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Between the Red Line and the Bottom Line: Principal Turnover and Survival Leadership in China's International Schools

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Abstract

International schools in China operate at the intersection of intensifying state regulation and growing market demand, creating a leadership environment that is structurally prone to principal turnover. The sector has expanded from fewer than 100 schools in 2000 to over 1,000 by 2024, yet there remains limited empirical understanding of how principals experience and respond to the institutional pressures that drive their departure. This doctoral research addresses this gap through qualitative interviews with 22 current and former principals across 10 Chinese provinces.

Drawing on institutional logics theory and psychological contract theory, the research examines how principals navigate competing demands between regulatory compliance (the “red line”) and financial viability (the “bottom line”), and how governance structures shape the conditions under which turnover occurs. Findings reveal that principals experience these competing pressures not as manageable tensions but as structural impossibility, where satisfying one demand frequently requires compromising the other. To survive within these conditions, principals employ strategies such as grey-space manoeuvring, which exploits regulatory ambiguity, and cultural arbitrage, which translates identical practices for different audiences. Yet the sustainability of these strategies depends heavily on governance context. Distinct governance types, shaped by principal-investor relationships, determine whether principals can maintain precarious navigation or are ultimately pushed toward exit.

These findings challenge individual-deficit explanations of leadership turnover and reframe principal departure as a systemic outcome of institutional contradiction. The research contributes to educational leadership scholarship by demonstrating how perceived impossibility transforms agency from transformative to survivalist, and by showing that governance structure, rather than individual factors,

determines turnover trajectories. These insights carry practical implications for policy-makers, school investors, and leadership preparation programmes seeking to stabilise school leadership within China's rapidly evolving international education landscape.

Keywords: Chinese International Schools; Principal Turnover; Institutional Logics; State-Market Tensions; Governance; Psychological Contract; Navigation Strategies