The Labor Market for College Professors in Korea

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1. Objectives of the Study

Although there remain many issues and controversies concerning the Korean higher education system reform, only few previous research has been conducted on the basic facts and economic characteristics of college professors. This study investigates employment structure, changes of economic status, mobility, wage, and performance evaluation system of college professors. By doing so, it aims to examine the fundamental economic facts about college professors, and attempts to derive implications on manpower policies for the higher education personnel.

2. Data and Method

We used four data sets with respect to employment and wages: (1) Statistical Yearbook of Education from the Ministry of Education, Science and Technology; (2) Wage Structure Survey from the Ministry of Labor; (3) Individual Wage and Employment History of Private Colleges from the Korea Teachers Pension; and (4) Academic Research and Development Activities in Korea from National Research Foundation of Korea. In addition, we surveyed the wage system and the performance evaluation system at the institutional level.

3. Conclusion

(1) The number of workers employed at higher education institutions is about 230,000 man-days in 2010, which has grown by average of 6.87% per year since 1990. This rapid growth was led mainly by private institutions and

accompanied by growing proportion of part-time lecturers. As a result, employment structure in academic labor market became more segmented between regular (professors in tenure track positions) and non-regular workers (part-time lecturers) during the last 20 years. The deregulation of college quota in 1995 has caused significant increase in the number of institutions while the labor market has remained the same where wages and employment were set by laws and regulations; the gap between regular and non-regular workers widened.

(2) Since 1990s, the relative wages have been declining and professorship has been losing its attractiveness as a profession. The number of Ph.D.'s earned from institutions overseas has rapidly dropped compared to the vacancies in universities. Since universities want to procure talented professors to improve the quality of their reputation, competition among universities for recruiting more talented professors is expected to get fierce in the future. One of the main characteristics of private colleges is that their finance depends heavily on tuition paid by the students. The intensifying competition among higher education institutions bears conflict between colleges and their students: the colleges want to raise revenues by raising tuition while the students attempt to suppress additional tuition burdens.

(3) Inter-college mobility of professors has increased in the last decade. In case of four-year universities, half of newly employed professors were previously teaching at private higher institutions. The turnover rate is higher when the reputation, attractiveness of the location, salary level, is lower. Also younger and less experienced professors are more likely to move. The research output is not a significant factor in determining the mobility. A better performance evaluation system is necessary in order for the market mechanism to work more appropriately in the college professors' labor market.

(4) Higher education institutions have maintained seniority-based wage system for long: about 45% of private institutions for higher education stick to the seniority-based system and only 10.5% of them adopt the annual salary system. The majority (84%) of higher education institutions evaluate professors' performance every year, but only 31% of them link the evaluation results with the salaries. The Korean government announced that the national and public universities must adopt performance-based annual salary system in the future, but many legislative and institutional arrangements need to be changed prior to the new salary system.