Entrepreneurial orientation of sport coaches in Gauteng Province, South Africa

H.A. KOLOBA AND J. SURUJLAL

Faculty of Economic Sciences and Information Technology, North-West University, PO Box 1174, Vanderbijlpark 1900, South Africa. E-mail: habofanwe.koloba@nwu.ac.za or Babs.Surujlal@nwu.ac.za

Abstract

There is general consensus among entrepreneurship scholars that entrepreneurial orientation is associated with entrepreneurial activity. However, it is equally acknowledged that entrepreneurial processes are a consequence of many contextual factors. This study was carried out to explore the entrepreneurial orientation of sport coaches while arguing that sport coaches should approach their careers from an entrepreneurial angle given the uncertain and demanding conditions under which they perform their duties. A questionnaire was administered to 200 professional South African sport coaches. Frequencies were used to describe the demographic profile of the respondents and exploratory factor analysis was used to explain the entrepreneurial orientation of the coaches. Six factors, namely creativity, open-mindedness, determination, self-starter, risk taker, and discipline regarding the entrepreneurial orientation of coaches were identified. Notwithstanding the multi-dimensional nature of entrepreneurial orientation, the findings indicate that the sport coaches to a certain extent are entrepreneurially oriented. From the current research it was encouraging to note that the entrepreneurial orientation of sport coaches appears to be positive. It was therefore concluded that there is a need to create a favourable environment that will enhance the likelihood of sport coaches to engage in entrepreneurial activities.

Keywords: Entrepreneurial orientation, creativity, risk, sport coaches, entrepreneurship, determination.

How to cite this article:

Introduction

Entrepreneurship, the importance of which pervades all sectors of the economy and all types of organisations, is both beneficial and necessary for economic prosperity (Ball, 2005). Many entrepreneurship researchers are in agreement regarding the importance of entrepreneurship and entrepreneurs. Shastri, Kumar and Ali (2009) view entrepreneurship as a life moving force behind any economy. Kuratko and Hodgetts (2007) argue that an entrepreneur is an aggressive catalyst for change in the world of business while Certo, Moss and Short (2009) describe entrepreneurs as the foundation of developing and doing something new and identifying opportunities where others cannot.
While a number of personal characteristics believed to be instrumental in motivating entrepreneurial behaviour have been identified, Mueller and Thomas (2000) and Longenecker, Moore and Petty (2003) caution that there is no single well-defined profile of an entrepreneur. However, many of the entrepreneurial profiles recognised do have some common qualities. Timmons and Spinelli (2004) are of the view that certain attitudes and behaviours anchor the entrepreneur in thought and action. Two of the most important prerequisites, according to Frank, Korunka, Lueger and Mugler (2005), for success in starting a new business are the desire and the ability to do so. Mueller and Thomas (2000) concur by stating that an individual who is self-reliant, self-confident, with strong determination and perseverance to initiate and grow enterprises will be entrepreneurially oriented. Therefore, there is a connection between entrepreneurial orientation and prospects of starting a business (Schmitt-Rodermund & Vondracek, 2002). The significance of this is that businesses that are run by entrepreneurially oriented individuals normally succeed or survive, compared to those run by individuals who lack these traits (Lee, Lim, Pathak, Chang & Li, 2006).

**Entrepreneurship and entrepreneurial orientation**

There has been much debate and controversy surrounding the definition of entrepreneurship. Some of the questions raised in this regard are whether it is an inborn trait or whether it can be taught. While there is no consensus among researchers on a widely accepted definition of entrepreneurial orientation, efforts have been made to define the concept (Covin & Wales, 2011). Nieman, Hough and Niewenhuizen (2003) define entrepreneurship as a process that causes changes in the economic system through innovations of individuals who respond to opportunities in the market. It is the process of identifying opportunities in the marketplace, marshalling the resources to pursue these opportunities and committing the actions and necessary resources to exploit the opportunities for long-term personal gain (Henry, Hill & Leitch 2003).

Entrepreneurial orientation may be described as a tendency that is likely to lead to conduct associated with entrepreneurial activity (Mueller & Thomas, 2000). It involves processes, practices and decision-making activities that managers use to act entrepreneurially (Lumpkin & Dess, 1996) as well as a combination of entrepreneurial interests, skills and traits (Schmitt-Rodermund & Vondracek, 2002). It is a set of beliefs, behavioural intentions and self-reported behaviours that suggest one’s preferences to start new market activities (Hermansen-Kobulnicky & Moss, 2004).

Individuals who show interest in entrepreneurship form an important component of each society and need guidance to contribute towards the development of the country through entrepreneurial activities. Therefore, an understanding of their
entrepreneurial orientation is essential. According to Mitchell (2004) discovering the factors that encourage individuals to participate in entrepreneurship is significant because this helps to stimulate entrepreneurship. Ndedi (2009) contends that through entrepreneurship, people can earn their living by engaging in entrepreneurial activities. Similarly, sport coaches can engage in entrepreneurial activities such as consultancy services at schools, universities and the community at large. They can therefore use their skills and knowledge to train the youth at grassroots levels where they are needed the most.

Previous studies have investigated entrepreneurship in different ways. For example, the relationship between a proactive personality and entrepreneurship was confirmed by Crant’s (1996) study with a sample of 181 students from the Midwestern University. The findings of that study revealed that a proactive personality was certainly associated with the entrepreneurial intentions of students. Regarding competitive aggressiveness, a study by Lumpkin and Dess (2001) on 124 owners and founders from 94 firms confirmed a positive relationship between aggressiveness and entrepreneurial orientation. It was found that a strong competitive aggressiveness offers a firm the ability to be a strong player and improve its competitive edge. The purpose of Lumpkin and Dess’ (2001) study was to investigate the relationship between pro-activeness and competitive aggressiveness as the dimensions of entrepreneurial orientation and how they relate to a firm’s performance.

Different components have been identified regarding entrepreneurial orientation. Among these are a tendency to act autonomously (Van Gelderen & Jansen, 2006); a willingness to be innovative (Zhao, 2005); a willingness to take risk (Hermansen-Kobulnicky & Moss, 2004); a propensity to be aggressive towards competitors (Lumpkin & Dess 2001) and be proactive relative to market opportunities (Crant, 1996). Certo et al. (2009) contend that the afore-mentioned components are important predictors for business success among small business owners (Krauss, Frese, Friedrich & Unger, 2005).

Significance of the study

There is general consensus among scholars of entrepreneurship that the entrepreneurial process is a consequence of both human motivation and environmental factors. Hence, Certo et al. (2009) conclude that there are varying contexts in which entrepreneurship applies to individuals. Similarly, Shane, Locke and Collins (2003) are of the view that apart from human action, factors such as the status of the economy, the availability of capital, the actions of competitors and government regulations may influence the entrepreneurial process. Given these multitudes of views, it is prudent to first understand what the entrepreneurial process entails. According to Shane and Venkataraman (2000:218) the entrepreneurial process involves “the sources of opportunities,
the process of discovery, evaluation and exploitation of opportunities; and the set of individuals who discover, evaluate and exploit them.” Lumpkin and Dess (1996) posit that these processes include, among others, experimenting with new technologies, willingness to take risks and to seize new product-market opportunities.

The importance of the entrepreneurial process cannot be overemphasised as it is evident from many studies that it contributes immensely towards economic development. Morrison (2006) conducted an in depth analysis of entrepreneurship theories and concepts and conclude that entrepreneurial process can result in sustainable benefits for the society in its entirety because of the impact it has on the economy. Shastri et al. (2009) share similar views that an individual who engages in entrepreneurial processes will bring about benefits such as enormous personal financial gain, employment for others, income generation and increased economic growth, among others. Furthermore, Lumpkin and Dess (2001) note that many scholars on the subject of entrepreneurship have recognised the importance of entrepreneurial processes and link it to performance outcomes.

**Problem statement**

The South African sport industry, in response to the huge increase in both spectatorship and interest in sport after the successful 2010 FIFA Soccer World Cup, has hosted numerous international mega-sporting events. The evolution of sport from being amateur-focused to being professional in outlook (Surujlal, 2004) has resulted in the expansion of the sport industry.

The growth of the industry has resulted in an increased demand for educated people with entrepreneurial inclination to establish and operate a variety of sport-related businesses. Sport coaches, whose job has evolved from that of merely providing skill and tactical instruction to one in which they are required to perform multiple functions critical to the success of sport organisations, have faced numerous challenges recently owing to the high turnover of coaches. In most instances the job tenure ideal of the past when sport coaches experienced security is a thing of the past, and coaches face uncertain futures with short term contracts and job instability (Surujlal, 2004). As a result of job continuity for many sport coaches not being guaranteed, self-reliant careers in coaching as professionals and entrepreneurs is proliferating. Rather than depend on sport organisations for lifelong employment, sport coaches are forced to approach their careers from a different angle – the entrepreneurship angle. A search for relevant literature relating to the entrepreneurial orientation of sport coaches yielded very few studies which focused specifically on the subject. Hence the purpose of the present study was to explore the entrepreneurial orientation of sport coaches.
Methodology

An extensive literature search on entrepreneurship was conducted. In addition the study adopted a quantitative approach which involved the administration of questionnaires.

Sample

A total of 200 professional sports coaches at regional, provincial and national levels in the Gauteng province of South Africa were invited to participate in the study. In the context of this study, the professional sport coach was regarded as the individual who possesses knowledge in a particular sport and a large percentage of his/her income was derived through coaching that sport (Singh & Surujlal, 2006). Of those invited to participate 178 surveys were received (response rate 89%). Ten surveys were not included due to incomplete information. Data from the final set of responses (n= 168) were analysed.

Instrument and procedure

Based on the literature study a questionnaire was developed to investigate the entrepreneurial orientation of sport coaches. Section A (demographics) of the questionnaire had questions relating to coaching experience, coaching qualification, sport being coached, age and academic qualification. Section B of the questionnaire comprised items investigating the entrepreneurial orientation of professional sport coaches. The items in section B were scored on a 5-point Likert type scale ranging from 1 (strongly disagree) to 5 (strongly agree).

Undergraduate sport management students who were trained as fieldworkers administered the questionnaire in person to the coaches. In most cases questionnaires were administered face-to-face. This ensured that the questionnaires were properly completed thus yielding a high response rate. Randomisation of the data collection was ensured by administering questionnaires in different regions of the Gauteng province in South Africa.

Data analysis

The returned questionnaires were subjected to editing and coding for input into the Statistical Programme for the Social Sciences (SPSS – version 17 for windows). Data were assessed for frequencies and percentages on each item. Data were screened for outliers, skewness and kurtosis and demonstrated normality (Tabachnick & Fidell, 2007). Exploratory factor analysis using principal components analysis was conducted on the data to identify factors which were judged to reflect the entrepreneurial orientation of sport coaches.
Ethical considerations

Verbal consent to participate in the study was obtained from each of the respondents who participated in the study. A letter outlining in detail the purpose and procedure of the study was attached to the questionnaire. Respondents were assured of confidentiality and anonymity of their responses. They were also informed that participation in the study was voluntary.

Results

Demographics

There were a total of 165 male and 3 female respondents. In terms of experience in professional coaching majority of sport coaches had between 1 and 5 years experience (97.7%). Furthermore, regarding professional qualifications in coaching 61.3% of respondents indicated that they had levels 1 and 2 qualifications while those with levels 3 and 4 qualifications constituted 7.4% and 20.2% of respondents, respectively. The rest of the sport coaches had levels 5, 6 and 7 qualifications which constituted 0.6%, 6.7% and 3.7% of respondents, respectively.

Most of the respondents (38.1%) were in the age category of 26 to 35 years, followed by the age category of 36 to 45 years (24.4%) and 18 to 25 years (21.4%). The remainder of the coaches was aged 46 to 55 years (13.1%) and above 56 years (3%). Most of the respondents in this study (42.9%) indicated that they were soccer coaches followed by rugby coaches (24.4%) and coaches of other sports (32.5%). In terms of academic qualification, majority of respondents (69%) indicated that they had either a matric or college certificate followed by those who had a diploma, constituting 21.4%. The respondents who had a degree or other qualifications consisted of 6.5% and 3%, respectively.

Factor Analysis

A total of six factors which reflected the entrepreneurial orientation of sport coaches were identified through the factor analysis process. The identified factors, their Cronbach alpha reliability, number of items per factor and description are provided in Table 1.

Nunnally and Bernstein (1994) suggested that a cut-off of 0.70 is recommended to conclude that a proposed factor is deemed reliable. However, a study by Kim and Kim (1995) regarded a coefficient in the range of 0.5 - 0.6 as sufficient to conclude that an identified factor is reliable.
Table 1: Factor label, number of items, reliabilities, description and means of identified factors

<table>
<thead>
<tr>
<th>Factor</th>
<th>Number of items</th>
<th>Cronbach Alpha</th>
<th>Description</th>
<th>Mean</th>
</tr>
</thead>
<tbody>
<tr>
<td>Creativity</td>
<td>7</td>
<td>0.847</td>
<td>A positive mind-set towards new ideas with the aim of introducing new products or services.</td>
<td>4.04</td>
</tr>
<tr>
<td>Determination</td>
<td>6</td>
<td>0.771</td>
<td>The ability to make a success of something against all odds.</td>
<td>3.83</td>
</tr>
<tr>
<td>Open-mindedness</td>
<td>5</td>
<td>0.675</td>
<td>The ability to see opportunities where others cannot.</td>
<td>3.78</td>
</tr>
<tr>
<td>Self-starter</td>
<td>3</td>
<td>0.653</td>
<td>The ability to initiate and take responsibility for one’s destiny.</td>
<td>4.05</td>
</tr>
<tr>
<td>Risk taker</td>
<td>4</td>
<td>0.706</td>
<td>A person who tends to take bold actions in uncertain decision making context.</td>
<td>3.60</td>
</tr>
<tr>
<td>Discipline</td>
<td>3</td>
<td>0.647</td>
<td>Focused and showing passion for something.</td>
<td>3.97</td>
</tr>
</tbody>
</table>

Taking into account the exploratory nature of the study, it was therefore decided to retain the open-mindedness (Cronbach alpha = 0.675), self-starter (Cronbach alpha = 0.653) and discipline (Cronbach alpha = 0.647) factors whose reliabilities were close enough to 0.7 for discussion purposes.

Discussion

The characteristics of potential entrepreneurs cannot be restricted to a single set. Depending on the circumstances and environment which one finds oneself, different character traits within individuals emerge. In the current study six factors, namely creativity, open-mindedness, determination, self-starter, risk taker, and discipline regarding the entrepreneurial orientation of sport coaches were identified.

Respondents in the study were in strong agreement (\( \bar{x} > 4 \)) with regard to creativity factor (\( \bar{x} = 4.05 \)) and self-starter factor (\( \bar{x} = 4.04 \)). Ward (2004) opines that the generation or recognition of ideas which have the potential to be developed into appealing enterprises pose a significant challenge to many entrepreneurs. Creativity is the ability to come up with original and appropriate ideas (Sternberg, 1999). The success of entrepreneurs is dependent on the usefulness of ideas. Creativity, according to Lee, Florida and Acs, (2004) is more fundamental for emerging entrepreneurs than other critical resources such as human capital, venture capital or entrepreneurial zone which are vital for any entrepreneurship activity.

The factor self-starter appears to have its roots in entrepreneurial intention which is viewed by Hamidi, Wennberg and Bergland (2008) as one’s self-efficacy.
Krueger, Reilly and Carsrud (2000) argue that self-efficacy encourages entrepreneurial intentions because of the influence it has on creative perceptions of the feasibility of certain endeavours. The job of a sport coach is perceived as perilous and insecure (Surujlal, Singh & Hollander, 2004). This may perhaps be a plausible reason why this factor is deemed important to coaches who may want to embark on a self-supporting career.

The respondents were in moderate agreement (\(\bar{x} > 3\)) regarding the remaining factors. It is interesting to note that the factor risk taker had the lowest mean score (\(\bar{x} = 3.60\)). Hamidi et al. (2008) are of the view that compared to working in an established organisation, those individuals embarking on an entrepreneurship venture face inherently risky situations. Given the insecure nature of a coach’s job, sport coaches may perhaps have a greater propensity to take risk, therefore they may deem other factors as more important regarding entrepreneurship ventures. Furthermore, Zimmerer and Scarborough (2005) suggest that entrepreneurship involves the creation of a new business in the face of risk and requires identifying significant opportunities and assembling the necessary resources to capitalize on them. There are, however, different degrees to which one takes risk. For example, some entrepreneurs may take measurable or determined risk. This type of risk is referred to as calculated risk and entrepreneurs taking such risks try to ensure that they get the odds in their favour before implementing a line of action (Kuratko, 2009). While risk taker emerged as an entrepreneurial orientation in this study some authors like Miner and Raju (2004), Xu and Reuf (2004), in contrast, argue that risk taking is not an entrepreneurial orientation.

Respondents were also in moderate agreement regarding the determination factor (\(\bar{x} = 3.83\)). This is surprising as anecdotal evidence suggests that determination is one of the significant traits needed to survive in an entrepreneurship venture. Determination refers to the passion, tenacity and persistence with which entrepreneurs pursue their entrepreneurial venture (Collura & Appelgate, 2000). Entrepreneurship may be viewed as a behavioural attitude which hinges on one’s personality (Rauch & Frese, 2000). The trait approach to personality suggests that individual personalities are composed of broad disposition which include traits such as outgoing, kind and even-tempered. The trait model assumes that entrepreneurs have certain unique characteristics, attitudes and values which promote the entrepreneurship spirit in them (Mueller & Thomas, 2000). Individuals are driven by the need to achieve. This explains why certain individuals embark on entrepreneurship ventures and succeed. Individuals who have a strong determination to succeed and achieve often find their way to entrepreneurship easier and more convenient (Littunen, 2000).

The mean (\(\bar{x} = 3.78\)) with regard to the open-mindedness factor suggests that respondents were in moderate agreement regarding this factor. Individuals who
approach entrepreneurship venture with an open mind and with know-how of entrepreneurship have a greater propensity to recognise and react to change which occur constantly in a competitive entrepreneurship environment (Gartner, 1985). An entrepreneur works in relation to the environment and people around him/her. As a result s/he has to be prepared for changes in the environment as well as changes in the behaviour of people. In the context of sport coaching, the coach who wishes to embark on an entrepreneurial venture has to be prepared for the constantly evolving sport environment as well as the different stakeholders entering the industry.

While Cromie (2000) is of the view that self-confidence is rather an outcome than a determinant of entrepreneurship, Gurol and Atsan (2006) argue that potential entrepreneurs are unlikely to succeed in a demanding environment if they do not have discipline and self-confidence. Similarly, Ma and Tan (2006) share this view by suggesting that successful entrepreneurs have passion and self-confidence and normally this attitude assists to achieve success. Sport coaches are constantly confronted with hostile environment particularly from supporters who demand instant results. Therefore, sport coaches need to show passion and self-confidence in order to realise their entrepreneurial dreams and achieve success against all odds.

**Limitations and implications for future research**

The results of the study should be interpreted cautiously as the authors acknowledge that the factors identified are not inclusive of all the characteristics applicable to entrepreneurial orientation. Despite this limitation, the study provides useful insights regarding the entrepreneurial orientation of sport coaches.

Future studies could explore the phenomenon further by comparing the entrepreneurial orientation of sport coaches with regard to different sports and age groups. Furthermore, it will be interesting to investigate the contextual barriers and support factors regarding entrepreneurial intentions of sport coaches.

**Conclusion**

A daunting challenge facing many sport coaches in South Africa is the lack of the job security they experience. Hence, exploring entrepreneurship opportunities becomes a critical issue for them. From the current research it is encouraging to note that the entrepreneurial orientation of sport coaches appears to be positive. Therefore, there is a need to create a favourable environment that will enhance the likelihood of sport coaches to engage in entrepreneurial activities. At grassroots levels there is a lot of raw talent that needs to be refined. Sport coaches can collaborate with members of the communities and establish
academies where knowledge will be shared. Sport in general has evolved over the years and this requires coaches who are innovative and pro-active in their approach.

References


Entrepreneurial orientation of sport coaches


144 Koloba and Surujlal


