

## Managing Land Assets For Sustainable Goals To Generate Income Of University

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### **Abstract.**

*This research aims to find out that increasing university income from land development is a complicated process that requires knowledge and skills in various aspects such as law, urban planning, and the civil structure of buildings that will stand on the land. This research will adopt a descriptive qualitative research approach to understand a particular phenomenon. This approach allows researchers to collect descriptive data to answer research questions regarding optimizing university land management. The research subjects in this study were 30 people consisting of leaders of Surabaya State University and stakeholders who were partners and involved in land development in the University area. Research findings show that sustainable land development is a goal that the University wishes to achieve in the short and long term and needs to be supported by strong financial resources. These results have significant implications for other universities that are managing land assets to contribute income to sustainable land development.*

**Keywords:** Sustainable land development, Increased income and financial resources.

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### **I. INTRODUCTION**

Several public universities around the world are experiencing financial difficulties in managing their operations [1]. One of the reasons is the reduction in budget allocations by the government which is higher as well as the government's push for universities to start operating independently [2]. In Indonesia, state universities are increasingly being encouraged to obtain legal entity status. This happens because, by becoming a state university with a legal entity or PTN-BH, universities can develop more quickly to become superior competitive, and more creative in finding sources of funding because they do not depend on the government budget. The legal basis for the emergence of PTN-BH is that after the issuance of Law No. 12 of 2012 concerning Higher Education in Article 65 paragraph (1) states that the management of higher education autonomy as intended in Article 64 can be provided selectively based on performance evaluation by the minister to PTNs by implementing management patterns, public service agency finances or by forming a legal entity PTN to produce quality education. Therefore, state universities throughout Indonesia are also being urged to expand their sources of income because dependence on government funding can no longer be relied upon to ensure their financial sustainability. According to Garland (2019), universities traditionally receive financial resources from government grants and student fees. However, universities today need to generate additional revenue from sources other than traditional sources. As a result, universities have implemented various initiatives to diversify their sources of income by Koryakina [3], such as income from donations, services provided by the university, intellectual assets, leasing and leasing of assets, and investments ([4]; [5]; [6]; and [7]).

This increasing commercial pressure on land poses a significant threat to the appropriate management of existing land assets [8]. Land, in the sense of land, apart from having an important meaning for human life as individuals, is also important for the implementation of urban development activities in terms of providing housing and settlements for residents, as well as for urban activity centers, basic facilities and infrastructure, infrastructure networks, and central development. -the center of new activity growth [9]. The activity of utilizing BMN in the form of land by other parties is strictly permitted by constructing buildings and/or facilities and their facilities, then utilizing them by the other party within a certain agreed period, and then handing over the land and buildings and/or facilities and their facilities back after the end. period [10]. Therefore, it is a challenge for universities to generate revenue. Increasing income from land development is a complicated process that requires knowledge and skills in various aspects such as law, urban planning, and the civil structure of buildings that will stand on the land. In this regard, this research was conducted to identify the challenges that universities must face in developing land which is carried out professionally for well-planned, targeted, and measurable income potential. Exploration of the management and use of this university land to generate revenue to help the university stabilize its financial resources.

## **II. LITERATURE AND METHODS**

### **2.1. Sustainable Development**

Strict adherence to environmental rules and regulations is necessary for the administration of sustainable development. Despite being a major topic of discussion in any nation, environmental issues are difficult to handle due to the abundance of inconsistent information that is now available. The argument over enforcing environmental rules and regulations is becoming more and more influenced by shifting viewpoints on how to manage environmental concerns globally [11]. Since the idea of "sustainable development" is so widespread in today's world and encompasses so many different ideas, such as sustainable socioeconomic growth, sustainable ecological development and management, and sustainable production activities, etc. The term "sustainable development" is used for several purposes in scientific ([12]; and [13]).

### **2.2. Land Development**

Land development is a concept that has experienced rapid development since 2015. This concept focuses on various efforts to optimize land use by paying attention to economic, social and environmental aspects. In this chapter, the meaning of land development will be explained which is the basis for this research. According to Chambers [14], land development is a series of actions aimed at increasing the economic, social and environmental value of an area through improving and better land use. This can include land use changes, infrastructure development, natural resource management, and improving accessibility. In the urban context, Rubiano [15] stated that land development is an important strategy in overcoming rapid urbanization and sustainable city development. This includes the construction of housing, public facilities and infrastructure that supports urban growth. Meanwhile, according to Smith et al [16], land development can also be applied in an agricultural context to increase land productivity and support food security. This involves techniques such as irrigation, soil improvement, and selecting the right plants.

### **2.3. Factors Influencing Land Development**

Land development is influenced by various complex factors. In the literature, these factors have been identified as important elements in the land development process. According to Wu et al. [17], geographical factors such as location, topography and climate play a key role in land development. This research will discuss how geographic characteristics can influence optimal land development choices. Meanwhile, Roberts [18] highlights social factors, such as population needs and government policies, which influence land development in urban areas. These factors will also be debated in this chapter. Land development has a significant impact on the environment and sustainability. According to Irsan et al. [19], changes in land use can have chain effects on biodiversity, water flow patterns and air quality. Therefore, this research will discuss sustainable land development strategies.

### **2.4 Methods**

This research will adopt a descriptive qualitative research approach to understand certain phenomena ([20]; [21]; and [22]). This research design will use a descriptive qualitative research design. This approach

allows researchers to collect descriptive data to answer research questions regarding optimizing university land management ([23]; and [24]). The research subjects in this study were 30 people consisting of leaders of Surabaya State University and stakeholders who were partners and involved in land development in the Surabaya State University area, Indonesia. Data collection will be carried out through several techniques, namely: (1) in-depth interviews, interviews will be recorded and analyzed to identify main patterns and findings; (2) Observation, apart from interviews, direct observation will be used to observe situations and activities related to the phenomenon being studied. Observations will include direct observations in the field; (3) Document Analysis, Researchers will analyze related documents that are relevant to the research phenomenon, such as reports, policies, and other records. This document will be used to support and complement the data obtained from interviews and observations.

### III. RESULT AND DISCUSSION

University land management is an important aspect in ensuring sustainability and efficient use of resources. University land management cooperation can be defined as collaborative practices between universities and various parties, including government, the private sector, and local communities, to manage and utilize university land effectively and sustainably. Based on in-depth interviews with Surabaya State University stakeholders, it was found:

**Table 1.** Result of research

Point of View	Answers	Percentage
Sustainable land management goals	1. Sustainable land development	36,7%
	2. Financial contribution	30,0%
	3. Resource development	23,3%
	4. Stakeholder welfare	10,0%
Supporting factors for land commercialization cooperation	5. Financial resources	33,3%
	6. Leadership and vision	26,7%
	7. Policies and regulations	20,0%
	8. Involvement of related parties	20,0%

*Sources : Author*

Based on table 1 above, shows that cooperation in managing university land can have various objectives. The results of this research are in line with research by Hollingsworth [25], which shows that there are 4 goals where sustainable land development is assessed by 40% of expert respondents as the main factor in the need for productive and income-generating university land management. Sustainable university land development refers to efforts to plan, manage, and develop university facilities and infrastructure by considering economic, social, and environmental aspects. This approach aims to create an optimal learning environment for students and staff while minimizing negative impacts on the environment and surrounding communities. The next results show that 30% of expert respondents consider financial contribution to be the second goal of sustainable land management.

Efficient and financially oriented university land management can make a significant contribution to the financial stability of the university. In the view of Sternberg [26] in "The Economics of Universities," universities can increase income through various methods, such as using land for commercial activities, property development, or leasing land. This concept is strengthened by research by Kavetsos, G., et al. [27]. "The Economics of Universities" also highlights the importance of alternative sources of income for universities. Efforts to optimize land use at Surabaya State University can increase income through various means, such as renting land to third parties, property development, or using land for income-generating activities, such as conferences or sporting events. By managing land well, Surabaya State University can create additional sources of income that can be used to support academic operations and campus infrastructure.



**Fig 1.** Potential land for Surabaya State University

*Sources : Author*

Figure 1 above shows that there is still a lot of potential for land management at Surabaya State University which will generate income for the university. The land rental price per square meter is around 150-350 thousand rupiah depending on the proximity to the main road access. No less than 5 billion rupiah can be generated in rent per year if all land can attract third parties to collaborate on sustainable development. The next results show that 16% of expert respondents consider resource development to be the third goal of sustainable land management. Developing university resources with new facilities is an important step in improving the quality of education, research, and services that can be provided to students and the community. These new facilities can be lecture buildings, laboratories, or commercial areas such as hospitals, restaurants, and shopping centers. This opens up opportunities for further collaboration, such as joint research projects, student internship programs, or implementation of staff skills. This network can contribute to the development of university human resources and create a richer learning environment. Finally, 10% of expert respondents considered stakeholder welfare to be the fourth goal of sustainable land management. The collaboration created should generate profits for third parties and create sustainable relationships between the university and its business partners. This can lead to further collaboration opportunities, which can ultimately support the growth and development of both parties.

Thus, mutually beneficial third-party collaboration is a strategy that can provide long-term financial benefits for all parties involved. The second discussion in Table 1 above shows that to achieve the goal of sustainable land management there needs to be factors that support land commercialization cooperation for Surabaya State University. The results of in-depth interviews, show that 33.3% of experts think that there is a need for university financial support to support the sustainable development of university land. These funds are used for care, maintenance, and improvement of land by considering environmental aspects in commercial areas. These results are by Kendall's [28] research where university finances can later be used to develop facilities, programs, and human resources, which ultimately contribute to improving the quality of education and services to students and stakeholders. The next results showed that 26.7% of expert respondents considered the leadership and vision of universities to be important supporting factors in sustainable land management. A strategic plan is a blueprint for achieving organizational goals. Donaghy et al [29] explained plans that outline an agency's land development goals and desired outcomes should be frequently revisited and evaluated; and are designed to achieve multivariable outcomes, including program support, cost savings, and revenue generation.

However, based on the results of this research, universities still face several problems in forming strategies to increase income. A further 20% of experts assess that an important supporting factor in sustainable land management is the existence of underlying policies and regulations. Land management at Surabaya State University refers to the Law of the Republic of Indonesia Number 1 of 2004 concerning the State Treasury: This law is the main legal basis for managing BMN assets in Indonesia. Then also Law of the Republic of Indonesia Number 17 of 2003 concerning State Finance: This law contains relevant provisions regarding the management of BMN assets in the public sector. As well as the Regulation of the Minister of Finance of the Republic of Indonesia Number 96/PMK.02/2012 concerning Management of BMN Assets and Inventory: This ministerial regulation regulates in detail the procedures for managing BMN assets. Brown and Latham [30] discuss how changes in government policy can influence university land management strategies. Finally, 20% of experts also consider that appropriate and responsible involvement can provide important financial resources for the maintenance, development, and use of university land. In addition, collaboration with partners can open the door to the development of innovative projects and joint research that will provide added value to education and research at universities.

#### IV. CONCLUSION

This research has produced important findings from in-depth interviews with expert respondents to comprehensively map how sustainable land development owned by Surabaya State University can bring financial contributions in terms of land management objectives and also factors that can support the commercialization of university land. The results show that sustainable land development is a goal that the University wants to achieve in the short and long term and needs to be supported by strong financial resources. For further research, it is necessary to examine the evaluation phase of the sustainable land development process. Periodic evaluation is an important step in university land management collaboration. According to Smith [31], the evaluation process allows the parties involved to identify successes, weaknesses, and opportunities for improvement in the collaboration.

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