



ISSN: 2288-7709 © 2021 KODISA & ICMA.
<http://www.icma.or.kr>
 doi: <http://dx.doi.org/10.20482/jemm.2021.9.4.9>

A Study on Economic Value of Korean Private Universities' Profitable Business Based on Successful and Failed Cases

Choon-Ho LEE**

Received: June 14, 2021. Revised: July 20, 2021. Accepted: August 03, 2021

Abstract

Purpose: This study examines some successful and failed cases of Korean private universities' profitable business and explores the desirable economic value and direction of their profitable business operations with a view to shedding light on some clues conducive to their financial health and quality education. **Research design, data and methodology:** This study reviews news articles, reports and literature to find out Korean universities' financial condition and examines some successful and failed examples of their corporations' profit-making business operations to suggest a direction. **Results:** Private universities suffer declining enrollments and/or tuition freeze but they lack in making efforts to secure financial health. The reviewed examples of private universities' profit-making business operations suggest both universities and their corporations should first assume the public accountability prior to engaging in diverse business activities. **Conclusions:** First, to remain financially healthy, university corporations should exert themselves to transform their low-profit-margin lands and buildings into high-profit-margin businesses and to credit the realized income to their school-expense accounts. And, the ultimate purpose of universities' profit-making business operations is to realize a decent income without prejudice to their public accountability for the country and community, while forging a virtuous cycle by investing the income for the betterment of their educational quality and competitiveness.

Keywords : Private university, university profit business, economic value, university profit model, success/failure cases

JEL Classification Code : B40, I19, M10, M21.

1. Introduction^a

Korea is recognized as the number 1 country in education on the globe. Still, the positive fervor of older generations to educate the country's future generations coexists with the negative quantitative expansion of education and resultant social issues. According to Higher Education in Korea(2021), there are 413 higher education institutions in Korea including 223 universities, 145 vocational colleges and 45 graduate universities as of 2021. Despite the past reputation as the halls of learning and ivory towers contributing to the advancement of local communities, universities are now indisputably

* This paper was researched by Hanseo University's intramural research support project in 2018

** Professor, Hanseo University Industry-University Cooperation Foundation, e-mail: 01198564005@hanmail.net, Cell.P. *** - **** - ****

© Copyright: The Author(s)

This is an Open Access article distributed under the terms of the Creative Commons Attribution Non-Commercial License (<http://creativecommons.org/licenses/by-nc/4.0/>) which permits unrestricted noncommercial use, distribution, and reproduction in any medium, provided the original work is properly cited.

stigmatized as the by-products of the quantitative expansion of education amid the declining enrollments and the increasing announcements of closures or risk thereof.

Universities are classified as non-profit organizations. As the entities providing socially desirable services with no intent to make a profit, non-profit organizations are defined as all corporations established for the purpose of the common good in society (Lee, 2002; Sung, 2016). Private universities of interest to this study refer to the institutions founded and operated by natural persons, not governments or municipalities (Sung, 2016), with school corporations being the entities that establish and manage private universities.

As a matter of fact, not only the intense eagerness of older generations to invest in their children's education but also the political logic underpins the increasing number of universities. However, the rapid quantitative growth over a short period of time has not given university corporations leeway to secure an institutional strategy for their financial health, while the tuition freeze enforced by the government for over a decade coupled with the massive decline in student population, attendance and enrollment renders universities financially unsustainable.

This study is focused on private universities' profit-making business operations, given the precarious structure of many private universities struggling to survive on the marginal income transferred from financially unhealthy corporations, lacking in such income sources as government subsidies and gifts, and heavily relying on tuition fees.

According to Korea Higher Education Research Institute, a private university student pays the tuition fee of KRW 7.43 million in 2019: KRW 6.46 million in humanities and social science, KRW 7.75 million in natural science, KRW 8.28 million in art, music, sports and engineering, and KRW 10.37 million in medical science. Although Korea is number 4 in the ranking of the world's most expensive university tuition fees following the U.S., Australia and Japan based on the OECD education indicators, the country contends for the first place with Japan, given the fact that private universities account for more than 80% of all higher education institutions (Kim, 2020). Particularly, as of 2018, tuition fees accounted for 53.8% of the total incomings in private universities' school expense accounts, whereas their revenue from university corporations accounted for no more than 3.7% of the total incomings in their school expense accounts. Furthermore, Korean private university corporations can afford just 50.8% of the total statutory requirement for their faculty members' social insurance premiums stipulated in 「the Private School Teachers' Pension Act」. Meanwhile, comprising the Ministry of Education's scholarships (35.5%) and the government funding for projects (64.5%), the government subsidies are the second largest income source of private universities following the tuition fees and account for 23.2% of their total financial income. Therefore, facing the disproportionate reliance on the declining tuition fee income, private universities cannot but diversify their profit-making business activities, apart from the government-funded projects, to bear the increasing administrative and operating expenses and the increasing expenditure for educational purposes.

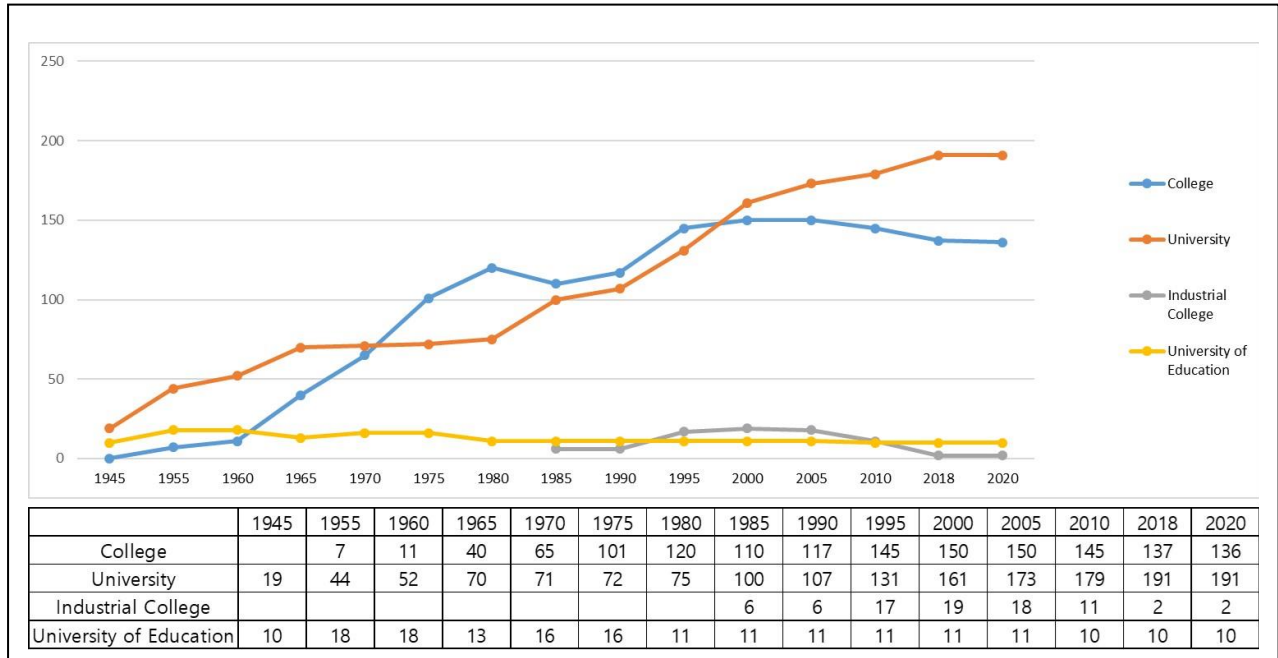
Hence, this study examines the financial condition of universities and reviews some successful and failed examples of universities and their corporations' profit-making business operations reported by Kim(2015) and Shin & Jeong(2019) to determine the economic value and direction of their desirable profit-making business operations. The findings will provide some clues conducive to private universities' financial health and quality education for future generations.

2. Universities and their financial condition

2.1. Current status of universities

According to the Korean Education Statistics Service(KESS), Korea is home to a total of 429 colleges and universities as of 2020: 191 universities, 10 universities of education, 2 industrial universities, 1 open university, 136 vocational colleges, 19 cyber universities, 9 corporate universities and 9 technical colleges (KESS, 2020). In the same time period, a total of 3,276,327 students are enrolled (including full-time students and those on a leave of absence): 60.5% (n=1,981,003) in universities, 19.0% (n=621,772) in vocational colleges, 4.4%(n=144,239) in open university, and 4.0%(n=130,311) in cyber universities, with 22.4%(n=733,027) enrolled in national or public institutions and 77.6%(n=2,543,300) in private institutions. In brief, about 80% of students are enrolled in private universities (KESS, 2020).

As seen in <Figure 1>, the number of universities increased by 81 for 40 years from 19 in 1945 to 100 in 1985 and to 191 in 2020, whereas the number of vocational colleges significantly grew since the 1960s to meet the demand for field workers in the midst of industrialization and reached a peak in 2005 before a gradual decline.



Note) Statistical data from KHEI (2013) and data from the KESS (2020) were integrated by the researcher and plotted

Figure 1: University Status by Year

2.2. Financial condition of universities

Private universities’ revenue sources include tuition fees (including the short-term lifelong education center fees), capital appropriations and over 80% of the income from profit-making property owned by university corporations, and government subsidies including the Ministry of Education’s scholarships and government-funded projects. Private universities’ outgoings include operating costs including maintenance and administrative expenses, scholarships, spending on improvement of educational condition, spending on assets including purchasing school sites and buildings, facility construction/extension/renovation, and reserves for scholarships for students and support for faculty members’ research activities.

As mentioned above, tuition fees account for more than 50% of private universities’ total revenue in their school expense accounts. Moreover, due to declining enrollments and student population, private universities’ fee revenue decreased by KRW 410.7 billion from KRW 10.2557 trillion in 2014 to KRW 9.8450 trillion in 2018(Kim, 2020).

Table 1: Private University Tuition Income (2014~2018)

(Unit: 100 million KRW, %, %p)

Division	2014	2015	2016	2017	2018	Increase/Decrease status('18-'14)
Undergraduate	83,818	82,652	81,750	80,419	80,177	-3,641
Graduate	18,739	18,911	18,807	18,314	18,272	-467
Sum	102,557	101,563	100,556	98,733	98,450	-4,107
Ratio(%)	54.6	54.6	54.0	53.1	53.8	-0.8

The founding corporations’ financial contribution to universities is marginal. In 2018, the capital appropriations totalled up to KRW 680.4 billion, accounting for no more than 3.7% of the total income in their school expense accounts. Also, few private school corporations conform to the statutory requirement for bearing 100% of the social insurance premium for their faculty members (Kim, 2020).

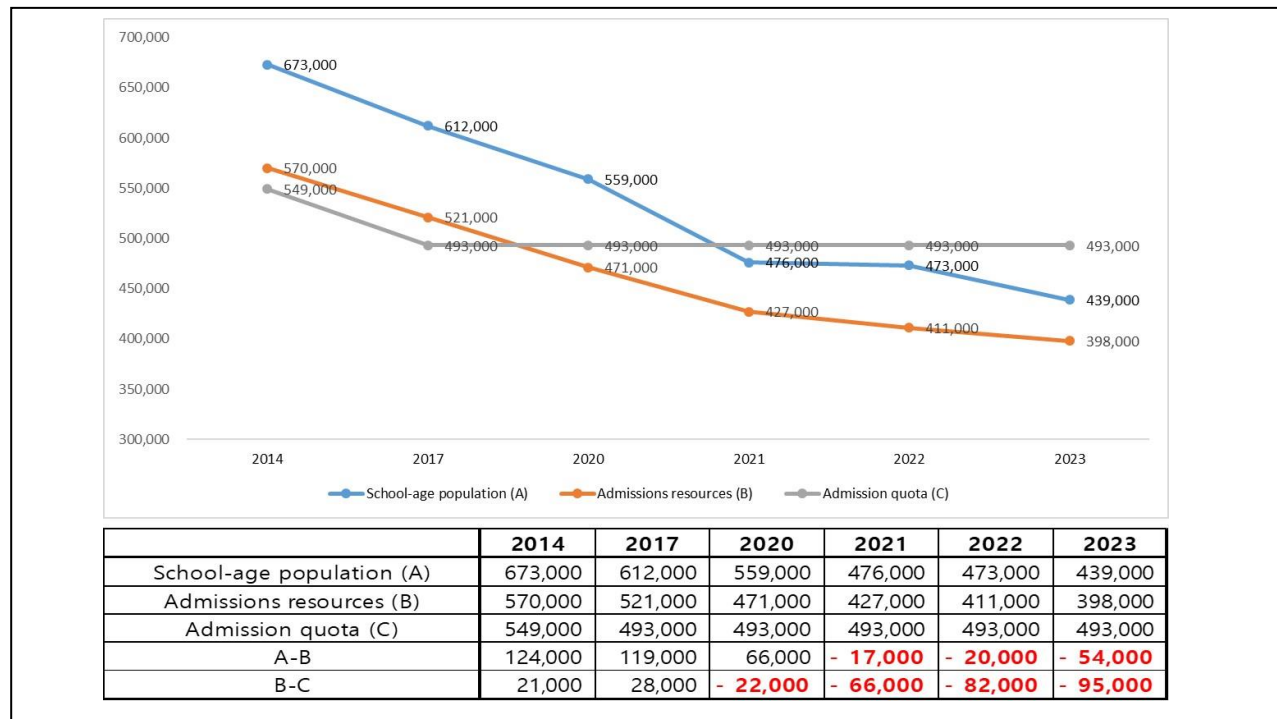
Table 2: Transfer money from private university to corporation (2014~2018)

(Unit: 100 million KRW, %, %p)

Division	2014	2015	2016	2017	2018	Increase/Decrease status('18-'14)
Transfer deposit of operating cost (A)	4,233	5,144	4,894	4,981	3,235	-997
Statutory payment (B)	2,290	2,410	2,564	2,965	3,000	710
Asset transfer (C)	2,414	691	557	512	569	-1,845
Transfer money (A+B+C)	8,937	8,245	8,015	8,457	6,804	-2,133
Ratio(%)	4.8	4.4	4.3	4.6	3.7	-1.1

Meanwhile, the government subsidies have increased by KRW 1.2766 trillion for the past 5 years to KRW 5.7354 trillion in 2018, accounting for 23.2% of their total financial income, as the second largest source of private universities' revenue following the tuition fees.

On the contrary, accounting for more than 40% of spending, maintenance and general administrative expenses increased to 53.3% in 2018 from 49.4% in 2014, while at the same time scholarships complying with legal criteria and other educational outgoings continuously increased, which substantially compromises the financial health of private universities. In terms of expenditures, reserves vary across universities. In 2019, Korean private universities' cumulative reserves in their school expense accounts totalled up to KRW 7.8919 trillion, equivalent to private universities' tuition fee income in 2018. Hongik University reported a cumulative reserve of KRW 757 billion and topped the list of 20 private universities that posted a reserve of more than KRW 100 billion, whereas 40% (n=58) of all private universities reported a reserve of less than KRW 10 billion.



Note) The data of KESS(2020) are drawn up by the researcher after integration.

Figure 2: Estimation of admission resources relative to school-age population and university capacity

Declining enrollments are one of the factors forcing universities to grapple with financial stress. As projected based on educational statistics data on high school graduate population versus university entry quotas in <Figure 2>, the declining enrollments outpace the declining number of universities, which takes a toll on universities. Another important factor

causing universities to financially struggle is the tuition freeze enforced by the government for over a decade. For instance, the Ministry of Education's announcement regarding the raising of tuition fees specifies that the 2021 tuition rates must increase by no more than 1.5 times the mean inflation rate in the previous three years and that any universities that register an increase exceeding the guideline will suffer administrative and financial disadvantages. Thus, on average, tuition fees may increase about 1% per year, which however translates into another restriction on the application for the type-2 government scholarships and the engagement in projects. That is why universities cannot but take a passive attitude towards increasing their tuition fees, and bear the increasing costs. Consequently, private institutions heavily reliant on tuition fees are subjected to financial stress. Hence, to avoid any socio-economic loss associated with mergers and closures, it is crucial for private universities and their corporations to make efforts to increase their revenue from government funds and gifts and to successfully add to the financial resources via profit-making business operations.

3. Cases of private universities' profit-making business operations

As described above, Korean private universities disproportionately rely on tuition fees. In principle, founders should bear the operating expenses but they fail to do so with insufficient capital appropriations (Ban, 2011). Yet, should universities fail to receive the government funding or to finance from profit-making business operations, they will be faced with serious operating challenges or uncertainties surrounding their existence. That is why private universities pitch into their profit-making business operations, government-funded projects, gifts from alumni, industry-academy cooperation and relevant donations, and other profit-making activities.

University corporations are required by law to own the property needed for the foundation and management of their private universities including the taxable profit-making property, and to bear certain portions of operating costs. To bear the required portion of university outgoings, university corporations operate a range of profit-making businesses such as real estate lease, healthcare, finance, funeral service, development projects, wholesale & retail businesses, manufacturing and other services without prejudice to the images of universities (Kim, 2015).



Note) Photo source, (Left) The Classic 500(Sisajournal, 2020), (Right) Palace in the Garden(Economic Review, 2014)

Figure 3: University-Linked Silver Town Business Case

The cases of profit-making businesses run by universities are as follows. Firstly, Yonsei University engages in dairy, health foods(e.g. laver and red ginseng), language course, medical equipment, funeral service and building leasing businesses, posting annual revenue of more than KRW 300 billion (Kim, 2015). Konkuk University owns more profit-making property than any other private university in Korea. Its subsidiary construction company Konkuk AMC has sold the parts of its baseball park site since 2003 and invested the proceeds in the university, hospital and affiliated secondary schools. Also, the company donated some of its land property to Gwangjin District Office, developed the Star City commercial zone and transferred the lease income to the university account for the benefit of school operation (Kim, 2015). Duksung Women's University sold the trees in its land in Pohang to contribute to the university finances, signed an MOU on the land with Pohang City and has been undertaking the Youngilman Tourist Complex project.

The successful cases of silver towns affiliated with university hospitals run by university corporations are The Classic 500 (Konkuk University Hospital), Daemyung Noblesse Tower(Korea Univ. Anam Hospital), Hannam Blooming The Classic (East-West Neo Medical Centers, Kyunghee Univ.) Myongji Elfenheim(Myongji Hospital), Palace Inside of Garden(Bundang Seoul Univ. Hospital) and Woolim Sangam Kaiser Palace Classic(Ewha Womans Univ. Mokdong Hospital) (Kim, 2015).

Meanwhile, Gangwon University's campus innovation park project(Shin & Jeong, 2019) and Sungshin Women's University's campus town project (Kim & Gwon, 2020) are slightly different examples. Gangwon University's campus innovation park project was selected in August 2019 as the joint project by the Ministry of Land, Infra and Transport, Ministry of Education and Ministry of SMEs and Startups with intent to facilitate students' employment or startups using idle or new facilities on campus and improve the profitability of businesses and the faculty members' performance of industry-academy cooperation rather than directly creating profits through the industry-academy cooperation (Shin & Jeong, 2019). Sungshin Women's University partnered with Seoul City for the campus town project intended to set up the university as the center of job creation using the university's human, material and intellectual resources in combination with Seoul City's public resources (Kim & Kwon, 2020). Additionally, selected as the leading sites for campus innovation parks, Gangwon Univ., Hannam Univ. and Hanyang ERICA have developed their own idle land lots into urban state-of-the-art industrial complexes to support business tenants with newly built facilities in the complex, and focused on industry-academy cooperation and corporate competence reinforcement activities.

The cases of officially failed profit-making business operations have been hardly reported. That said, some universities suffer difficulties in operating their profit-making businesses due to such external factors as economic downturn and such internal factors as inappropriate investment activities. Konkuk University's The Classic 500 posted annual losses of KRW 13.4 billion in 2013, KRW 4.8 billion in 2017, and KRW 4.9 billion in 2018, and reportedly suffered a loss from the allegedly failed investment of unappropriated KRW 12 billion in the suspended controversial Optimus Fund in 2020, which is pending in the court. Meanwhile, Samhyook Foods, Yonsei Milk and Konkuk Dairy report decreased annual revenue and operating and net profits. Yonsei University signed MOUs with real estate developer Co-op Seas Land and Ansong City on the Yonsei Univ. Coop Valley project in Ansong. However, they failed to proceed with the project since the land owner was found to have signed an agreement with KT & G.

The effectiveness of private universities' profit-making business operations can be measured against the value of their profit-making property and revenue.

Table 3: Evaluation of basic property for income from 4-year colleges and comparison by type of income (2014~2018)

(Unit: 1 thousand KRW)

Property type	Appraisal		Increase/ Decrease status	Income		Increase/ Decrease status
	2018	2019		2018	2019	
Land	6,091,912,146	6,629,725,968	537,813,822	71,196,072	57,264,170	-13,931,902
Building	2,005,285,359	2,000,539,681	-4,745,678	202,008,757	194,562,012	-7,446,745
Securities	695,210,777	757,920,212	62,709,435	22,673,142	21,107,361	-1,565,781
Trust deposit	893,082,087	962,783,370	69,701,283	14,502,765	17,198,412	2,695,647
Other	17,365,150	29,808,801	12,443,651	10,235,304	9,776,890	-458,414
Total	9,702,855,519	10,380,778,032	677,922,513	320,618,058	299,910,864	-20,707,195

Note: Corrected and quoted from <Table4> of Kim(2020).

In 2019 the value of profit-making property of private universities in Korea totaled up to KRW 11.5 trillion, up by approx. KRW 700 billion compared to the previous year, whereas their revenue fell by KRW 20 billion (Unipress, 2020). According to Unipress' report (2020) on the 2020 parliamentary inspection of the administration, the value of universities' profit-making property totaled up to KRW 9.3 trillion, increasing by approx. KRW 620 billion compared to the previous year, whereas their revenue fell by approx. KRW 20.7 billion. Specifically, the land property owned by universities accounted for approx. 60% of the total loss of all universities, with their income from profit-making buildings down due to economic downturn (Unipress, 2020). As per the Decree on Standards for the Establishment of Universities and Colleges, the annual income generated from university-owned profit-making property should exceed the product of the property value by the deposit interest rate of the previous year among the weighted average rates announced yearly by the Bank of Korea. Nevertheless, 182 out of 295 universities reportedly failed to meet the reference rate of 1.56% in 2019 (Unipress, 2020). These findings imply that Korean private universities are struggling to generate profits from a range of business operations using their profit-making assets and that university-owned land property is less profitable.

4. Economic value and direction of universities’ profit-making business operations

Despite the disproportionate reliance on private institutions for higher education, private universities are fettered by their inherent structure that draws on tuition fees in contrast to national and public universities directly supported by the government or municipalities. Yet, due to declining enrollments and tuition freeze which serves as the reference for government scholarships, private universities are eager to secure stable income sources to cover the operating expenditure, which warrants the need for financially vulnerable universities to exploit some financial investment sources and enhance their financial self-sufficiency for the betterment of their competitiveness and quality of education. To become financially self-sufficient, the income earned from private university corporations’ efficient profit-making business operations should be invested in the universities via capital appropriations, which forms a virtuous cycle(Kim, 2015) that justifies the economic value of their profit-making business operations. However, the economic value of universities’ profit-making business operations should not be limited to financial returns, but ultimately lead to the quality improvement of higher education.

As in the aforementioned negative examples of profit-making business operations, universities are not free from the ethical and moral issues due to their corporations’ untransparent decision making on profit-making business operations as well as the complaints of small business owners in the neighborhood against the expansion of accommodation including campus dorms or other for-profit or not-for-profit business proposals even in the early stage of an assessment. Thus, private university corporations should implement profit-making activities to secure finances for their corporate and educational operations while meeting the purpose of their existence as not-for-profit corporations distinct from for-profit entities (Kim, 2015). <Figure 4> illustrates the profit-making business operations of universities serving the foregoing purpose.

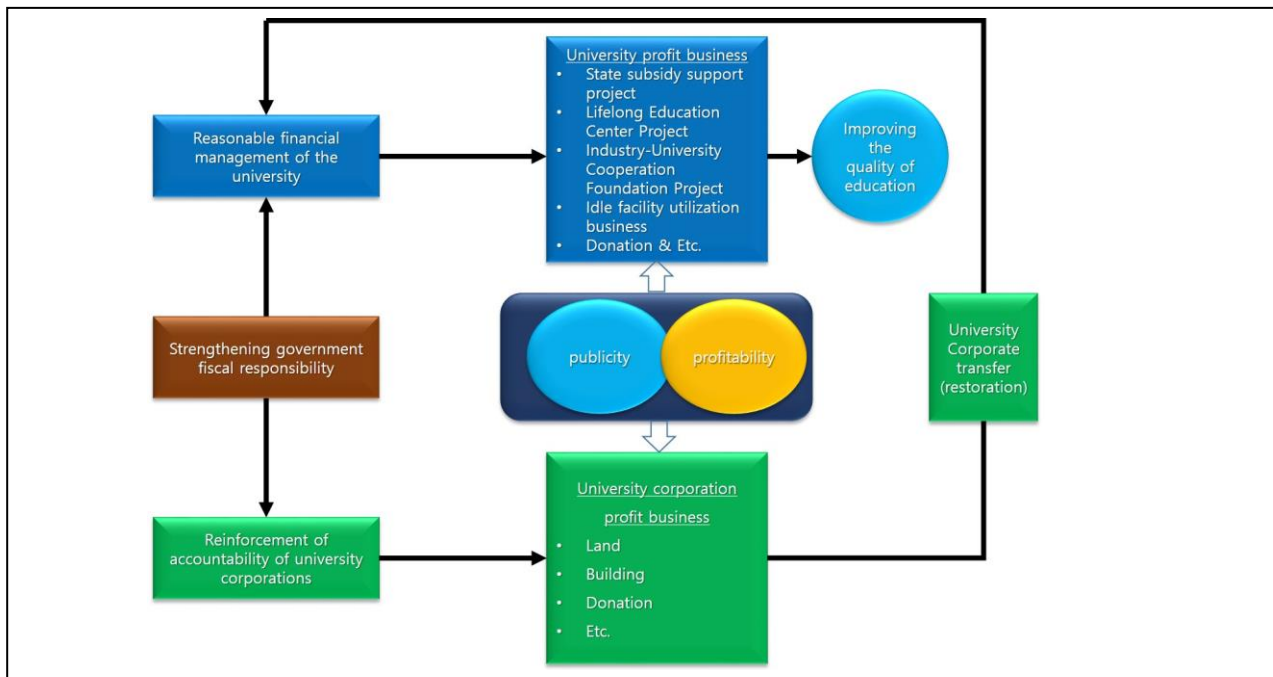


Figure 4: Example of a virtuous cycle of university profit business

Given private universities undertake a large portion of higher education, the following three factors should precede their financial health and commitment to educational quality improvement. First, the government plays pivotal roles for the development of private universities. That is, the government’s bold and decisive education funding is needed for private universities to become less dependent on tuition fees. In that regard, the ‘publicly funded private universities’ as proposed

by Kim(2020) et al. may be a viable option. Second, private universities should make efforts for rational financial management. Private universities have long been complaining about financial difficulties, whereas they have accumulated substantial reserves. Indeed, as of 2019, Hongik University posted its accumulated reserve of KRW 757 billion and topped the list of 20 universities equipped with KRW 100-billion reserves, followed by Yonsei and Ewha with KRW 637.1 billion and KRW 636.8 billion, respectively (Kim, 2020). Although it is stipulated in law that universities clarify the purposes of their accumulated reserves, many universities' sources of accumulated funds are not the assets of their corporations but tuition fees. Therefore, universities need to make efforts for the improvement of educational quality and financial management including rational budgeting and efficient spending by investing the income from tuition fees in education and research (Lee & Kang, 2013). Third, university corporations should reinforce their public accountability. That is, private university corporations need to lay the foundation for the full accountability for university finances as the founding entities of universities by reassessing the feasibility of their profit-making assets. As shown in <Table 3>, their income decreases whereas their land value increases and their profit-making property under-performs the statutory reference. Hence, private universities should make efforts to transform their low-profit-margin property like land into high-profit-margin property, so as to reduce their operating expenditure and increase the capital appropriations. Hence, universities' profit-making business operations should keep the public accountability and profitability in balance based on the willing efforts of the government, universities and university corporations. That is, universities should generate income without prejudice to their public accountability to contribute to the country and community.

University-level profit-making business operations may be separated from corporation-level profit-making business operations. For example, first, the university-level profit-making business operations such as customized LINC+ (Leaders in INdustry-university Cooperation), ACE(Advancement for College Education), PRIME(Program for Industrial needs-Matched Education), and CORE(College of Humanities' Research and Education) projects are funded by the government. Lately, the government funding for universities has been concentrated in Seoul, which worsens a divide between Seoul and the other regions. However, the percentage of government funding in private universities' income is reported to increase from 16.7% in 2012 to 22.6% in 2016 (Hankyung, 2018), which underscores the increasing reliance of university finances on government funding. Therefore, to access the government-funded project sources, universities should first seek to enhance the competence of their faculty and implement some medium- and long-term plans across the board to take tangible actions for the betterment of their educational quality. Second, increasing the income from the short-term tuition fees through lifelong education centers is also a viable option for universities. University lifelong education centers add to the opportunities for adult education, put into practice their original intention to return their educational function to society as part of their public accountability, share their quality infra and human resources and thereby raise university brand awareness (Jun & Kim, 2011; Lee et al., 2009). Also lifelong education center programs may possibly be used to improve the treatment for the non-tenure-track faculty that are linked to the issue of discrimination in universities. To be specific, the non-tenure-track faculty members may launch their own programs at the lifelong education centers and close their pay gap with the tenure-track faculty using the income generated from such programs. Third, universities may generate profits via industry-academy cooperation foundations. Despite the concern that universities fail to lead businesses, R&D-based industry-academy cooperation initiatives promote the exchange of human and material resources for joint research, technological development, consultation, research funding, joint access to R&D facilities, information sharing, creation and accumulation of new knowledge, and technical development and support to meet the technological needs of businesses (Hwang, 2016). Also, the exchange of human and material resources as part of the industry-academy cooperation programs meets the needs of students by improving the quality of education and the employment rates. Fourth, universities may put their idle facilities to good use. The material infra on campus is not fully used during semesters and 4-month holidays, while continually declining enrollments cause more facilities to sit idle on campus. Shin & Lee (2011) reported idle facilities, e.g. idle classrooms, may be efficiently turned into multi-purpose facilities, e.g. youth training centers. Also, universities may generate income by hiring an agent such as SHAREit, a school sharing business based on a space broker platform designed to open and share campus facilities using IT, without mobilizing their own human and material resources. Fifth, universities may generate income from donations or gifts. In 2020, 156 private universities received KRW 386 billion from donations with the top 10 schools including Yonsei University raising KRW 174 billion. According to news articles, Yonsei University undertook the 'Baekyangro Re-creation Project' from August 2013 to October 2016, while other schools that received more donation revenue than their peers including Ewha Womans University and Dongguk University waged a range of campaigns to solicit substantial gifts (Edaily, 2021). Ajou University's 1-1-1 fund-raising campaign has been successful with each alumnus contributing KRW 10,000 per month.

The prerequisites for universities to effectively make profits from their profit-making business operations include their competitive advantage as higher education institutions, collaborative efforts to improve the quality of education between universities and their corporations, and the trust of alumni, community, businesses and organizations in their public accountability for society. Typically, corporations make profits from lands and buildings, which requires the efforts to turn low-profit-margin property into high-profit-margin one and to create high-profit-margin business activities based on public accountability in connection with universities' personnel and material infra. In that regard, it should be noted Gangwon University, Hannam University and Hanyang University ERICA have been selected as the leading sites for campus innovation park projects. Also, university corporations should consider drawing on for-profit lands and buildings and collaborating with municipalities for joint development projects. Yet, universities should keep in mind that any failure to practice their corporate accountability, ethics and morality by investing in startups and funds that are hardly profitable will result in substantial social issues as evidenced by some higher education institutions.

5. Conclusion

This study examines the successful and failed examples of Korean private universities' profit-making business operations as well as their financial condition, and finds out the economic value and future direction of desirable profit-making business operations of universities, with intent to shed light on some clues conducive to Korean private universities' financial health and quality education. Taken together, the findings highlight the following.

Firstly, the current status and financial condition of private universities is attributable not only to the declining enrollments and/or tuition freeze but also to their lack of efforts to secure their financial health. In particular, university corporations should not overlook the likelihood of incurring suspicion of buying cheap low-profit-margin lands and buildings for speculative purposes. Thus, private university corporations should make efforts to reassess their low-profit-margin lands and buildings and transform them to high-profit-margin business operations so as to afford their operating costs, while transferring the profits to universities via capital appropriations as accountable founding entities.

Also, the successful and failed examples of profit-making business operations suggest universities and their corporations should take the initiative in their public accountability for diverse profit-making business operations even in the operational feasibility study phase. In line with the primary purpose of universities, the ultimate goal of university corporations' profit-making business operations is to generate profits without prejudice to their public accountability to contribute to the country and community, and forge a virtuous cycle where the profit is reinvested to improve the quality of university education and lay the foundation for the betterment of their competitive advantage.

Finally, in view of the findings on the direction of profit-making business operations of universities and corporations, it is crucial to reinforce the competency of the faculty members, develop and implement medium- and long-term plans across the board, share and utilize the educational functions and established infra on campus, raise the positive awareness as higher education institutions, and thereby facilitate the success of profit-making business operations and voluntary donations.

References

- Ban, S. J. (2011). Economics of Education and Higher Education. *The Journal of economics and finance of education*, 20(1), 103-126.
- Jun, J. S., & Kim, S. Y. (2011). Validating an evaluation model to measure the effectiveness of educational programs of lifelong education centers affiliated with universities. *The Journal of Education Studies*, 42(1), 125-150.
- Hwang, K. M. (2016). The Influence of The Factor of Core Competence, Network, External Environment of University and Industry Collaboration Foundation(UICF) on Management Performance. *Journal of Vocational Rehabilitation*, 38(2), 175-201.
- KESS(Korea Education Statistics Service) (2020). *Summary of Education Statistics 2020*. Korea Educational Development Institute (KEDI), 1-68.
- Kim, D. S. (2015). Profitable Business of Private Universities. *Educational Facilities*, 22(2), 16-21.
- Kim, H. E. (2020). *Financial Problems and Improvement Plans of Private Universities Looking Back at Corona-19*. Korea Higher Education Research Institute (KHEI), (<http://khei.re.kr/post/2318>)
- Kim, J. H., & Kwon, C. G. (2020). A Study on Consumer Hierarchical Value Map for Art-based Startups: Based on the cases from Sungshin Women's University, Campus Town Team. *Journal of Basic Design & Art*, 21(3), 93-106.

- KHEI(2013). Korea Higher Education Research Institute (KHEI) Statistics(Basic), 1, p.4.
- Lee, C. W., & Kang, H. S. (2013). A Case Study on Developing Real Estate Projects by an Educational Foundation in Korea. *Korea Business Review*, 17(2), 137-169.
- Lee, H. J., Choi, K. A., Kim, S. R., & Hong, Y. I. (2009). A Quality System of the Extension Program in a University. *Journal of Lifelong Education*, 15(4), 1-33.
- Lee, Y. J. (2002). A Study on Comparison with Korea, Japan, America in Nonprofit Organization Accounting: Focusing on the hospital and religious organization. *Tax Accounting Research*, 10, 149-183.
- Shin, D. S., & Lee, J. K. (2011). The Effective Use of Unused School Facilities according to Decrease in School Age Population. *YOUTH FACILITIES AND ENVIRONMENT*, 9(4), 109-117.
- Shin, D. Y., & Jung, S. H. (2019). Characteristics of the Industry-University Collaboration of the Campus Innovation Park: A Case Study of Kangwon National University. *Journal of the Association of Korean Photo-Geographers (JAKPG)*, 29(4), 243-250.
- Sung, B. C. (2016). A Study on Improvement in Private School Corporation's Financial Soundness. *Management Information Review*, 35(5), 109-122.
- Economic Review (2014). Country life in Bundang, city-style hotel-style silver town 'Palace in the garden' . *Economic Review*, 1 July, Seoul, Korea. (<https://www.econovill.com/news/articleView.html?idxno=213303>)
- Edaily (2021). The top 10 private universities in donations sweep half of them.. Yonsei University ranked first for the second year. *Edaily*, 28 May, Seoul, Korea. (<https://www.edaily.co.kr/news/read?newsId=01216886615997800&mediaCodeNo=257>)
- Hankyung (2018). Government subsidies for private universities ↑ ... flocked to Yonsei University, Korea University, etc. *Hankyung*, 29 January, Seoul, Korea. (<https://www.hankyung.com/society/article/201801298093g>)
- Higher Education in Korea(2021). www.academyinfo.go.kr/index.do?lang=en
- Sisajournal (2020). Konkuk University, where even the rental deposit was spent as if it were my own money. *Sisajournal*, 10 November, Seoul, Korea. (<http://www.sisajournal.com/news/articleView.html?idxno=207549>)
- Unipress (2020). A total of 11.5 trillion won in basic assets for profit from private universities nationwide in 2019. *Unipress*, 1 November, Seoul, Korea. (<https://www.unipress.co.kr/news/articleView.html?idxno=2357>).