**

This study employed a qualitative research design with the aim of exploring the entrepreneurial leadership characteristics possessed by school principals, and how those leadership qualities contribute to the resourcefulness of their schools. Qualitative research is important when exploring topics that are still in a nascent phase and has the potential to contribute to theory development (Bansal, Smith & Vaara, 2018). The inductive approach was used to gather insights from the participants, with the objective of using them to contribute to research on entrepreneurial leadership. The population of this study consists of principals who are leading South African public high schools. The unit of analysis is the individual, thus the school principals.

**Sampling**

Non-probability, purposive sampling was used to select the study participants. Purposive sampling ensured that the selected participants were able to provide insights that answered the study’s research questions (Saunders, Lewis & Thornhill, 2009). The high school principals were selected based on the number of years in the education sector (more than five years) and having conducted entrepreneurial activities in the schools they are leading. These participants were identified using the researcher’s personal networks and then snowballing from the initial participants. The final sample size for this study was nine research participants. Table 1 shows the study’s participants.

**Data Collection**

The data were collected using semi-structured interviews that lasted for 30 minutes to an hour. These interviews enabled the researcher to probe and ask for clarification during the interview process. The interview guide was designed based on the existing literature, following the guide provided by Phiie et al. (2014). Owing to the Covid-19 regulations, the interviews were conducted telephonically. Before the interviews could begin, the researcher asked the participants to give oral consent to ensure that they agreed to voluntary participation in the research interview. Additionally, the researcher asked for permission to record and take notes during the interview.

**Data Analysis**

The data were analysed using the Gioia data analysis framework shown in Figure 1 (Gioia, Corley & Hamilton, 2013). In the first level of analysis, coding began by assigning labels or codes to chunks of information in the participants’ transcripts. The researcher ensured that the codes were closely aligned with the participants’ responses. Once the codes were identified, the second step involved the formation of categories. The codes with similar meaning were grouped together into second-order themes and assigned unique labels. In the third step, the categories were grouped into aggregate dimensions, which are presented as the study findings. Finally, the aggregate dimensions designed were reviewed against the existing literature to ensure that they were rigorous and robust.
**Data Quality**
The quality of the data was assessed in terms of trustworthiness, credibility and transferability (Daniel, 2019). In order to ascertain the trustworthiness of the findings, the researcher ensured that the data presented the participants’ opinions. This was further demonstrated by providing a clear and systematic approach that was used to analyse the data. The credibility dimension of data quality was ensured by engaging with the participants during the data analysis to verify the preliminary outcomes of the findings. Finally, transferability was achieved by describing the context in which the research took place and articulating the delimitations of the research project.

**Ethical Considerations**
The researcher maintained ethical principles throughout the execution of the research project. In the data collection stage, the researcher applied for ethical clearance from the local university. Before the interviews began, the participants were assured of anonymity when reporting the data and were given a consent letter to sign which stated that they...
voluntarily participated in the research and could withdraw at any time. In the reporting of the findings, the researcher ensured that the participants were anonymised. Finally, the gathered data were stored without identifiers.

**Findings**

**Participants’ Profiles**

Table 1 shows that the final sample size consisted of nine high school principals. Acting school principals who had spent more than a year in their current position were selected based on their past significant contributions to their schools’ entrepreneurial activities. The teaching experience of the participants ranged from six to 32 years, while their managerial experience as school principals, including acting as principals, ranged from one to 25 years. These principals were based in Gauteng and Limpopo provinces and were managing schools from quintile 1 up to quintile 4. The demographic data show that the majority of the participants were male school principals.

### Table 1 The study participants

| Participant | Gender | Position      | Period as principal | Period as a teacher | Quintile |
|-------------|--------|---------------|---------------------|---------------------|----------|
| Participant 1 | Female | Deputy principal | 7 years             | 21 years            | 2        |
| Participant 2 | Male   | Acting principal | 2½ years            | 13 years            | 1        |
| Participant 3 | Male   | Principal      | 2 years             | 6 years             | 1        |
| Participant 4 | Male   | Principal      | 3 years             | 17 years            | 1        |
| Participant 5 | Male   | Principal      | 2 years             | 12 years            | 3        |
| Participant 6 | Male   | Principal      | 10 years            | 30 years            | 1        |
| Participant 7 | Male   | Principal      | 3 years             | 23 years            | 4        |
| Participant 8 | Male   | Acting principal | 2 years             | 22 years            | 1        |
| Participant 9 | Female | Acting principal | 1 year              | 32 years            | 1        |

**Entrepreneurial Leadership Qualities**

**Theme 1: Entrepreneurial Leadership Qualities**

The school managers spoke about creativity, proactiveness, boldness, risk taking, innovativeness and resource acquisition as the skills required to be able to introduce entrepreneurial activities. In addition to entrepreneurial skills, the participants mentioned some of the value systems that they subscribe to such as hard work, commitment, honesty, courage and integrity. Many agreed to the notion that being an entrepreneurial leader is about taking risks and learning to accept failure as part of the process:

- I identify possible threats and come up with alternative solutions before the problem manifests (Participant 4).
- I do take risks. I am willing to take the less travelled road in managing the school (Participant 2).
- I am someone who does not believe in failing. I always try (Participant 5).

Entrepreneurial leaders also draw on ideas from their colleagues to implement the entrepreneurial activities. All the participants in this study mentioned that they asked for and obtained ideas from their colleagues and also parents to exploit entrepreneurial opportunities. They emphasised the notion that an entrepreneurial leader must collaborate with other people:

- I believe in people. I go down to their level and get ideas from them. I have consultative meetings where I test my ideas (Participant 4).
- I always talk to my team. I always involve them in my ideas (Participant 1).
- You cannot work as an island and succeed. I need people to achieve things (Participant 9).

**Leadership skills**

The findings of the study show that leadership skills involve being a visionary, having the ability to sell the vision to other members of staff, and inviting them to participate in entrepreneurial activities. The other leadership qualities include listening skills, building trust, communication skills, encouraging others, team building, and involving the different stakeholders as part of the decision-making process and execution of entrepreneurial activities. Another important quality that emerged from the interviews is having to be able to lead by example regarding both the teachers and learners at the schools. Participants further explained:

- For me to be able to implement the ideas, I participate in the projects and make sure that the learners see me do it, so they can learn by example (Participant 1).
- I am someone who has a vision about where the school is going (Participant 5).
- People who support you, must know your vision (Participant 7).

The school principals’ leadership skills extend beyond the school to soliciting support from the parents. Involving different stakeholders ensures the faster adoption of decisions and ideas introduced by the school.

- I build trust and partnerships with the broader community (Participant 8).

Most of the participants mentioned that their leadership styles are either transformational and/or democratic, which is demonstrated by their consultation with different stakeholders. However, the participants unanimously agreed that their leadership styles change depending on the situations.
they are confronted with. In some instances, school principals felt they have to be instructive and firm, insisting on their overriding authority. Subsequent to this, they explain the motives for their decisions to their subordinates:

There are things that override a particular leadership style. At times there are decisions that I make without consultation, but later explain why (Participant 6).

My leadership style differs from situation to situation (Participant 7).

Managerial skills
In addition to leadership skills, the participants emphasised the need to have managerial skills to ensure the successful planning and implementation of school plans, including any entrepreneurial activities. Those skills include the ability to analyse information, strategic planning, technological competencies, human resource management, financial management, project management skills, organisation skills, and monitoring and evaluation skills.

I ensure that whatever plan we have is implemented for the school to achieve maximum results (Participant 3).

If you do not actively plan, you will fail. It is important to be consistent in management (Participant 7).

I plan to see how the school is going to run the whole year (Participant 8).

Theme 2: Entrepreneurial Value Creation Activities
Participants spoke about two entrepreneurial activities, focusing on internal (learner-led and management-led) initiatives and external (local and international partnerships) value-creation initiatives. The learner-led value-creation activities are all the projects in which the learners fully participate by producing the products that will be sold at school. These activities usually happen during the entrepreneurial week, and for arts and culture celebrations: “Every year, we have entrepreneurial activities at school. We sell different items such as cakes and shoes. The school also benefits from the sales” (Participant 2).

The management-led activities are projects run by the school leaders such as selling merchandise (e.g. school uniforms). Some of the schools had introduced tuckshops, casual days, internet access, and transport systems, which contribute to supporting school activities. However, some principals also mentioned that tuckshop projects are a challenge because their schools are part of the local economic hubs, where they support the local communities’ micro-entrepreneurs who sell or supply their products outside the schools. The school principals who were able to implement and sustain tuckshops at their schools, mentioned that it was a collaboration between the school and community members:

We have partnered with the local community members to have a tuckshop. The community member rents from us and pays a certain fee every month end (Participant 4).

We have buses that transport the learners, and the owner pays us a monthly fee (Participant 5).

There is a school uniform and a t-shirt for a particular year. The tailor makes them and the school gets 10% (Participant 6).

The second category of entrepreneurial resource mobilisation involves approaching external stakeholders to gather financial resources for infrastructural development. School principals argue that they partner with private local and international companies for their corporate social investment activities as a way of increasing their schools’ resources. It is evident from the data that schools that have companies and mining houses close to them find it much easier to form funding partnerships with corporates compared to those schools that are situated in less developed areas. Participant 8 commented: “We are within the mines, so we have a relationship with them, and we usually request funds.” Another important observation is that most of the participating school principals highlighted that they prefer private companies to assist with infrastructural development for their schools rather than receiving cash from them:

We looked outside the school for partners who can contribute towards the initiatives of the school. Not long, and we had a collaboration with a construction company, on a project that cost 4 million rands (Participant 2).

We have a partnership with the Russian and Swedish companies that are contributing to the school’s resources (Participant 7).

Another participant added that the sponsorship from external stakeholders depends on the performance of the school. Principals also believe that sponsors support school principals who have a clear vision for their school, and who are able to apply efficient and effective financial management systems. They emphasised that if one cannot clearly articulate one’s ideas, the school will not receive additional funds.

When you want the non-governmental organisations and private sector companies to assist, the only thing is to produce excellent results. You present your ideas in such a way that the donor will invest (Participant 4).

Our learners produce the best results and that attracts the investors (Participant 8).

On the other hand, there are some school principals who clearly stated that they do not seek external funding from corporates, but rather they request the parents to make donations. This is the case particularly for schools that are situated in the rural areas and probably find it difficult to come in contact with relevant corporates. Since schools in the lower quintile do not pay school fees, the school principals in that category of school also mentioned that they have to obtain permission from the Department
before requesting any donations from parents. The parents make voluntary contributions, and those who cannot afford to donate anything are not forced to contribute. Most of the parents in such contexts are unemployed, reliant on social grants and are not able to contribute. Finally, some of the schools request donations from their former learners: “We ask donations from our former learners who are now successful. We show them our needs, and ask them to help where they can” (Participant 8).

Theme 3: Entrepreneurial Outcomes for the School
Learners’ entrepreneurial skills
The principals mentioned that learners who participate in the schools’ entrepreneurial activities learn ideation, creativity, project management, selling skills, marketing skills, and financial and business management skills. By participating in these entrepreneurial activities, the learners are provided with an opportunity to practically or experientially “learn the skills by the doing.” The learners are also encouraged to use their skills outside the school environment. One of the principals mentioned that some of the learners who had participated in the entrepreneurial activities opened micro-enterprises in their communities. This is also true for learners struggling with their academic performance; they learn skills that they can use, even if they drop out of the formal schooling system: “We are not gifted the same. There are learners who struggle in class, but they are creative. If they drop out, they will be able to use the entrepreneurial skills that they learned at school” (Participant 1).

The participants agreed that the implementation of entrepreneurial activities is important at schools, because not all learners will get an opportunity to continue with their studies. The participants believed that the support and development of learners’ entrepreneurial activities will contribute to the country’s rate of youth entrepreneurial activities, which is still relatively underdeveloped at this stage. The school principals in technical high schools mentioned that the introduction of entrepreneurial activities assists their learners to develop business ventures following the completion of their high school studies. At the same time, they believe that there is an opportunity to improve the learners’ abilities: “If we stimulate the entrepreneurial activities and develop the entrepreneurial skills, this will make most of our learners and community members to become self-sufficient” (Participant 6).

School funding
The participants concurred that government will not be able to provide sufficient funding to conduct all educational activities. In addition, the needs of teaching and learning are growing and changing, and becoming more complex to manage. Therefore, fundraising becomes critical for schools to survive and achieve all their aims, and the funds raised from the entrepreneurial activities need to be used to support the educational activities of their schools. The participants echoed this need: “The money is allocated based on the number of learners. Resources that we get are not enough. We have to ensure that the school is maintained, pay our electricity bill, support our educators, and buy stationery” (Participant 3).

The entrepreneurial activities result in financial and non-financial contributions to the schools. The financial contributions consist of the proceeds of internal entrepreneurial value-creation activities such as learner-led and management-led initiatives. During the entrepreneurial activities week, the school will receive a certain percentage of the proceeds which is dedicated to supporting educational activities. In addition, the different stakeholders who participate in the management-led initiatives contribute a certain percentage of the proceeds to the school. Finally, parents and alumni also make financial contributions.

Since the school has provided the market for the learners, a certain percentage goes to the school’s fund (Participant 2).

Non-financial contributions are also received from various private organisations. These include the building of classrooms, donations of computers and associated equipment, and awarding of bursaries to deserving matric learners. The non-financial contributions help the schools to redirect or dedicate their financial resources to other activities.

Theme 4: Challenges Implementing Entrepreneurial Activities
Although the school principals are able to derive value from their entrepreneurial skills and activities, they also highlight certain challenges encountered in executing these activities. First, most of the principals highlight that it is sometimes difficult to obtain support from parents and teachers, especially those who have not had any exposure to business, management or management sciences, as they do not seem to understand the challenges faced by schools. Other challenges include the lack of infrastructure, limited or non-existent pro-entrepreneurship policies, and the lack of funding required to implement entrepreneurial activities. This is explained by the notion that the entrepreneurial culture in the South African education system is still in a nascent phase. Another participant believed that:

The learners lack support from their parents. Again, absenteeism is the big issue. Some teachers agree to participate, but on the day of the event when they are supposed to participate, they will not be there (Participant 1).

At times, it is difficult to get support from the teachers who are not in the commercial studies (Participant 4).
Discussion
The findings of the study displayed in Figure 2 revealed that school principals are potential entrepreneurial leaders who can contribute to the financial resourcefulness of their schools. They possess entrepreneurial skills such as ideation, creativity, innovativeness, proactivity and risk taking (Bagheri & Pihie, 2011; Gupta et al., 2004; Pihie et al., 2014). These entrepreneurial qualities are in alignment with those discovered by Renko et al. (2015), Sklaveniti (2017) and Wibowo and Saptono (2018). Further, the school principals displayed leadership skills such as being visionary, sharing their vision, leading and formulating teams, and leading by example (Bagheri & Pihie, 2011; Baltaci, 2017; Chen, 2007). Similar to Kirkley (2017), the school principals emphasised the significance of the ability to sell their vision and strategic plan to various stakeholders. Contrary to previous scholars such as Leitch and Volery (2017) and Renko et al. (2015), who focused on entrepreneurial and leadership skills, this study’s findings showed that personal and managerial skills are also important to ensure the successful implementation of the entrepreneurial activities. This is in alignment with Mamabolo, Kerrin and Kele (2017b), who demonstrate that there is a distinction between entrepreneurial and management skills. Additionally, personal skills and one’s value system were also found to motivate the exploitation of entrepreneurial activities among school principals. These findings build on Rauch and Frese (2007) who argue that personal traits contribute to the innovativeness and proactivity required for exploiting entrepreneurial opportunities. Therefore, one of this study’s contributions to the entrepreneurial leadership literature is the notion that entrepreneurship cannot be fully explored without considering other factors such as the managerial and personal skills that contribute to individual or organisational performance. Scholars in entrepreneurial leadership research, for example, Renko et al. (2015), Rose and Mamabolo (2019) and Zaech and Baldegger (2017), have focused on how transformational leadership influences entrepreneurial activities; however, the findings of this study suggest that there are many situations that require a combination of the different entrepreneurial leadership styles. Therefore, another contribution that emanates from this study is that the successful application of entrepreneurial leadership for funding purposes will depend on the context and its nuances.

![Diagram](image)

**Figure 2** Entrepreneurial leadership, school’s entrepreneurial activities and funding

The findings also showed that various strategies are employed by the school principals to increase the financial sustainability of their schools. The internal entrepreneurial value-creation activities focused on the learner-led and management-led activities, while the external activities included partnerships with private local and international companies, parents and alumni. These findings are aligned with Yemini et al. (2015) who argue that there is some form of corporate entrepreneurship taking place in the school environment. Welter (2011) explains that context has an impact on entrepreneurship, and this study also found that the environment in which the schools are embedded has an impact on the schools’ entrepreneurial activities. For example, schools that were able to generate additional funding were surrounded by local businesses that they could partner with. Some of the
schools outside of the main economic districts did not seek or receive funding from private organisations. Further, the findings echo Minna et al. (2018), who found that the size of a school matters in promoting entrepreneurial activities. In this study, small schools in informal or marginalised communities are not able to introduce entrepreneurial activities because the size of their surrounding market is very small. However, school principals in marginalised communities could borrow insights from Malaysian secondary school principals in centralised schools who demonstrated that partnerships with different stakeholders can contribute to the successful implementation of fundraising activities (Ghazali, Kadir, Krauss & Asimiran, 2020). Similar to other entrepreneurial leadership studies (see Bagheri & Pihie, 2011; Gupta et al., 2004; Pihie et al., 2014), school principals can use their creativity, innovativeness and risk-taking to overcome some of the liabilities of the context. Based on the discussions above, another contribution of this study is that, although it is possible to introduce entrepreneurial opportunities in some schools, it is important to consider the contextual differences. Therefore, the funding mechanisms used for the different schools should not be generalised.

The data showed that participation in entrepreneurial activities improved the learners’ entrepreneurial skills and contributed to the financial and non-financial welfare of the schools. The findings of this study provide empirical evidence to support Sklaveniti (2017) who conceptually argues that co-creation through teamwork is important in entrepreneurial leadership. The evidence that emerged from this study is that school principals realised that positive entrepreneurial outcomes were possible through teamwork and consultation with other stakeholders, supporting the notion that entrepreneurial leadership is efficient when there is co-action. Aligned with the practical entrepreneurial and innovative school activities uncovered by Kirkley (2017), the principals in this study explained that practical exposure to entrepreneurial activities could be one way to improve entrepreneurial education and skills among learners. According to Heilbrunn (2010), educational programmes in Israeli schools increase the intentions of learners to be entrepreneurial. Expanding on that argument, the participants in this study argued that the exposure would assist learners who leave the education system to start their own entrepreneurial ventures. If learners engage in entrepreneurial activities at school, they will be able to start their own ventures after they leave school and to contribute to the sustainability of their own families and their communities. Herrington and Kew (2018) found that South Africa’s level of entrepreneurial skills is not satisfactory; therefore, entrepreneurship should be taught as a practical life-long skill that will improve the country’s level of entrepreneurial activity.

It is evident that the limited entrepreneurial activities helped the schools to raise some of the required resources for educational purposes. By being agile and non-bureaucratic, the school principals were able to establish positive relationships with local and international partners that contributed to the schools’ resources. Mestry (2016) also found that principals in self-managed public schools were able to raise funding for their schools through user fees and unconventional fundraising methods. Although principals were able to introduce entrepreneurial activities, they also encountered some challenges. The principals explained that the entrepreneurial activities were initiated and supported mainly by those teachers who taught the business management courses. Peltonen (2015) reveals that teachers who do not teach business studies receive collegial support from their business colleagues so that they too can participate in entrepreneurial activities. An empirical study by San-Martín, Fernández-Laviada, Pérez and Palazuelos (2019) found that students prefer teachers to have prior start-up or business ownership experience than just entrepreneurial qualities. Expanding on the findings of these prior studies, another contribution of this study is that entrepreneurship-specific experience or education of teachers may contribute to school entrepreneurial activities and the adoption of entrepreneurship by teachers and learners. The school principals highlighted that they often lacked the necessary resources such as seed capital to start entrepreneurial activities, suggesting that government allocations should consider entrepreneurial activities in schools. If these activities are implemented, they will contribute to the sustainability of schools. Unfortunately, some schools received minimal support from parents regarding entrepreneurial activities, confirming the debates by Herrington and Kew (2018) and Radebe (2019) on the low adoption of entrepreneurship in South Africa when compared to other countries. In other countries such as Malaysia, secondary schools have developed parent-teacher associations as a way of supporting the entrepreneurial activities of their schools (Ghazali et al., 2020). Therefore, collaboration between the Department, school principals, teachers, parents, private organisations and alumni could contribute to the emergence of entrepreneurial schools.

Conclusions and Implications
This paper argued that entrepreneurial leadership can be one way of dealing with the challenges presented in the current turbulent and economically challenging environment. The argument raised was that school principals as potential entrepreneurial leaders should portray behaviours that will encourage an entrepreneurial culture right across the
school, encompassing learners and teachers. The study’s contribution to entrepreneurial leadership research is that the high school principals in this study possessed the necessary behaviours such as calculated risk-taking, creativity, tolerance of potential failure, innovativeness and proactivity that are required to exploit identified entrepreneurial opportunities. Additionally, managerial skills and the appropriate personal traits contributed to the effectiveness of the school principals’ entrepreneurial leadership.

Since entrepreneurial leadership requires a collaborative effort, the school principals used transformative and consultative leadership styles to try and influence teachers and learners to become more creative and innovative, and to develop a positive attitude towards entrepreneurship. The study’s contribution is that entrepreneurial leadership styles are not static or used in isolation, but they change based on the demands made by each unique situation.

Finally, the study adds to the existing literature the notion that entrepreneurial activities introduced in schools result in additional income streams that serve as alternative funding for the school and supply the necessary funding to set up, teach and improve the learners’ entrepreneurial skills. However, the successful implementation of the entrepreneurial activities is influenced by the context and economic activities surrounding the schools.

Six recommendations emanated from this research. First, the school principals who were interviewed for this study argued that the current educational system does not fully support entrepreneurial activities in schools. Therefore, policies should be formulated and implemented with the aim of improving entrepreneurial education and activities in the secondary/high school education system. Other countries such as the United States, the United Kingdom and Israel are decentralising school policies that contribute to the emergence of entrepreneurial leadership (Yemini et al., 2015). Second, the introduction of entrepreneurship subjects should have a practical component that will allow the learners to experientially learn about the entrepreneurial process, starting with ideation and concept conversion to the actual exploitation of the opportunities. For example, in Norway, school principals use student enterprises as practical education for entrepreneurship to promote the acquisition of the skills required when starting and running a business (Johansen & Schanke, 2013). The practical component of entrepreneurship education could be used to raise financial or non-financial resources for the schools. Third, there is a need for collaboration with different stakeholders such as universities and the private sector to identify some of the challenges related to entrepreneurial education and provide the necessary support. In Malaysia, school principals conduct fundraising activities by partnering with private organisations and parent-teacher associations (Ghazali et al., 2020). Fourth, the Department should consider allocating seed capital that will help the schools to implement their entrepreneurial activities, particularly in specialised educational programmes such as consumer and commercial studies. School principals and the Department could benchmark against the New Zealand ministry of education which has formulated policies to support innovative entrepreneurial activities and projects in secondary schools (Kirkley, 2017). Finally, since many teachers claim that they are already overloaded with work (particularly considering the backlog caused by the Covid-19 pandemic lockdown), partnerships should be formed with local entrepreneurs who can motivate the learners (and teachers) and contribute to the development of entrepreneurial activities. South African teachers could learn from one of the headmasters in Indonesia, who invites famous entrepreneurs and the school’s alumni to contribute to the school’s entrepreneurial activities by engaging with the learners (Apriana, Kristiawan & Wardiah, 2019).

Every research has limitations. It was clear that the entrepreneurial activities in the schools that participated in this study focused on commercial purposes for school funding rather than any social impact on communities. Therefore, first, future research should explore some of the social impact activities that schools are engaged in to promote social entrepreneurship. Second, future research should quantitatively test the entrepreneurial leadership styles and entrepreneurial skills adopted by school principals, and how these contribute to the financial performance and sustainability of these schools. Third, teachers and other stakeholders were not interviewed in this study; therefore, future research should explore how (and in what manner) teachers support entrepreneurial activities in their schools. Finally, the study included a very small sample of female principals; therefore, future research should focus on how female school principals use their personal leadership styles and entrepreneurial leadership qualities to lead.

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Note
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