



Small Colleges Will Face Stiff Competition from Corporate Colleges

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Received: 22 March 2026

Revised: 15 April 2026

Accepted: 23 April 2026

ABSTRACT

The observation that small plants cannot grow under a banyan tree is a well-known phenomenon, often referred to as the "Banyan tree Syndrome or effect. This phrase is used in corporate contexts to describe a leader, often a founder, who is extremely strong and protective (like a banyan tree). Still, it creates a dominating, all-encompassing environment in which subordinates cannot grow, develop independence, or take initiative. This is similar to corporate colleges and small colleges. Corporate colleges offer specialized, industry-focused programs that focus on employability and professional skills, provide ample placement opportunities, and offer clear structures. In contrast, small colleges provide an intimate environment, fostering closer student-faculty relationships, personalized attention, and a stronger sense of community. Corporate colleges, being more rigid, focus on professionalism, strict deadlines, and a "no spoon-feeding" approach to prepare students for corporate life. Small colleges often provide more personal networking opportunities with professors and alumni. Corporate colleges may have better-developed, high-volume placement, but with less individualized support. Larger, corporate-run institutions usually offer broader, well-funded infrastructure, such as diverse clubs, sports, and, in some cases, international exposure, while small colleges may have limited extracurricular options.

Keywords : Infrastructure, Development strategy, organizational tactics, competitiveness, sustainability, goal-setting objectives,

INTRODUCTION

This area of activity attracts more and more attention to itself, since it allows you to create an internal corporate knowledge system and form a stable desire among the college employees to develop and acquire new knowledge about new technologies.(1)

The relevance of the chosen research topic lies in the fact that the economic efficiency of a corporate college in an organization directly depends on the chosen development strategy. (2)

In practice, well-thought-out organizational tactics will help to achieve a higher level of competitiveness and sustainability, which in turn is very important when entering a foreign market where competition is high and foreign organizations choose a more reliable partner.(3)

The main role is assigned to the assessment of the current state of implementation and training of new employees of the company, and the development of directions for the development of the corporate university in the organization. (4)

There are many conditions that influence the choice of corporate university strategy for each company.(5)

Lack of adaptation of employees, direct envy of the wrongly chosen training strategy, and as a result, entails changes in environmental factors.(6)

Also, the condition for changing goals affects the relevance of the work carried out by corporate universities. (7)

Wang, Li, Qiao & Sun Wang et al. (2010), studied the theoretical aspects of the corporate university in the organization.(8)

Parker Parker (2017), studied the prerequisites for the creation of corporate universities (9)



Rhéaume & Gardoni (2015), analyzed the formation of goal-setting and objectives of the corporate university institute.(10)

Zhang & Boies (2018), analyzed the current state of development of the corporate university system.(11)

Scarso (2017), is devoted to the study of the development strategy of the corporate university system.(12)

Singh, Verma & Chaurasia Singh et al. (2020), studied the strategic initiatives for the development of corporate universities. (13)

Pellizzoni & Buganza Patrucco et al. (2017), reveal the existing programs (roadmaps) for the development of corporate universities, taking into account the impact of strategic initiatives. (14)

Attestation in an organization can be carried out to disclose the suitability of the position held and upcoming career advancement, and is also 551 considered a way of researching employees, including an assessment of the employee's performance for a set period (15).

Advantages

1. Training is designed to meet specific college needs, ensuring employees learn exactly what is required for their roles, thus shortening training time and improving the quality of hires.
2. Curriculum can be updated quickly to reflect new technologies or industry changes, often faster than traditional, slower-paced academic institutions.
3. Corporate colleges can be more efficient, reducing costs compared to external training, particularly with larger organizations that can benefit from economies of scale.
4. Development opportunities fosters loyalty, makes employees feel valued, and reduces turnover.
5. A uniform, standardized training approach across the organization, promoting a cohesive corporate culture.
6. Learning is focused on practical, hands-on experience and real-world scenarios rather than just theoretical knowledge.

Disadvantages

1. Establishing and running a dedicated, high-quality corporate colleges requires significant investment in infrastructure, staff, and technology.
2. Programs are often too specialized, focusing narrowly on company-specific skills, which can limit an employee's broader career development or transferable skills.
3. Because training is focused on internal culture, it may stifle innovation and independent thinking by teaching everyone to think in the same way.
4. The time spent on training design and delivery by internal Subject Matter Experts (SMEs) can detract from their primary, mission-critical work.
5. Measuring the direct return on investment (ROI) and success of corporate training can be difficult compared to traditional, grade-based metrics.
6. Corporate colleges can be perceived as just a "name-only" training department, leading to low engagement, or it can be viewed as an attempt to substitute for proper, holistic education.

Corporate colleges in India are criticized for academic pressure

They are often accused of disregarding regulations, conducting premature, cut-throat, and high-pressure training that differs from that of government institutions.

1. Corporate, or "coaching-style" colleges, often subject students to extreme psychological stress for competitive exams.



2. Despite investigations, these institutions often violate rules regarding admissions, such as conducting classes in summer or coaching students before results.

3. While some focus on competitive, high-pressure, rote-learning models, others are evolving to include "Industry-driven programs" or "College to Corporate" skill-building.

4. The debate on whether traditional college education is becoming irrelevant compared to specialized skill training, or if corporate-style colleges are just offering what parents demand.

Key Factors in Corporate College Dominance:

1. Corporate junior colleges operate like business conglomerates, with multiple branches often sharing a single brand name, which allows them to centralize operations and marketing.

2. These colleges often start admission processes well before the official Board of Intermediate Education (BIE) notification, sometimes securing 70% of seats in advance.

3. To attract students, they have expanded beyond major cities like Hyderabad into smaller towns, setting up localized branches.

4. They focus heavily on vocational training and competitive exam preparation (e.g., EAMCET, NEET, IIT-JEE), which is highly appealing to students and parents.

5. They often promise superior infrastructure, including digital classrooms, and sometimes, specialized training for careers abroad.

6. Corporate colleges are often part of government-sponsored schemes, such as the Telangana Corporate College Scheme, which encourages meritorious students from underprivileged backgrounds to join them (16).

Repercussions on Smaller Colleges

1. Small, traditional colleges struggle to compete with the marketing power and perceived superior quality of corporate colleges, leading to declining enrollment.

2. Small colleges face difficulties in sustaining their operations due to the competitive, high-fee, and high-resource environment created by the corporate players.

Disputes

1. Corporate colleges have faced accusations of "rank scams" where they falsely claim to have top rankers.

2. Concerns have been raised about these institutions violating education norms, such as charging exorbitant fees and operating without proper recognition.

Despite these controversies, the demand for corporate colleges continues to grow, particularly for their ability to provide a "packaged" education that combines intermediate studies with competitive exam preparation.

Limited Funding and Resources

Tight budgets restrict investments in essential areas like modern teaching aids, advanced laboratories, and competitive salaries for staff. For instance, lack of access to computers, internet facilities, and adequate libraries in many rural schools. This constraint requires innovative school competition strategies that maximize current resources and allow smaller schools to compete with larger institutions.

Difficulty Attracting Skilled Staff

Budget limitations often result in inadequate compensation packages and fewer opportunities for professional growth, making it hard to hire and retain top-quality educators.



Low Profile

Smaller schools often lack strong marketing campaigns due to limited budgets, which makes attracting students a persistent issue. Declining enrolments can create financial stress, exacerbating the situation.

Outdated Infrastructure

Many small schools struggle with poor amenities, such as ongoing shortages in clean drinking water, proper sanitation, and adequately equipped facilities, government studies highlight. Overcoming this challenge not only improves the learning environment but also aids in improving school visibility by demonstrating a commitment to quality education. Strategic upgrades, even within constrained budgets, play an essential role in these efforts.

Corporate intermediate colleges dominate the intermediate education landscape

Corporate intermediate colleges dominate the intermediate education landscape, particularly in Telangana and Andhra Pradesh, over smaller or private colleges. These large, brand-driven institutions have established a market-oriented model that often overrides smaller institutions through aggressive marketing, early admissions, and extensive marketing, say stakeholders.

Government gifts to corporate Colleges

As long as corporate colleges receive tax subsidies, which is their main source of income, and no add-on for actual services provided to students, small colleges will continue to suffer, and these corporate institutions will continue to survive. Nowadays, teachers are no longer independent and are controlled by corporations, manufacturing educational institutions, and private equity finance corporate institutes. Most of the institute Directors have direct or indirect links with the government.

Every government is more favourable to corporate colleges because they get election funds from them

There is evidence that governments (particularly in India) have historically taken, and continue to take, steps to support the growth of private and corporate college sectors. This is often part of a broader strategy to boost private investment in education, corporate education, and manage the, at times, overwhelming student load in public facilities. Government-sponsored schemes are increasingly used in private/corporate schools and colleges, allowing them to gain significant market share. Policies have encouraged corporate colleges to make India a "Corporate destination" for foreign students, which often involves focusing resources on specialized, high-cost, and high-tech care.

intellectual structure of corporate College:

Small colleges often provide significant advantages over large corporate colleges, particularly in the areas of personalized student care, community trust, and student personnel attention. Small colleges excel at fostering a warm, familial, and efficient student experience. Smaller schools focus on "time" rather than just "machines," allowing faculty to spend more time with students, explain the lessons/doubts more clearly, and reduce anxiety. Students are more likely to see the same teachers consistently, from discussion, fostering trust and better teaching outcomes. Small colleges can make decisions faster and adapt to student needs, such as offering same-day extra classes or extending hours. Small colleges often have higher staff-to-student ratios, allowing for more individualized care and attention. Small colleges can often provide services at a lower cost to the student. Fee structures are typically explained more clearly, with less complicated billing procedures compared to large corporate entities.

1. Why do corporate institutions charge 5–10× More for college fees?

(A) Absence of a Uniform National Price Regulator

India does not have a national price regulator comparable to:

- Electricity Regulatory Commissions
- Telecom Regulatory Authority of India (TRAI)

There is no mandatory ceiling on:

- Student Bus transport



- Mess bills

- Uniform

B) Cross-Subsidisation Argument (Partially True, Mostly Misused)

Corporate colleges claim higher prices due to:

Infrastructure costs

2. Why does education Cost More Inside corporate colleges

(A) Closed stationery

Most corporate colleges

- Force in-house stationery purchase
- Restrict outside material citing “quality.”

Reality:

- Same branded books, dress sold 2–3× MRP equivalent
- low price dress are often not offered
- Cheaper stationery equivalents not disclosed

This violates the spirit of:

- Government Pricing intent
- Ethical education norms

Outcome:

- Cost escalates without benefit

3. Assistant mess Fees & hostel Charges

Why They Should Be Included in Room Charges (But Aren't)

(A) Global Norm vs Indian Reality

International norm:

- Room charges are all-inclusive
- Tutorials
- Resident warden coverage
- Basic monitoring

Indian corporate model:

- Fragmentation of college fees



- Assistant faculty fees
- Warden/Faculty charges per shift
- Monitoring charges
- Service charges

Purpose:

- Inflate bill invisibly
- Make the audit difficult
- Avoid headline room rate scrutiny

(B) Who Allows This?

- No explicit prohibition in Indian law
- Weak enforcement of transparency rules
- Students rarely contest itemization

This is a regulatory failure

4. Who Is Responsible?

Central Government

- Clinical Establishments Act exists but:
- Not uniformly adopted by all states
- Lacks strong penalty mechanisms

State Governments

- Responsible for:
- Licensing Schools/colleges
- Rate regulation under state Acts
- Most states:
- Do not audit private

/ corporate college pricing

- Act only after media or court pressure

College Accreditation Bodies

- Focus on:



- Safety
- Documentation
- Do NOT regulate pricing

Higher education/University/Inter Board Councils

- Regulate faculty
- Not corporate education economics
- Corporate billing escapes ethical scrutiny

5. Mandatory 20% Free / Poor students Care – Reality Check

(A) Policy Background

Many states mandate:

- 10–20% free or subsidized care to economically backward students

Especially when corporate colleges receive:

- Government land at concessional rates
- Tax exemptions
- Infrastructure benefits

(B) Who Should Monitor?

In theory:

- District Collector
- * State Education department/intermediate board/university Department
- Local Education Inspecting Authorities

In practice:

- No active monitoring
- No public disclosure of:
 - Number of poor students enrolled
 - Value of free care provided
- No penalties for non-compliance

6. Why Students are Intimidated Into Silence

- Fear of retaliation
- Emotional vulnerability



- Lack of accessible grievance systems

7. What Needs to Change

1. National Educational Pricing Authority

- Standard college fees

2. Mandatory Transparent Itemisation Rules

- Assistant faculty & tutorials included in room charges
- Clear justification for each add-on

2. Corporate Colleges Disclosure

- college fees
- Free-student numbers

This is not about education.

It is about:

- Regulatory gaps
- Corporate pricing power
- Lack of student protection mechanisms

Until pricing transparency and accountability are enforced, corporate colleges will continue to charge what the system allows—not what education requires.

Conclusion

Corporate colleges and small (independent) colleges represent two distinct models of education system delivery, differing significantly in scale, cost, technology, and student experience. Corporate colleges are characterized by large-scale, high-tech, multi-specialty care backed by private equity. At the same time, small hospitals, often run by individual physicians, focus on personalized care, community trust, and lower overhead. Corporate colleges offer state-of-the-art technology and specialized intensive care. Generally, corporate colleges have much higher costs, though they are preferred partners for making cashless transactions easier. Whereas a small college is known for a more "human touch," personalized care, and stronger student-teacher relationships. Often deeply embedded in local communities, benefiting from trust, familiarity, and faster decision-making, less bureaucracy, and often lower costs for students.

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How to cite this article:

Dr. Raghavendra Rao M V et al. *Ijppr.Human*, 2026; Vol. 32 (5): 113-121.

Conflict of Interest Statement: All authors have nothing else to disclose.

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