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# FROM NOT-FOR-PROFIT TO PROFIT-DRIVEN INDEPENDENT SCHOOLS THROUGH THE EYES OF SOME OF THE STAKEHOLDERS

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## ABSTRACT

*This qualitative study sought to explore the experiences of stakeholders at independent schools during and after the transition from a not-profit governance approach to a for-profit governance approach after a change of ownership. Section 29(3) of the Constitution of South Africa provides that “everyone has the right to establish and maintain, at their own expense, independent educational institutions” subject to certain requirements to ensure quality education (RSA, 1996a).*

*Such schools have become an integral part of the South African education system. However, some independent schools represent the notions of investment and profitable business and companies listed on the Johannesburg Stock Exchange (JSE) have started to invest in the independent school sector. The requirements of good governance, as stipulated in the King III Report on Corporate Governance for South Africa 2009, were used as the conceptual framework for this study.*

*Two independent schools that transitioned from a not-for-profit approach to a profit-driven governance approach were sampled. It was found that the experiences of the principals and management teams of the participating schools differed significantly from the experiences of the teachers and parents at these schools. A school is part of a community and when a company takes over a school, they need to make sure the communication to all stakeholders is clear and transparent.*

**Keywords:** *Independent schools; not-for-profit governance; profit-driven governance; South African school system.*

## 1. INTRODUCTION

Education in South Africa has changed drastically in the past twenty years. One of the changes that happened after 1994 was the right given to everyone to establish and maintain an independent school that expanded the choice of schools available to parents and learners. Another change was to include representatives from parents as part of the school governing bodies in public schools to allow parents to participate in decision-making.

According to Whitake (2017) parents expect from their child's school "... committed, happy and effective teachers; a safe school environment; intellectual and emotional growth ...; strong home-school communication; a fun and supportive school environment; and to be involved and 'kept in the loop". These comments indicate that the environment at a school and the communication between a school and parents are very important and that parents would like to be informed of what is happening at their child's school.

Nelson Mandela (1990), former South African president, said: "Education is the most powerful weapon which you can use to change the world". It was words like these that inspired South Africa to change its educational system to attempt to provide the best possible education to all the children in the country. In a similar vein, in the United States of America, the Supreme Court has recognised the importance of education and emphasised the fact that the potential of any child will be jeopardised if that child's opportunity to education is denied (Thro, 2005).

## 2. PROBLEM STATEMENT

In recent years, some independent schools have become part of corporate organisations that invest in small, sometimes poor, independent schools, including them as part of a larger corporate enterprise. One of the concerns about such a shift from school governance with a primary educational focus on a more corporate and profit-driven governance approach is that the emphasis could shift to profit making at the cost of educational principles. However, if a large corporate organisation buys a school, it could also result in a school having better resources and facilities.

As education started to become part of the business world, corporate governance approaches in independent schools have become more prominent. Independent schools have increasingly become businesses and shareholders of corporate companies that own schools and expect returns on their investments. The question arises whether corporate governance approaches are appropriate for the educational environment and whether a corporate governance approach would be compatible with the educational environment in a school. The expectations of parents who enrol their children in independent schools also need to be considered.

Finding an appropriate balance between business-orientated and education-orientated governance approaches could be a skill that is not necessarily appreciated by corporate organisations who buy not-for-profit independent schools. The purpose of this research was therefore to explore how stakeholders at two independent schools experienced a change from a not-for-profit governance approach to a profit-driven governance approach to shed light on the notion of education as a profitable business by companies listed on the Johannesburg Stock Exchange (JSE). A crucial issue was whether profit motives and education could be used to the benefit of learners with the expectations of the shareholders in mind.

## 3. LITERATURE REVIEW

### 3.1 Independent school governance versus public school governance in South Africa

Section 29 (1) (a) of the Constitution of South Africa 1996 stipulates that everyone has the right to a basic education. The regulations and laws governing education include public and independent schools unless the context indicates otherwise. In terms of Section 29 (3) of the Constitution of South Africa, everyone has the right to establish an independent school that

- a. does not discriminate based on race;
- b. is registered with the state; and
- c. maintains standards that are not inferior to standards at comparable public educational institutions.

Independent schools therefore need to contribute to the fulfilment of the constitutional imperatives of the country, including access to education. Although they can be distinguished from public schools, they are an integral and inseparable part of the South African school system. Generally, the provisions of the South African Schools Act 84 of 1996 (hereafter referred to as SASA) apply to public and independent schools. South African public schools are funded according to different categories referred to as quintiles. The poorest schools are quintile one schools whereas the schools in the least poor communities are quintile five schools (van Rooyen, 2012.) However, van Rooyen (2012:16) explains that “[t]he assumption that more funding should lead to better quality education has not been proven conclusively. This is a continuing international debate”. This also applies to independent schools and the perception that independent schools all offer better education than public schools is not always valid. Certain independent schools out-perform public schools, but there are public schools that are highly performing and can offer what certain independent schools cannot (Din, 2017).

Even though there are not specific regulations pertaining to the governance of independent schools, they have access to the guidelines of the King Commission (King III Report on Governance, 2009) which provides guidelines for good governance, including governance in public schools and independent schools. However, although governance structures of profit-driven independent schools are likely to use corporate governance approaches, they also need to govern in the interests of the school and learners. The Federation of South African School Governing Bodies (FEDSAS) explains this principle as follows:

Corporate governance is concerned with holding the balance between economic and social goals and between individual and communal goals. The aim is to align as closely as possible the interests of individuals, corporation, and society (FEDSAS, 2015:4).

This principle suggests that, even though there are no specific regulations regarding the governing bodies of independent schools, they need to communicate effectively with stakeholders on matters of common interest.

Independent schools need to be registered with the Department of Basic Education (DBE). However, the present understanding of the government’s involvement as a stakeholder in independent schools is limited. The controversial question that has not been answered is whether independent schools can or should be allowed to be governed independently from government interference and whether specific guidance needs to be provided regarding the interaction between the governance structures of independent schools and the South African Government. Although independent schools are proud to announce that they operate independently from the DBE, Chapter 5 of SASA is clear that they do not have *carte blanche*. Walton *et al.* (2009:110) describe this autonomy of independent schools as follows:

Unlike state [public] schools which are bound by Departmental policy, independent schools enjoy relative freedom and are well placed to respond innovatively to the challenges for inclusive education. They are not lock-stepped into Departmental timetables for change, have relative freedom in recruitment and are accountable primarily to their boards and owners.

Educational progression in any country will influence the economy of the country. In this regard, Hanushek and Woessmann (2020:171) contend that “[e]ducation has long been viewed as an important determinant of economic well-being”. Debates regarding decentralisation and how independent schools can alleviate the financial burden of a country regarding education underlines the interrelatedness of a country’s economy and its education system. If the education of a country is of a high standard, the economy of the country will also improve. Hanushek and Woessmann (2020) refer to some growth theories in terms of how education can influence the economy of a country.

- Firstly, high-quality education will contribute to a more educated community. Better educated learners could lead to an increase in skilled and knowledgeable members of the labour force. Because the demand for higher qualified workers could increase, labour productivity could also rise (Mankiw, Romer & Weil, 1992).
- Secondly, new developments and technology will also start to develop, as mentioned in theories of endogenous growth (Lucas, 1988; Romer, 1990; Aghion & Howitt, 1998). In terms of the theory of endogenous growth, systems that are directly linked to the economy could influence economic growth. This also links to the first influence on economic growth, namely quality education.
- Thirdly, the diffusion of knowledge in a country will also contribute to the economic growth of a country if it contributes to the labour force and the technological development in a country (Nelson & Phelps, 1966; Benhabib & Spiegel, 1994). Education enhances a nation’s human capital, and these three influences could all contribute to a better developed country. For these reasons, education and economy cannot be separated. There is, however, still considerable disagreement about whether education should be a money-making/profit-driven business, or whether the main motivator for education should be to serve as a vehicle for uplifting a country’s economy. Even though the Government is not directly involved in the governance of independent schools, independent schools still need to contribute to high quality education, in line with the Constitution of 1996 (RSA, 1996a).

In 2017 it was predicted that “[t]here is going to be a listing boom in private education, it is obvious - unfortunately, the state isn’t getting it’s (sic) game together. These [public] schools aren’t going to get better any time soon, so it is a good opportunity for the private sector” (Theron, 2017). If businesspeople talk about the stock exchange, investment and education at the same time, one can speculate that, for businesspeople, the focus of education is a profit-driven business. The impact of higher school fees and the influence of profit-driven governance are not easy to determine in relation to quality education. The controversial question of whether the corporate world will be compliant with the demands of the educational world remains unanswered.

The fact that SASA (RSA, 1996b) is not prescriptive regarding governance structures of independent schools gives independent schools a great deal of freedom to employ corporate governance principles to ensure that schools function optimally. According to Gayathri (2015), the key elements of good corporate governance include honesty, trust, transparency, responsibility, accountability and mutual respect. Sir Adrian Cadbury (1992:14), Chairman of the Cadbury Committee, explains corporate governance as follows:

Corporate governance is defined as holding the balance between economic and social goals and between individual and communal goals. The governance framework is there to encourage the efficient use of resources and equally to require accountability for the stewardship of those resources. The aim is to align as closely as possible the interests of individuals, corporations, and society.

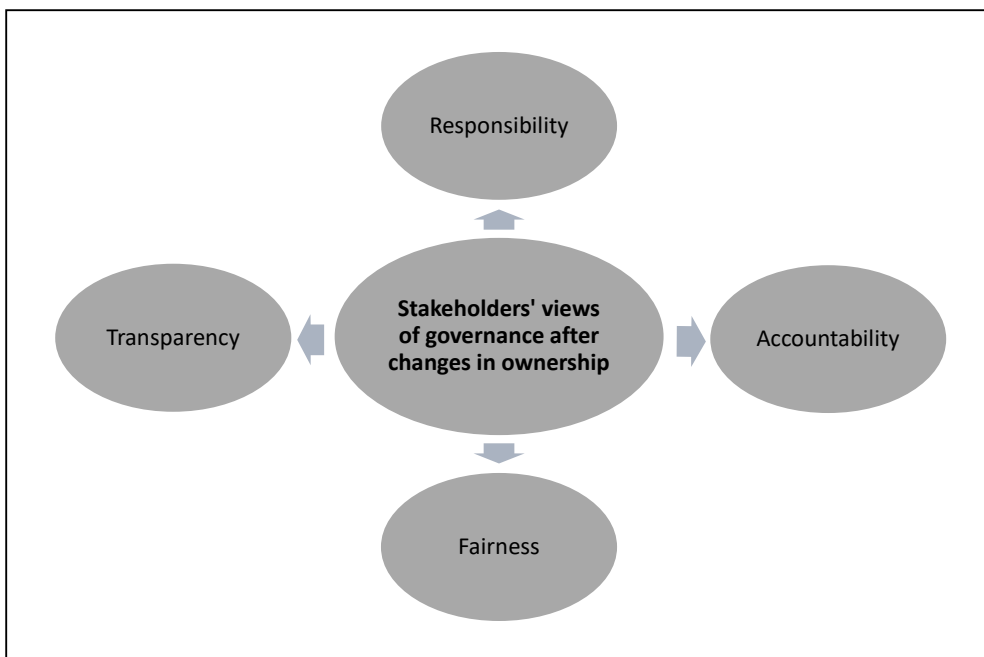
Gayathri (2015) therefore suggests that there needs to be disclosures to help stakeholders come close to the company and to reduce the gap between management and stakeholders. Such disclosures will also help reduce the gap between the governors and those responsible for the professional management of a school. In public schools this dilemma is generally avoided by the clear distinction in Section 16 of SASA between the governance of a school, which is the responsibility of the school governing body (SGB), and the professional management of the school, which is the responsibility of the principal and the school management team (SMT) under the authority of the provincial head of department.

#### 4. CONCEPTUAL FRAMEWORK

The characteristics of good governance, as contained in the King III Report (2009), were used as the conceptual framework. This report highlights four elements of good governance namely:

- responsibility, which implies taking correct and appropriate decisions;
- accountability, which involves a willingness and an ability to justify decisions;
- fairness, which implies fair consideration of the legitimate interests and expectations of all stakeholders; and
- transparency, which entails the disclosure of information in a manner that enables stakeholders to make an informed analysis of school performance and sustainability.

How these four elements of good governance guided this research is illustrated in Figure 1.



**Figure 1:** Conceptual framework for this study

By applying these principles of good governance, an organisation such as an independent school will more likely be able to achieve sustainability and long-term continuity because governors act in the best interests of the stakeholders and serve the organisation's mission. The temptation does exist for governors to co-manage and get involved in the day-to-day management of the organisation, but this may lead to severe negative consequences (Bader, 2008). From a business point of view, certain decisions could be regarded as good decisions that will benefit the organisation. These decisions, however, could have negative results from an educational point of view and not contribute to quality education and the best interest of the learners in the school.

According to the King IV Report (2015), ethical aspects are very important. If the governance of a school is corporate- or business-orientated, one can assume that the decisions made are with the best interests of the business in mind. Even in an educational institution, decisions would primarily be based on business principles, not necessarily advancing educational principles. Governors of for-profit-schools would therefore have to find a balance by advancing the business and educational principles.

School governance is a complex environment with many different aspects that need to be taken into consideration to provide quality education. Quality education is a very important goal and must be viewed against the backdrop of the inequalities that were created by the discriminatory policies of the apartheid era.

## 5. RESEARCH METHODOLOGY AND DESIGN

This was a qualitative study. According to Hammarberg, Kirkman and de Lacey (2016: 498), "[q]ualitative methods are used to answer questions about experiences, meaning and perspectives, most often from the standpoint of the participant". In our research, a multiple case study focused on the views of stakeholders of two different independent schools that had recently changed ownership and transitioned from a not-for-profit governance approach to a profit-driven governance approach. According to Mark (1996), such studies have the potential to produce theory and new knowledge that may inform policy development. A multiple case study contributes to a better understanding of a specific phenomenon (such as the views of stakeholders in the case of a transition from a not-for-profit school to a for-profit school) (Gustaffson, 2017).

## 6. SAMPLING

The research sites for this study were two independent, previously not-for-profit schools that had experienced a change of ownership in the last five years and are now part of a group of schools owned by an independent company that is listed on the Johannesburg Stock Exchange (JSE). The sampling strategy was therefore purposive (Silverman, 2000).

The individual participants were selected to represent principals, heads of department, teachers and parents as different stakeholders in the participating schools. As indicated in Table 1 below, the principal, three heads of department, four teachers and four parents from School A participated in this study. The participants from School B consisted of the principal, two heads of department, four teachers and three parents. Therefore, there were twelve participants from School A and ten participants from School B.

**Table 1:** Codes assigned to participants

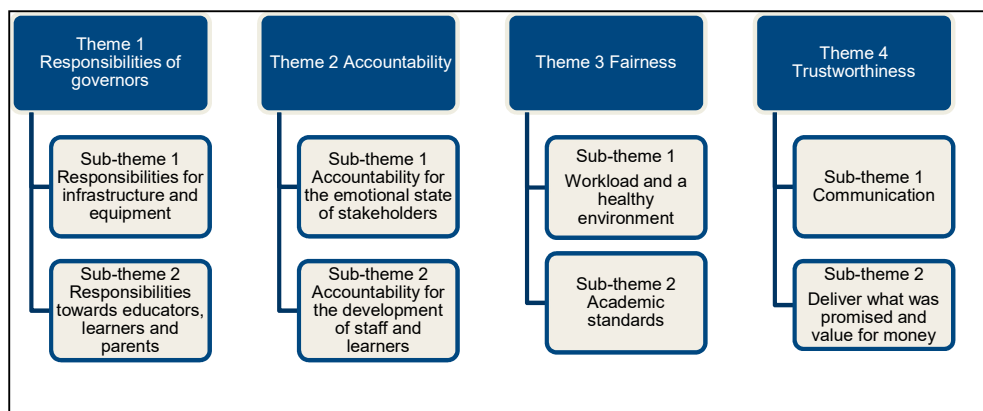
	School A	School B
Principals	Principal P-A	Principal P-B
Heads of Department	HD-1A HD-2A HD-3A	HD-1B HD-2B
Teachers	T-1A T-2A T-3A T-4A	T-1B T-2B T-3B T-4B
Parents	Pa -1A Pa-2A Pa-3A Pa-4A	Pa-1B Pa-2B Pa-3B
Number of participants	12	10

## 7. DATA COLLECTION STRATEGY

Semi-structured interviews were used as the main strategy to collect data. This method of data collection created the possibility for flexibility during the interviews and provided opportunities to probe the interviewees for additional information (De Vos *et al.*, 2014).

## 8. PRESENTATION OF THE DATA

Although some of the sub-themes are also applicable to more than one theme, the data is presented according to the structure depicted in Figure 2 below.



**Figure 2:** Themes and sub-themes

## 8.1 Responsibilities of governors

The data suggest that the participants expected their governors to accept responsibility for the development and maintenance of their schools' infrastructure and to support teachers to provide quality education. However, teacher and parent participants perceived their new profit-driven governors as lacking in this regard and that there was a general non-involvement by the new governors in the well-being of their schools. One parent (Pa-1B) voiced this sentiment as follows:

They [the previous not-for-profit governors] looked after the whole family. Each class had a parent representative, and together with the teacher, we supported the family. The governors [the previous not-for-profit governors] knew the family and supported when things were tough. Now no one cares.

### 8.1.1 Responsibility for infrastructure and equipment

Participants generally expressed their disappointment with the amount of money the governors of the profit-driven company invested in the buildings and other infrastructure of their schools. According to the participants, the governors of the not-for-profit schools invested more and maintained the terrain and infrastructure better. One of the participating heads of department (HD-B2) explained as follows:

At this stage, when we were part of the not-for-profit company, it was really the case that they looked after the buildings and after the terrain and everything. But at this stage, nothing happens. It really looks like a school in an extremely poor community and not like an independent school.

To some participants, such as even (HD-B3), poor government schools look better than their profit-driven independent school. These participants expected more from their new profit-driven governors in terms of improved facilities and better equipment than what they received under the previous owners. The assumption that responsibility, from a business perspective, would include accepting responsibility for the maintenance and development of the physical infrastructure does not seem to hold true in the two schools studied.

The general disillusionment with the new for-profit governors extends to the provision of teaching resources, which Participant T-B3 articulated as follows:

If I think about the resources of the school – they [the new profit-driven governors] are not putting anything into the school. There is no support from their side. We are even struggling to get textbooks from them.

One of the parent participants (Pa-A2) shared this concern:

Are there enough beakers in the lab for your child to be able to do the experiments? Are there enough cricket bats to play cricket, rugby balls to play rugby?

This parent (Pa-A2) explained this line of questioning as follows:

I know of public schools which run like independent schools. It sounds terrible to say but we are paying a premium; so, we need a privilege of sorts, and we find it difficult when we get asked to bring an extra of this or that. So, it hits our pockets, and a lot of people can afford to send their children to a private school, without even blinking. We really must work hard to keep our kids in this school.



Parents could justifiably ask why there is a shortage of equipment at an independent school charging relatively high school fees. Pa-A2 also referred to the fact that some public schools (with lower school fees) were managed as if they were independent schools. In other words, some of the public schools provide enough of the required equipment and resources.

### 8.1.2 Responsibility towards educators, learners and parents.

Teacher participants experienced significant increases in their workloads after the change in to profit-driven ownership, particularly in terms of increased numbers of learners in their classes. T-A1 explained as follows:

I think they know the numbers in our classes because now I am teaching a lot more and I feel personally, in the position that I am now, they misuse me because I don't have a lot of off periods. I will have two off per week, which is not enough. I think I am overloaded a bit now, in comparison with the previous set-up where I had enough time during the day to go and have some tea and have a break.

T-A2 held a similar view:

... it wasn't bums on seats kind of driven. If you had a smaller group, it was fine, now it is you must have a bigger class. If we lose learners, they need to be replaced immediately.

Similarly, in School B the profit-driven governors expected the teachers to provide the same kind of experience and quality education with fewer staff members and more learners in each class. T-B1 explained:

It is just to get numbers and not about the quality of education. So that is why I would never recommend this school to anyone.

Significantly parents raised the same concern in terms of class sizes, albeit for different reasons than the teacher participants. Pa-A1's opinion is representative of the views of the parent participants:

I think the school having to accommodate more children, with discipline is a big, big problem. Teachers would walk out of the class because the class was disruptive, and nobody could do any work, so the teacher would go outside. I feel for the money that we pay; it was better when it was smaller.

The "*bums on seats*" approach of the profit-driven approach therefore affects teacher and parent stakeholders differently. Teachers experience a significant increase in workload, whereas parent stakeholders are questioning whether their children are receiving value for the money that they are paying.

## 8.2 Accountability

According to the participants, there is reluctance from the new profit-driven governors to be accountable to stakeholders for the well-being of teachers and learners and to develop the teaching staff.

### 8.2.1 Accountability for the well-being of stakeholders

Participants indicated that they felt neglected and less appreciated after the transfer of ownership occurred. For example, HD-B1 from School B experienced the new governance approach as purely business driven:

They run the school as a business, which is fair, but we aren't a business. We are a school. They don't care what is happening here. It is interesting that, if you ask them if their children are in one of our schools, they will answer no.

HD-B1 expanded on this point:

They don't worry about us, no, no, no! If we tell them we are going to lose teachers, it is not a problem. They will be able to fill a post. So, what do we get at the end?

This sentiment was echoed by HD-B2:

No, they don't even know what we are doing. With the previous owners, there was more interaction with the governors, but nowadays there is no interaction with the governors at all – just a money-making business.

A parent participant (Pa-A4) felt betrayed and explained that there was no partnership between the parents and the new governors and that the parents were being excluded in governance decisions.

The not-for-profit school was taken over by a private company and that was discussed with us before we had a meeting with the new governors of the private company. We had an input there and then a public company bought us over during December. Whoops, we are now part of the public company. There was no discussion, there was one meeting but it was after everything was done. So, no we immediately felt excluded... They sold their souls.

Pa-B1 from School B had similar reservations:

When it was still the not-for-profit school the parents were involved quite a lot. With the new governors, it is a big change, we lost our voice. You don't know whether you are coming or going. Luckily, the teachers are still the same and try to reassure us about things, but then you see certain things and you know it is not the same.

The above responses indicate that a profit-driven approach could have a negative impact on the emotional state and general well-being of stakeholders at a school, particularly if profit motives are placed ahead of stakeholders' best interests.

### 8.2.2 Accountability for the development of staff

The data suggest that the new profit-driven governors have delegated the responsibility and accountability for the professional development of teachers to the school principal. This is evident in that the participating principals indicated that they have a dedicated budget item for staff professional development. The principal of School A explained how his role changed:

The church was the leader and there you just had to manage their decisions. Now you are the leader. Again, it comes down to the bottom line - the profit.

However, the principal of School B experienced no involvement in the budgeting process. The governors controlled the budget of the school. In his opinion the budget process was not open, and they are only informed about whether money is available or not:

I never saw the budget. There was never communication whatsoever about finances except that the learners who are not paying, are not allowed to receive their reports, that kind of thing. So, financial management changed completely. Of course, the new company had a plan, but it was not an open plan as I was used to with the previous governors.

Although the inputs into the budget seem to be limited under a profit-driven governance approach, there seems to be more development opportunities for teachers. According to HD-A2:

In the budget, there is money to train staff. I think [more] than with the previous ones, because the profit went to the church institution. We did not have any money for that training.

Thus, under a profit-driven approach there seems to be a reliance on the principal to professionally develop his or her staff as part of their leadership and management function.

## 8.3 Fairness

Although it is reasonable to assume that a profit-driven governance approach would result in an increase in the workload of teachers and academic standards, this must be achieved in a fair manner.

### 8.3.1 Workload and a healthy working environment

Participants experienced an increase in workload and stress levels after the transition to a profit-driven school. The principal of School A explained:

I think the stress level is much higher because of the demands from the governors. At principals' conferences, you can hear the stress. Many principals say they can't do this for longer than five years. The stress is too much. Previously it was not so much pressure or stress; you just had to do whatever, so everyone is happy, but now it is much more stress.

School B's principal had a similar experience:

I think I hoped for a signature on paper and change for the good, but I think what I experience is like that goo that the children play with. For me personally it was to juggle it from one hand to another and the goo going through your fingers and trying not to let it fall, because if it fell it would be damaged. The standard of academics fully laid on the teaching staff was difficult. It was an extremely emotional time for them, and it was complicated by a huge staff turnover.

The views of the two principals were supported by the teacher participants. For example, T-A1 said:

The governors were a bit more relaxed in a sense. The stress levels were a bit lower... we perceive that they are more stressed now because of all the different things that need to be in place according to the new governance system.

T-A3 added:

For them, it is more about numbers, and they don't care about the academics. It is more about how many children can we allow into the school so that they can probably make a profit. It is not about the academic standard of the school and what the children can do.

Generally, the participants voiced their disappointment with the change. It seems as if the governors do not value the important role teachers play in the school. This places an additional responsibility on the school principals to lead and manage their schools effectively by ensuring an inequitable distribution of workload.

### 8.3.2 Academic standards

There was an expectation from the governors and the parents that the transition to a profit-driven governance approach would result in a rise in academic standards. The principal of School A explained as follows:

... the standards of your school will draw more students and more students will bring in more money.

This expectation of an increase in academic standards was articulated as follows by HD-A3 and HD-B1 respectively:

The governors will keep us accountable for the academic standard. We need to make sure that all subjects across the school are improving as far as testing is concerned. A change in format and visiting classes on a regular basis is required.

It feels as if people look up to me and say: "But why? Why aren't the children performing as they are supposed to?"

The teachers also supported this view. For example, T-A3 stated as follows:

Yes, previously I was also accountable, but not as intensely as now. ... now there are questions: "Why didn't that happen? Why did this one get those results and why did this one not get an A?"

Parents expected academic standards to be higher because that is what they paid for. Pa-A2 explained as follows:

We must have the best because we pay a premium. And it is fine to make a profit, but it must never be at the expense of the child's education.

It is fair that investors in a JSE-listed company should expect high standards in schools owned by them. It is also fair that parents who pay high school fees have the same expectation. However, these expectations must be managed in a fair way and teachers need to be protected against unfair expectations and labour practices.

## 8.4 Trustworthiness

This element of good governance produced two sub-themes, namely "lack of communication" and "delivering what was promised in terms of value for money".

### 8.4.1 Lack of communication

It seems that profit-driven governors are far removed from the realities at their schools. This is undermining the trust relationship between the different stakeholders on one hand and the profit-driven governors on the other hand. Communication seems to be top-down and there is little evidence of stakeholder participation. According to the principal of School A, he was the intermediary between the governors and the other stakeholders. He explained that the company appointed a general manager over schools through whom he communicated with the governors. He explained as follows:

Sometimes the governors make decisions that you do not understand where this comes from. We have the open door to ask.

However, the principal of School B was less positive:

I was informed about the things that were appropriate for me. There was an openness that I could ask any time previously which I did not experience with the new governance, but it could also be due to a relationship thing. I did not have the openness to ask – it was never there.

That the profit-driven governors are far removed from the teachers is supported by statements such as:

We don't know. Nothing is given to us. Nothing is said to us. There is nothing. If we ask, they say: But your school is not growing, parents are not paying. So how can we give you an increase?" They don't worry about us (HD-B1).

HD-A1 stated:

I have the names of the governors, knowing them on a one-on-one basis is not always possible because there is a distance between the school and the company. But then again, we need to follow the line managers to be able to communicate to the right people.

Teachers and parents, as important stakeholders, also criticised the communication with the profit-driven governors. T-A3 said:

I don't think there is always great transparency in decisions that are made and maybe it is because we are from the not-for-profit school where everything was discussed, and everything was a family thing. Now it is more a top-down approach, and we are not used to it.

Parent Pa-A1 felt that the teachers were the first and most reliable source of information and that the communication from the governors was lacking:

Teachers normally give thorough information – we don't get information from the governors' side on a regular basis. We do get some, but not on a regular basis. For about six or seven months we did not receive any statements. When we received the statements, they were incorrect.

#### 8.4.2 Delivering what was promised in terms of value for money

There were misgivings among participants whether the expectations created by the new profit-driven owners were being met. The principal of School B articulated his experience as follows:

We had parents to manage, who had their own expectations and did not get what they expected with the increase of the school fees. Those were expectations that I had to explain. Because of the change in culture, we lost a lot of kids, and they were the children of the parents who helped build the school. I experienced two years of exceedingly difficult times and I did not experience the governors' support.

Because the schools became more inclusive after the change in ownership, their learner populations became more diverse. This resulted in changes to the ethos of the schools and the schools experiencing previously unknown disciplinary problems. HD-B1 explained as follows:

It happened, not only because of the ethos, but also the children coming to the school. The parents of the children were informed that this is a Christian school, and we do Christ-centred education, but they are not there for that. Some are here for that reason, but others are only here because it is a private school

Parent participants held similar views. For example, Pa-A1 said the following:

There is just a different feel. I can't put my finger on it. The school grew in numbers. With the old system, it was smaller. We experienced a closeness, more involvement. It felt like a small cell group. It was sad when we grew this big. It became a business. It was not the Christian school that we enrolled in in the first place, to have a haven for our children. Financially it just feels more like a business and not like the school at which we signed up in the first place.

## 9. CONCLUSION

Independent schools can increase the capacity of the system education and provide quality education to learners of different economic statuses if they focus on providing quality education in an environment where learners have the necessary equipment and facilities to learn. Section 29(1) of the Constitution of South Africa (RSA, 1996a) clearly states that everybody has the right to a basic education, and independent schools can contribute to the fulfilment of these rights by providing quality education in areas where there are no adequate facilities and opportunities. One way of doing this is by adopting an under-resourced school and supporting it with facilities and expertise.

However, governors of independent schools, particularly profit-driven independent schools, need to be mindful of their stakeholders' needs and expectations. Good governance includes responsibility, accountability, fairness and trustworthiness according to the King III Report (2009). These characteristics need to be projected by the governors, but in the two schools that participated in the study it seemed to be lacking. Teaching staff should be included in the compiling of a budget. They need to explain their needs and challenges and they need to feel that the management and the governors care about them as persons. Parents as valuable stakeholders need to trust the governors of the school and need to feel that they receive value (quality education) for their money.

Mutual respect is one of the most important values in education. It includes respecting the learners who have the right to quality education, and parents who pay a great deal of money to enrol their children in independent schools. Respect should also be shown to all role players in the school to promote an environment in which quality education can take place.

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