From Cultural Shock to Strategic Renewal: Leading Corporate Transformation in Tanzania

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Abstract

This review analyses how Tanzanian corporations respond to rising global and regional demands on Environmental, Social, Governance (ESG), anti-corruption, and human rights within a high power-distance culture shaped by hierarchy and communal values. It explores how transformational leadership reframes cultural shock and structural hierarchy into strategic renewal aligned with Agenda 2063 and African corporate governance norms. Guided by Transformational Leadership Theory, Ubuntu ethics, and power-distance principles, the qualitative review of the 2010–2026 literature applies thematic, discourse, SWOT analysis (Strengths, Weaknesses, Opportunities, and Threats), and PESTELE analysis (Political, Economic, Social, Technological, Environmental, Legal, and Ethical). Results show that global and continental norms set expectations, yet true impact depends on leaders' contextual internalisation and ethical innovation. Hierarchies and socio-professional divides both constrain and enable transformative practices when grounded in Ubuntu. ESG-driven reform across extractives, agribusiness, infrastructure, tourism, and digital finance requires context-sensitive leadership, ethical boards, and the integration of locally grounded governance.

Keywords: Transformational leadership, corporate governance, Power distance, Ubuntu ethics, ESG (Environmental, Social, Governance), Tanzania corporate sector

INTRODUCTION

The contemporary corporate environment is shaped by dense layers of global governance, including United Nations (UN) compacts, Bretton Woods conditionalities, Organization for Economic Co-operation and Development (OECD) and Basel standards, international investment agreements, World Trade Organizations (WTO) rules, the Sustainable Development Goals (SDGs), and climate regimes under the Paris Agreement (PAs) and Conference of Parties (CoPs) processes, which collectively intensify demands for transparency, responsible leadership, and socio-environmental accountability in corporate practice (Buchetti et al., 2025). Frameworks such as the UN Global Compact, Environmental, Social, Governance (ESG) reporting norms, and international corporate governance codes require boards and executives to internalise human rights, environmental stewardship, anti-corruption, and inclusive stakeholder engagement as core leadership responsibilities, a shift reinforced by global capital markets and governance ratings that increasingly link access to finance with ESG and governance quality (Buchetti et al., 2025; Ramoeletsi, 2025). Across Europe, Asia, and the Americas, empirical work shows converging trends toward stronger board independence, risk oversight, and diversity, even though implementation remains uneven across political economies and sectors (Ramoeletsi, 2025).

In Africa, these global expectations intersect with continental dynamics framed by Agenda 2063, which articulates aspirations for prosperous, inclusive, and well-governed societies, and by emerging corporate governance norms that emphasise discipline, transparency, independence, accountability, responsibility, fairness, and social responsibility as key drivers of performance (African Union, 2015; Zadawa & Omran, 2020; Mzenzi, 2022). Agenda 2063 underlines that corporate governance reforms, particularly in state-owned and large private enterprises, are central to achieving the agenda's governance and development objectives, but also highlight persistent impediments such as elite capture, weak enforcement, and shallow adoption of global codes (Zadawa & Omran, 2020; Mzenzi, 2022). Regional economic communities such as Common Market for Eastern and Southern Africa (COMESA), Southern African Development Community (SADC), and the East African Community (EAC) overlay this picture with protocols on competition, investment, and financial integration, creating additional layers of expectations for corporate disclosure, stakeholder protection, and cross-border compliance that interact in complex ways with domestic regulatory capacity (Ally, 2024; Buchetti et al., 2025).

Within East Africa, Kenya, Tanzania, Uganda, Rwanda, Burundi, South Sudan, and the Democratic Republic of Congo constitute a geopolitically strategic space that combines rapid demographic growth, expanding markets, and significant resource endowments in agriculture, energy, minerals, fisheries, tourism, and the blue economy, making the region an important laboratory for studying ESG performance relationships and governance reform (Ally, 2024; Buchetti et al., 2025). Empirical evidence from the region shows that ESG practices and digital transformation are increasingly linked to financial performance, particularly in financial and agribusiness sectors, while also exposing tensions between short-term profit pressures and long-term sustainability commitments (Ally, 2024; Ramoeletsi, 2025). Blue-economy and climate finance opportunities spanning coastal ecosystems, ports, offshore resources, and carbon sinks sit alongside the rise of digital finance and regional infrastructure corridors, creating a regulatory and ethical environment in which corporate leaders must navigate overlapping national laws, regional rules, and transnational norms on climate risk, social safeguards, and human rights (Ally, 2024; Buchetti et al., 2025). East Africa's mix of pastoralism, smallholder agriculture, and emerging agro-industrial value chains further raises complex questions about land rights, social license, and community benefit-sharing that demand culturally attuned, participatory, and ethically grounded leadership responses.

Tanzania, which is centrally located on the Indian Ocean and borders eight countries, exemplifies both the opportunities and contradictions of this environment, with a young and growing population, abundant natural resources, and an evolving policy agenda around industrialisation, value-addition, and sustainable development (National Bureau of Statistics, 2022). Recent census results confirm a population of roughly 61.7 million, dominated by youth, which heightens the urgency of creating employment, developing skills, and fostering inclusive corporate growth that can absorb new entrants into the labour market (National Bureau of Statistics, 2022). Empirical studies from Tanzania show that ESG-related practices, particularly in listed firms and financial institutions, are increasingly associated with improved financial performance and risk management, but also that adoption remains uneven across sectors and is often driven by external investor and regulatory pressures rather than deep internalisation (Ally, 2024; Buchetti et al., 2025).

At the same time, work on leadership and governance in Tanzania indicates that transformational leadership is positively associated with employee performance, commitment, and organisational effectiveness in both public and private settings, yet operates within a broader high power-distance cultural context that can constrain participation and upward voice (Mrope & Mzenzi, 2016; Majia, 2020; Mghase et al., 2024). For example, studies on local government, Savings and Credit Cooperative Organisations (SACCOs), and higher education find that idealised influence, inspirational motivation, intellectual stimulation, and individualised consideration enhance employees' commitment and performance, while also revealing that transactional patterns and hierarchical expectations remain pervasive (Mrope & Mzenzi, 2016; Majia, 2020; Mghase et al., 2024). Research on leadership styles and governance similarly underscores that leadership behaviours shape accountability, anti-corruption efforts, and responsiveness to citizens and stakeholders, suggesting strong analogies for corporate governance practice (Majia, 2020; Happnes, 2023).

This review, therefore, interrogated how cultural shock and divergent value systems are negotiated within Tanzanian corporations operating under high power-distance traditions yet facing intensifying global and regional demands for participation, accountability, and innovation (Majia, 2020; Commisceo Global, 2025). The first objective was to examine the global and regional governance and leadership frameworks that shape corporate transformation expectations in Tanzania, highlighting tensions between international norms, domestic regulatory capacity, and cultural realities of authority, patronage, and relational trust, as illuminated by recent African and Tanzanian corporate-governance scholarship (Zadawa & Omran, 2020; Mzenzi, 2022; Ally, 2024; Buchetti et al., 2025). The second objective was to explore how cultural divides across age, gender, ethnicity, professional background, and global to local value orientations affect transformational leadership practice in Tanzanian corporates, including communication patterns, decision making, employee voice, and change management, drawing on evidence that transformational leadership can both leverage and challenge prevailing power distance norms (Mrope & Mzenzi, 2016; Majia, 2020; Mghase et al., 2024). The third objective was to analyze how Tanzanian corporate policies, governance codes, and leadership development initiatives respond (or fail to respond) to these pressures, and what gaps remain for context-sensitive, transformative leadership capable of delivering sustainable livelihoods, inclusive growth, and environmental stewardship in line with national visions and Agenda 2063 aspirations (Zadawa & Omran, 2020; Mzenzi, 2022; Ally, 2024; Buchetti et al., 2025). Together, the objectives justified a focused, critical review that bridges global theory and Tanzanian practice and identifies leverage points at the board, executive, and policy levels to reframe power distance and cultural shock as strategic renewal within the country's corporate sector.

THEORETICAL FRAMEWORK

A suitable anchor for this review was the Transformational Leadership Theory (TLT), complemented by an awareness of cultural dimensions such as power distance (Bass, 1985; Bass & Avolio, 1994; Kearney et al., 2009). Transformational leadership emphasises idealised influence, inspirational motivation, intellectual stimulation, and individualised consideration, highlighting leaders' capacity to reshape organisational culture, challenge entrenched practices, and mobilise followers toward shared, higher-order goals and capabilities that are particularly salient in changing or uncertain environments (Bass, 1985; Bass, 1995; Dionne et al., 2004). These features make transformational leadership a fitting lens for navigating cultural divides and corporate transformation in Tanzania's high power-distance context, where expectations of hierarchy and deference coexist with rising demands for participation, accountability, and innovation (Majia, 2020; Mghase et al., 2024).

Within Tanzanian corporations facing global ESG, climate, and governance demands, transformational leadership offers a robust framework for understanding how executives and boards can recast authority from control-oriented to purpose-driven, relational, and ethically grounded forms that still respect cultural norms but deliberately open space for participation and innovation (Rubamba, 2022; UONGOZI Institute, 2022). Empirical work in Tanzania and the wider region shows that transformational leadership behaviours are positively associated with employee commitment, performance, and change readiness, yet can be moderated by cultural factors such as power distance, implying the need for context-sensitive application rather than wholesale importation of "Western" models (Mrope & Mzenzi, 2016; Majia, 2020; Widjaja et al., 2023; Mghase et al., 2024). Integrating insights from power-distance research into this framework supports a view of reading how leaders can both work within and gradually reframe hierarchical norms in Tanzanian corporate settings.

Integrating transformational leadership with African-centred governance principles and local ethical philosophies such as Ubuntu allowed this framework to capture both the psychological dynamics of influence and the sociocultural imperatives of community, solidarity, and interdependence in Tanzanian corporate life (Muchiri et al., 2011; Janssens et al., 2015; Sibanda, 2017). Scholarship on Ubuntu-based and Afrocentric leadership highlights how communal accountability, relational ethics, and a concern for collective well-being can enrich mainstream leadership theory and offer culturally resonant foundations for corporate governance reform in Africa (Janssens et al., 2015; Sibanda, 2017). Taken together, these strands justify the choice of transformational leadership contextualized by power distance and informed by Ubuntu as an appropriate and sufficiently flexible theoretical scaffold for analyzing corporate transformation amid cultural shock in Tanzania.

METHODOLOGY

This paper adopted a qualitative approach and a desk-based literature review, drawing primarily on secondary data, in line with established approaches to structured and integrative reviews in governance and management research (Massaro et al., 2016; Lungu, 2020). Peer-reviewed journal articles published from 2010 to 2026 (excluding theories), scholarly books, official reports, and grey literature were sourced from databases such as Web of Science, Scopus, Google Scholar, and institutional repositories, with a focus on corporate governance, transformational leadership, organizational culture, and ESG in Tanzania and comparable African contexts (Walker, 2018; Buchetti *et al.,* 2025). Search strings combined terms such as “transformational leadership,” “corporate governance,” “Tanzania,” “East Africa,” “power distance,” “cultural shock,” and “ESG,” linked by Boolean operators, and were refined iteratively to reach saturation when new searches yielded no substantially new conceptual or empirical insights (Tranfield et al., 2003; Lungu, 2020).

Inclusion criteria prioritized peer-reviewed work and rigorously produced reports that explicitly addressed leadership, corporate governance, cultural dynamics, or organizational change in Tanzania or East Africa, or that offered transferable insights from similar high power-distance, emerging-market settings (Walker, 2018; Buchetti et al., 2025). Studies focusing solely on non-African contexts without clear relevance, opinion pieces lacking methodological grounding, and sources in which leadership or culture was only peripheral to the analysis were excluded (Massaro et al., 2016). Titles, abstracts, and when necessary, full texts were screened against the guiding questions; selected documents were then subjected to in-depth reading to identify recurrent constructs, practices, and tensions relevant to transformational leadership and cultural divides in Tanzanian corporates (Tranfield et al., 2003; Walker, 2018).

Data analysis followed a hybrid thematic and content-analysis method, consistent with guidance on qualitative synthesis in organisational research (Braun & Clarke, 2006; Buchetti *et al.,* 2025). Initial coding captured both predetermined themes, such as governance frameworks, leadership styles, culture, and power distance, participation, inclusion, and sustainability, and emergent categories such as “inter-generational leadership tensions,” “ESG-driven cultural friction,” or “localisation of global codes.” Thematic clusters were then organised around the three review objectives, allowing comparison across sectors (e.g., banking, telecoms, extractives, manufacturing) and levels (board, executive, middle management, frontline) (Massaro et al., 2016; Lungu, 2020). Discourse analysis was used to examine how leadership, culture, and transformation are framed in Tanzanian policy documents, corporate codes, and international reports, while SWOT (Strength, Weakness, Opportunity and Threat) and PESTELE (Political, Economic, Social, Technological, Environmental, Legal and Ethical) lenses helped situate leadership challenges within wider political, economic, social, technological, environmental, legal, and ethical contexts. This iterative process enabled a critical, context-sensitive synthesis that foregrounds both structural constraints and agency in Tanzanian corporate leadership (Braun & Clarke, 2006; Tranfield et al., 2003).

RESULTS AND DISCUSSION

This section examines how global, regional, and national governance frameworks shape corporate expectations in Tanzania, how cultural divides and power distance affect transformational leadership practice, and how sectoral opportunities and constraints reveal current leadership gaps and prospects for strategic renewal.

Global and regional frameworks and Tanzanian corporate leadership

Existing global governance and leadership frameworks have moved corporate behaviour beyond narrow compliance toward broader responsibilities around sustainability, integrity, and human rights, and Tanzanian firms are no longer insulated from these expectations (Buchetti et al., 2025; Ong et al., 2025). International financial institutions, UN agencies, and global investors increasingly condition capital access and partnership on demonstrable adherence to ESG standards, robust anti-corruption systems, climate commitments, and human-rights-based due diligence, which means Tanzanian corporates, especially banks, listed firms, and cross-border operators, must prove that governance structures can manage non-financial risks as seriously as financial ones (Ally, 2024; Ramoeletsi, 2025). African initiatives such as Agenda 2063 and emerging African Principles and Guidelines on Corporate Governance attempt to “domesticate” these global standards by foregrounding inclusive leadership, developmental impact, and stakeholder engagement, yet the literature repeatedly underscores the gap between the rhetoric of reform and persistent weaknesses in enforcement, regulatory independence, and accountability in many African jurisdictions, Tanzania included (Zadawa & Omran, 2020; Mzenzi, 2022).

Regional economic communities add a normative and regulatory layer that complicates but also potentially strengthens corporate governance expectations in Tanzania. EAC, SADC, and COMESA frameworks on competition, financial integration, infrastructure, and environmental management push firms toward higher levels of transparency, risk management, and stakeholder engagement, but they operate within national political economies marked by varying degrees of state dominance, patronage, and institutional capacity constraints (Lungu, 2020; Ally, 2024). This tension produces a recurrent pattern in the literature: formal convergence on "good governance" principles coexists with informal practices of loyalty, discretion, and political deference, especially in strategic sectors like energy, mining, and large-scale infrastructure, where regulatory decisions are highly politicised (Mzenzi, 2022; Zadawa & Omran, 2020). Under these conditions, rules-on-paper may be selectively enforced, creating space for both opportunistic behaviour by firms adept at navigating informal networks and reform-minded leaders who strategically invoke regional and continental norms as leverage to strengthen internal governance against domestic political pressures (Ally, 2024; Ramoeletsi, 2025).

Within Tanzania's domestic context, policy documents and strategies present a strong formal commitment to green industrialisation, blue-economy development, climate resilience, and inclusive growth, with ESG-type language increasingly visible in financial-sector guidance and sectoral policies (National Bureau of Statistics, 2022; Ally, 2024). Ambitions around value addition in agriculture and mining, carbon trading, and climate-resilient infrastructure place corporate decision-makers at the centre of the development project, but empirical work shows persistent gaps between policy aspiration and implementation, including weak enforcement of environmental and labour standards, inconsistent application of local-content rules, and substantial variance in ESG integration across sectors (Frederiksen, 2019; Mbilima, 2021; Mzenzi, 2022). These gaps are not simply technical; they reflect entrenched interests, limited regulatory resources, and cultural norms that tolerate informality and personalistic decision-making. From a leadership perspective, this suggests that more codes and policies, by themselves, are unlikely to alter behaviour unless corporate leaders are prepared to challenge embedded practices, manage cultural resistance, and internalise ethical, participatory decision-making as strategic rather than cosmetic.

The literature on leadership in Tanzania reinforces this point by linking organisational performance and employee outcomes to leadership style and governance quality. Studies in local government, higher education, and financial institutions show that transformational leadership marked by vision, integrity, intellectual stimulation, and individualised consideration can improve commitment, performance, and governance behaviours even in high power-distance settings, but also highlight the resilience of transactional and patronage-based practices (Majia, 2020; Mghase et al., 2024; Mrope & Mzenzi, 2016). Put differently, Tanzanian corporate transformation appears to hinge less on developing yet another layer of formal frameworks and more on cultivating leaders who can strategically interpret and operationalise existing global, regional, and national norms in ways that resonate with local cultures, while resisting short-termism and patronage pressures that erode ESG commitments and long-term value creation (Mzenzi, 2022; Ally, 2024).

Cultural Divides, Power Distance, and Transformational Practices

A substantial body of cross-cultural and African leadership scholarship confirms that Tanzania scores high on power distance and collectivism, with strong expectations of respect for elders, deference to authority, and loyalty to in-groups, all of which shape who is perceived as a legitimate leader and how dissent is expressed in organisations (Hofstede, 2011; De Waal & Chipeta, 2015). International leadership and governance models rooted largely in Western experiences often assume flatter hierarchies, direct feedback, and individualised accountability, so when these models are imported into Tanzanian corporates, they can create cultural shock for both expatriate and local leaders who must reconcile conflicting expectations about authority, speed of decision making, and acceptable forms of disagreement (Commisceo Global, 2025; Widjaja et al., 2023). Empirical studies in Tanzanian and East African organizations suggest that employees may outwardly comply with top-down directives while expressing reservations informally or outside formal channels, resulting in “surface harmony” that hides low engagement, quiet resistance, and limited learning precisely the kinds of dynamics that transformational leaders must learn to detect and address through careful trust-building and culturally attuned communication (Mrope & Mzenzi, 2016; Majia, 2020).

Within this broader cultural backdrop, generational, gender, and professional cleavages produce further fault lines that shape leadership practice and the prospects for corporate transformation. Younger professionals, often educated in regional universities and exposed to global media and digital work cultures, tend to place higher value on participation, transparency, meritocracy, and purpose-driven work, while older cohorts, socialized in more hierarchical contexts, may prioritize stability, predictability, and cautious change, creating divergent expectations about feedback, innovation, and acceptable risk (Happnes, 2023; Widjaja et al., 2023). At the same time, women and other marginalized groups face enduring structural and cultural barriers to senior roles, including gendered norms, limited sponsorship, and network exclusion, even as global and regional frameworks increasingly frame diversity and inclusion as governance imperatives and empirical evidence links female leadership to stronger ESG performance in some markets (Ngalim, 2024; Ong et al., 2025). In this environment, leadership that remains purely transactional or authoritarian is likely to exacerbate disengagement, turnover, and reputational risk, particularly as ESG-aware investors and employees become more sensitive to internal culture; transformational leadership, by contrast, requires negotiating multiple cultural scripts, constructing psychologically safe spaces for voice, and using positional authority not to suppress dissent but to model openness, fairness, and shared ownership of strategy (Majia, 2020; Ong et al., 2025).

African-centred scholarship, however, cautions against treating Tanzanian culture as an obstacle and instead highlights indigenous ethical resources such as Ubuntu-like values emphasising solidarity, mutual care, and community as potential foundations for more inclusive and relational leadership (Janssens et al., 2015; Sibanda, 2017). When leaders frame participation, diversity, and ethical conduct as extensions of deeply rooted communal norms rather than foreign impositions, they can reduce cultural backlash and embed new governance practices more sustainably into everyday routines, including decision-making, performance evaluation, and stakeholder engagement (Muchiri et al., 2011; Sibanda, 2017). The risk, however, is that appeals to “culture” can be instrumentalised to justify opacity, nepotism, or resistance to accountability, what some authors describe as the appropriation of tradition in the service of neo-patrimonial logics (De Waal & Chipeta, 2015; Mutiso & Wanza, 2025). The critical claim emerging from this literature is that culturally grounded transformational leadership in Tanzania must walk a fine line: it should honour communal values and relational obligations, but simultaneously challenge and reshape those aspects of power distance and patronage that undermine accountability, innovation, and stakeholder trust, rather than hiding behind them.

Sectoral Opportunities, Structural Constraints, and Leadership Issues

Tanzania’s structural conditions provide a powerful but demanding context for corporate transformation: a young and rapidly growing population, substantial agricultural and mineral endowments, iconic tourism assets, and expanding blue economy and climate-finance prospects combine to create significant opportunities for value creation and inclusive growth (National Bureau of Statistics, 2022; Ally, 2024). Policy emphasis on value-addition in agriculture and mining, large-scale investments in energy and transport infrastructure, and the rise of digital finance and ICT alongside emerging ESG-linked financial products and SDG-aligned banking initiatives suggest that firms able to internalize sustainability and social impact could gain competitive advantages in accessing capital, markets, and talent (Ally, 2024; Ngalim, 2024; Okello & Munene, 2025). Yet the same literature documents persistent constraints, skills deficits, uneven infrastructure, land and resource conflicts, regulatory uncertainty, and climate vulnerability that complicate strategy execution and demand adaptive, long-term-oriented leadership rather than narrow compliance-driven management or short-term rent seeking (Frederiksen, 2019; Mbilima, 2021).

Sector-specific studies, particularly in mining, tourism, agribusiness, and infrastructure, highlight that corporations in Tanzania operate at the nexus of local communities, state regulators, and international investors, making cultural competence, ethical judgment, and political acuity central to maintaining a social licence to operate (Frederiksen, 2019; Mbilima, 2021). Empirical work from mining communities shows how opaque benefit-sharing arrangements, weak community consultation, and environmental harm can rapidly escalate into protests, litigation, or demands for renegotiation, especially as local actors gain information about their rights and as global climate and human-rights regimes sharpen expectations around corporate conduct (Frederiksen, 2019; Mbilima, 2021). Conversely, firms that proactively integrate community participation, environmental stewardship, and transparent governance into their core business models rather than relegating these issues to peripheral CSR are better placed to secure long-term stability, attract climate and impact finance, and position themselves in premium markets, supporting the argument that transformational leadership and ESG competence are now central strategic assets in Tanzania's evolving political-economic landscape (Ally, 2024; Ong et al., 2025).

Despite incremental reforms in corporate governance regulation and emerging leadership initiatives, multiple studies suggest that many Tanzanian companies remain characterised by hierarchical, transactional leadership, limited investment in leadership development, and boards that lack diversity, independence, and strong oversight of ESG and culture (Mrope & Mzenzi, 2016; Lungu, 2020; Majia, 2020; Mzenzi, 2022). Institutional reviews point to fragmented or reactive ESG oversight, informal succession planning, and a tendency to treat governance codes as checklists rather than as catalysts for bigger organisational change, which weakens the ability of firms to respond proactively to both global normative pressures and domestic stakeholders (Lungu, 2020; Mzenzi, 2022). The upshot, echoed across the literature, is that without deliberate efforts to professionalize boards, strengthen governance frameworks, and cultivate leadership pipelines that value cultural intelligence, stakeholder orientation, and long-term stewardship, Tanzania risks under leveraging its demographic and resource advantages, leaving corporate sectors constrained by both structural and cultural misalignment with the demands of sustainable, inclusive development (Majia, 2020; Happnes, 2023; Mghase et al., 2024).

CONCLUSION

Transforming Tanzanian corporates in a high power-distance, rapidly changing environment demands leadership that can navigate dense global and regional governance frameworks, complex cultural divides, and structural economic constraints while harnessing the country's considerable demographic, resource, and geographic strengths. The analysis shows that international and African governance norms, national visions, and sectoral policies create strong formal expectations for responsible, participatory corporate conduct, yet gaps in enforcement, entrenched hierarchies, and neo-patrimonial tendencies hinder their realisation in practice, especially in politically salient sectors. Transformational leadership, grounded in both global best practice and local ethical traditions such as Ubuntu, emerges as a critical lever for converting these frameworks into a lived corporate culture, capable of managing cultural shock, bridging generational and gender divides, and aligning business strategy with sustainable livelihoods, environmental stewardship, and inclusive growth in Tanzania.

RECOMMENDATIONS

Tanzanian corporates should invest in context-sensitive transformational and Ubuntu-informed leadership development; align board and management practices more concretely with global, continental, and regional governance and ESG frameworks; and deliberately tackle internal cultural divides and power-distance patterns through safe-voice mechanisms, inclusive succession planning, and diversity in senior roles. At the same time, firms, especially in extractives, tourism, agribusiness, and infrastructure, need to embed genuine community participation, environmental stewardship, and transparent benefit-sharing into their core business models, treating social license and ESG performance as strategic assets rather than compliance burdens. Finally, regulators, professional bodies, and training institutions should streamline and clarify governance rules, strengthen board effectiveness, and support ongoing research and learning on leadership, culture, and ESG so that formal frameworks translate into practice that advances sustainable, inclusive corporate transformation in Tanzania.

Author contribution statement

Maximillian Mgina developed the study idea and design and carried out the empirical literature review. Martin Kasele Malima and Godfrey Mwamba Tshibangu critically reviewed the material and contributed to the drafting, revision, and proofreading of the manuscript. All authors have read and approved the final version.

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The authors declare that they have no competing or conflicting interests.

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Research ethics approval

This study did not involve the collection of data from human or animal subjects and therefore did not require formal ethics approval.

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