



Adoption of Entrepreneurial Mindsets in Tanzanian Corporations: A Study on Organizational Culture and Innovation

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Abstract: *This research explores the increasing importance of entrepreneurial mindsets within Tanzanian corporate organizations, focusing on how organizational culture influences innovation and adaptability. In a rapidly evolving global economy, corporations must move beyond traditional business models to foster creativity, agility, and proactive problem-solving. This study investigates the extent to which Tanzanian corporations are integrating entrepreneurial thinking into their operational strategies and cultural frameworks. The research highlights that adopting an entrepreneurial mindset is no longer optional but a strategic necessity for firms aiming to remain competitive. It examines key factors such as leadership styles, risk tolerance, employee empowerment, and openness to change, all of which play pivotal roles in promoting innovation and corporate entrepreneurship. Through qualitative and quantitative analysis including interviews, surveys, and case studies the study identifies both opportunities and challenges faced by Tanzanian companies. Findings reveal that while some corporations are successfully embedding entrepreneurial values, others are constrained by rigid hierarchies, fear of failure, and limited innovation ecosystems. This research contributes to the broader discourse on corporate entrepreneurship in developing economies, providing practical recommendations for Tanzanian firms. It suggests that fostering a supportive organizational culture, promoting continuous learning, and incentivizing innovation are critical for achieving sustainable growth and competitiveness in the modern business landscape*

Keywords: *Entrepreneurship, Culture, Openness to change Innovation, Tanzania, Corporate Organizations*

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1. Introduction

Entrepreneurship has increasingly emerged as a critical catalyst for innovation, competitiveness, and economic growth within corporate organizations around the world. It serves as a driving force for organizational transformation, enabling companies to adapt to dynamic market environments, develop new products and services, and improve overall operational efficiency (Kuratko, 2017). The concept of corporate entrepreneurship or intrapreneurship has been widely embraced as a strategic approach to sustaining long-term competitiveness in both developed and emerging economies. Notably, global

corporations such as Google and 3M have been pioneers in integrating entrepreneurial practices within their corporate frameworks.

Google's renowned 20% time policy is a key example of this practice. It allows employees to dedicate a portion of their work time to innovative projects unrelated to their primary responsibilities. This initiative has led to groundbreaking innovations such as Gmail and AdSense, clearly demonstrating how employee autonomy, creativity, and empowerment can lead to transformative outcomes that redefine industries (Burgelman & Välikangas, 2005). Similarly, 3M has cultivated a culture of entrepreneurship over several decades. The

company's 15% rule encourages employees to invest part of their time in pursuing independent projects of their choosing, supported by internal funding mechanisms and a tolerance for failure. Such initiatives have led to the creation of globally recognized products like the Post-it Note and Scotchgard, underscoring the value of embedding entrepreneurial thinking into the organizational culture (Govindarajan & Trimble, 2005).

In South Korea, Samsung Electronics provides a compelling case of a structured and strategic approach to corporate entrepreneurship. The company invests heavily in research and development (R&D), allocating more than 8% of its annual revenue to this area, and operates internal startup programs designed to enable employees to propose, develop, and lead new ventures. These initiatives are supported by visionary leadership and are closely aligned with the company's strategic goals. This framework has facilitated rapid innovation in diverse areas, including semiconductors, smartphones, and artificial intelligence (Lee & Lim, 2001). Samsung's success highlights the importance of institutional support, sustained investment in human capital, and alignment with long-term strategic objectives. Furthermore, it reflects how corporate entrepreneurship can complement national industrial policies, as South Korea's economic agenda emphasizes innovation and technology as primary drivers of development.

In India, the Tata Group, one of the country's largest and most influential conglomerates, has implemented systematic mechanisms to encourage innovation and entrepreneurial behavior. Through its *Tata InnoVista* platform, more than 300,000 employees across its subsidiaries are invited to submit innovative ideas each year. Many of these ideas have translated into impactful projects across sectors such as automotive design (e.g., the Tata Nano), renewable energy, and information technology services. Additionally, the Tata Sons Innovation Office has been established to incubate new ventures, support digital transformation initiatives, and promote social innovation. These efforts align with India's broader national vision of digitalization and inclusive growth, emphasizing how large corporations can serve as engines of socio-economic transformation (Ahmadzai, 2015; Gaur & Lamba Sahde, 2015).

In Brazil, Embraer leading global manufacturer of commercial and executive jets has institutionalized intrapreneurship through cross-functional innovation teams and strong collaborations with research institutions. Its *EmbraerX* division functions as an internal incubator dedicated to developing disruptive ideas such as electric air taxis and urban mobility solutions. The company actively encourages employees to behave as entrepreneurs, nurturing ideas from inception through to prototyping and feasibility analysis. Despite operating within a highly regulated and capital-intensive industry, Embraer demonstrates that structured internal innovation combined with strategic external

partnerships can sustain global competitiveness and technological leadership.

Similarly, the Dutch multinational Philips has adopted an open innovation model that has become a benchmark for corporate entrepreneurship. This approach is exemplified by the *High Tech Campus Eindhoven*, an innovation ecosystem that connects Philips researchers with startups, universities, and public sector institutions to co-create advanced technological solutions particularly in healthcare and medical technology. By integrating external collaboration into its internal innovation processes, Philips has enhanced the speed, diversity, and impact of its product development initiatives. This example illustrates how corporate entrepreneurship can flourish in environments that blur the boundaries between internal R&D and external partnerships, enabling a continuous exchange of knowledge and creativity.

In the Tanzanian context, corporate entrepreneurship often referred to as intrapreneurship is gaining traction as companies increasingly recognize the need for innovation to remain competitive in an evolving and liberalized economy. Tanzanian firms are progressively adopting entrepreneurial practices such as decentralized decision-making, investment in research and development, and the cultivation of a risk-taking culture among employees to enhance efficiency, adaptability, and responsiveness to market changes (Ngowi & Urassa, 2021). This growing trend is driven by multiple factors, including intensified competition from regional and international players, shifting consumer preferences, and rapid technological advancements.

Corporate companies in Tanzania are now leveraging entrepreneurial strategies not only to sustain growth but also to create new value through innovation and diversification. However, the integration of entrepreneurial practices within established corporate structures presents both opportunities and challenges. From one dimension, it offers significant benefits such as improved customer satisfaction, enhanced employee engagement, increased profitability, and long-term sustainability. On the other dimension, organizations face obstacles including limited access to financial resources, regulatory constraints, resistance to cultural change, and shortages of skilled human capital (Mwakibete & Mwandosya, 2020).

Despite the growing recognition of entrepreneurship's importance, many corporate firms in Tanzania continue to face considerable challenges in embedding entrepreneurial mindsets and practices within their traditionally hierarchical and bureaucratic systems. Studies indicate that organizational rigidity, limited managerial autonomy, and resistance to change hinder the development of intrapreneurial behavior and innovation within established firms (Mushi, 2016). Moreover, Tanzania's innovation ecosystem remains underdeveloped, with weak linkages among industry,

academia, and government institutions, thereby restricting collaboration and knowledge transfer essential for corporate entrepreneurship (Mushi, 2016; Mwantimwa & Ng'umbuke, 2020). These constraints are compounded by limited access to financial resources, inadequate technological infrastructure, and insufficient institutional mechanisms that support innovation (Ngowi & Urassa, 2021; Mwakibete & Mwandosya, 2020). Recent analyses also emphasize that many Tanzanian organizations particularly in the ICT and manufacturing sectors struggle to foster inclusive innovation due to a lack of resources and strategic alignment with national innovation frameworks (Makula & Mwantimwa, 2024). Consequently, although corporate entrepreneurship has gained conceptual acceptance in Tanzania, its effective implementation remains hampered by structural, cultural, and systemic barriers that limit its full potential.

Accordingly, this study seeks to examine how corporate firms in Tanzania adopt entrepreneurial strategies, the tangible and intangible benefits derived from these initiatives, and the barriers they must overcome in their pursuit of innovation, growth, and competitiveness in the modern business landscape. Therefore, the specific objectives of the study are:

1. To analyze the relationship between organizational culture and the adoption of entrepreneurial mindsets.
2. To assess the entrepreneurial strategies adoption in Tanzanian corporations
3. To identify environmental factors that hinder the adoption of entrepreneurial mindsets in Tanzanian corporations
4. To evaluate the influence of entrepreneurial mindsets on innovation performance in Tanzanian corporations

Significance of the Study

This study will contribute to knowledge on corporate entrepreneurship in Tanzania, helping businesses understand the benefits of an entrepreneurial mindset. It will also provide recommendations for policymakers and business leaders on how

2. Literature Review

2.1 Concept of Entrepreneurial Mindset

An entrepreneurial mindset refers to a set of attitudes, skills, and behaviors that enable individuals and organizations to identify opportunities, take calculated risks, innovate, and create value in uncertain environments. According to Kuratko (2016), an entrepreneurial mindset emphasizes proactiveness, creativity, opportunity recognition, resilience, and continuous learning. In corporate settings, this mindset

goes beyond new venture creation and focuses on fostering innovation and strategic renewal within existing organizations, commonly referred to as corporate entrepreneurship or intrapreneurship. In the context of developing economies such as Tanzania, the adoption of an entrepreneurial mindset is increasingly viewed as a critical driver of competitiveness, productivity, and long-term sustainability. Corporations operating in dynamic and resource-constrained environments must leverage entrepreneurial thinking to respond effectively to market changes, technological disruptions, and globalization pressures.

2.2 Organizational Culture

Organizational culture is defined as the shared values, beliefs, norms, and practices that shape employee behavior and organizational functioning. Schein (2010) conceptualizes organizational culture as operating at three levels: artifacts, espoused values, and underlying assumptions. A strong organizational culture influences decision-making processes, risk tolerance, communication patterns, and employee engagement. Studies (Ngowi & Urassa, 2021; Acs, & Hessels, 2008) suggest that cultures characterized by flexibility, openness, autonomy, and learning orientation are more conducive to entrepreneurial behavior. Conversely, rigid hierarchical structures, excessive control, and fear of failure can inhibit creativity and innovation. In many Tanzanian corporations, organizational culture is often influenced by traditional management practices and centralized decision-making.

2.3 Entrepreneurial Mindset and Organizational Culture

The relationship between organizational culture and entrepreneurial mindset has been widely discussed in entrepreneurship and management literature. Organizational culture plays a pivotal role in shaping employees' willingness to innovate, experiment, and challenge the status quo. According to Ireland, Covin, and Kuratko (2009), entrepreneurial behavior within firms is more likely to flourish in cultures that encourage initiative, reward innovation, and tolerate failure.

2.4 Innovation in Corporations

Innovation refers to the implementation of new or significantly improved products, services, processes, or organizational methods. Schumpeter (1934) viewed innovation as the engine of economic development, driven by entrepreneurial activity. In corporate organizations, innovation is essential for maintaining competitive advantage and responding to customer needs.

2.5 Entrepreneurial Mindset and Innovation

Growing body of literature establishes a strong link between entrepreneurial mindset and innovation, emphasizing that organizations fostering opportunity-

seeking behavior, experimentation, and proactive problem-solving achieve superior innovation outcomes. Entrepreneurship literature suggests that an entrepreneurial mindset enables individuals and firms to identify, evaluate, and exploit opportunities under conditions of uncertainty, thereby stimulating creativity and innovative behavior (McGrath & MacMillan, 2000; Ireland, Hitt, & Sirmon, 2003). From an innovation management perspective, scholars argue that organizational cultures supporting risk-taking, learning from failure, and continuous experimentation enhance firms' capacity to generate and implement new products, processes, and business models (Drucker, 1985; Hurley & Hult, 1998). Collectively, these strands of literature indicate that an entrepreneurial mindset not only drives opportunity recognition but also strengthens the organizational conditions necessary for sustained innovation performance.

2.6 Empirical Studies

Empirical studies conducted in both developed and developing countries consistently highlight the critical role of organizational culture in fostering an entrepreneurial mindset and enhancing innovation outcomes. Evidence from developed economies indicates that cultures characterized by autonomy, risk tolerance, and support for experimentation positively influence employees' entrepreneurial orientation and innovative behavior, leading to improved firm performance (Hurley & Hult, 1998; Martins & Terblanche, 2003).

Similarly, studies in developing-country contexts demonstrate that organizational cultures encouraging learning, flexibility, and proactive opportunity recognition significantly contribute to innovation capability and entrepreneurial initiatives within firms (Kreiser, Marino, & Weaver, 2013; Urban & Verachia, 2019). Despite this growing empirical evidence, research remains largely concentrated in Western and emerging Asian economies, with relatively limited empirical investigation focusing on Tanzanian corporations. This gap constrains the contextual understanding of how organizational culture shapes entrepreneurial mindset and innovation in Sub-Saharan Africa, thereby underscoring the need for empirical studies within the Tanzanian corporate context.

2.7 Theoretical Framework

The theoretical foundation of this study is built upon three key perspectives: Corporate Entrepreneurship Theory, Organizational Culture Theory, and the Innovation Diffusion Theory. Together, these frameworks explain how entrepreneurial mindsets are adopted within corporate settings, how organizational culture influences innovation behavior, and how new ideas spread and become institutionalized within firms.

2.7.1 Corporate Entrepreneurship Theory

Corporate Entrepreneurship (CE) theory provides the primary underpinning for this study. According to Kuratko and Morris (2018), corporate entrepreneurship refers to the process through which established organizations engage in entrepreneurial activities to innovate, renew, or create new ventures. CE emphasizes that entrepreneurial behavior is not limited to startups but can thrive within large corporations through initiatives such as internal venturing, strategic renewal, and innovative project development. Miller (1983) originally identified three dimensions of corporate entrepreneurship innovativeness, proactiveness, and risk-taking which together shape an organization's entrepreneurial orientation. Covin and Miles (1999) later expanded this understanding, suggesting that organizations with strong entrepreneurial orientation are better positioned to adapt to changing markets, develop new technologies, and sustain competitive advantage. In the Tanzanian context, the CE theory is particularly relevant because many corporations operate in dynamic environments that require constant adaptation and innovation. The framework supports the idea that the adoption of entrepreneurial mindsets among employees characterized by creativity, initiative, and autonomy enables firms to remain competitive despite market and resource constraints.

2.7.2 Organizational Culture Theory

Organizational Culture Theory, as developed by Schein (2010), asserts that the underlying values, beliefs, and norms shared by members of an organization significantly influence behavior and performance. A culture that encourages openness, experimentation, and tolerance for failure creates a fertile environment for entrepreneurial thinking. Conversely, cultures dominated by rigid hierarchies and strict control mechanisms inhibit innovation and risk-taking.

According to Denison (1990), culture affects organizational effectiveness through its influence on adaptability, mission clarity, involvement, and consistency. These cultural dimensions determine whether employees feel empowered to innovate or constrained by bureaucracy. In Tanzanian corporations, hierarchical structures and bureaucratic traditions often act as barriers to entrepreneurial behavior (Mushi, 2016; Ngowi & Urassa, 2021). Therefore, fostering an innovation-oriented culture is essential for embedding entrepreneurial mindsets in corporate systems. In this study, organizational culture is conceptualized as the independent variable that drives the adoption of entrepreneurial strategies, influencing employees' willingness to engage in innovative and proactive behaviors.

2.7.3 Innovation Diffusion Theory

The Innovation Diffusion Theory (Rogers, 2003) explains how innovations whether products, ideas, or practices are communicated through social systems over time. It highlights five key characteristics influencing

innovation adoption: relative advantage, compatibility, complexity, trialability, and observability. The theory posits that innovations are more likely to be adopted when they align with existing values, are easy to understand, and produce visible benefits

Applied to corporate entrepreneurship, this theory suggests that organizations adopt entrepreneurial mindsets and innovative practices progressively, depending on leadership support, internal communication channels, and the perceived benefits of such initiatives. In Tanzanian corporations, diffusion is often hindered by limited technological capacity and weak linkages between research, industry, and government (Makula & Mwantimwa, 2024). Within this study's conceptual model, the innovation diffusion process is reflected in how entrepreneurial strategies spread throughout corporate systems mediating the link between organizational culture and innovation outcomes.

2.7.4 Integration of Theories in the Study

The integration of these three theories forms a comprehensive lens for examining how Tanzanian corporations adopt entrepreneurial mindsets. Corporate Entrepreneurship Theory provides the behavioral foundation; Organizational Culture Theory explains the internal environment that enables or constrains such behaviors; and Innovation Diffusion Theory describes the process by which entrepreneurial initiatives spread and become embedded within the organization

Together, they support the proposition that a supportive organizational culture fosters the development of entrepreneurial strategies, which subsequently enhance innovation and competitiveness. However, the effectiveness of this relationship is moderated by contextual barriers such as limited resources, bureaucratic rigidity, and weak innovation ecosystems that affect the rate and success of adoption.

Table 1: Summary of Theoretical Framework

| Theory | Key Proponents | Core Concepts | Application to Study |
|-----------------------------------|--|--|--|
| Corporate Entrepreneurship Theory | Kuratko & Morris (2018); Covin & Miles (1999); Miller (1983) | Innovativeness, proactiveness, and risk-taking as drivers of renewal and competitiveness | Explains how corporations develop entrepreneurial initiatives and internal innovation mechanisms |
| Organizational Culture Theory | Schein (2010); Denison (1990) | Shared values and norms shape innovation behavior and openness to change | Establishes culture as the foundation for adopting entrepreneurial mindsets |
| Innovation Diffusion Theory | Rogers (2003) | Communication and adoption of innovations within social systems | Explains how entrepreneurial strategies and behaviors spread within organizations |

2.6 Theoretical Proposition

Based on the integration of these theories, the study proposes that: The adoption of entrepreneurial mindsets in Tanzanian corporations is influenced primarily by organizational culture, operationalized through entrepreneurial strategies that foster innovation and competitiveness. However, the success of this relationship is moderated by structural and environmental barriers that either facilitate or hinder innovation diffusion.

3. Methodology

The study employed both descriptive and exploratory research designs to gain a comprehensive understanding of how corporate entrepreneurship is adopted across various sectors in Tanzania.

3.1 Population and sample size

The target population included a diverse range of corporate companies operating in industries such as manufacturing, finance, telecommunications, and services. This allows for cross-sectoral insights into entrepreneurial practices within established firms. Using Yamane (1969) formula a total sample of 290 were obtained from total population of 670

3.2 Data collectins

Data collection involved a mixed-methods approach, utilizing structured questionnaires to gather quantitative data, in-depth interviews to obtain rich qualitative insights from key informants such as managers and innovation officers, and secondary data from company

reports and policy documents to support contextual analysis.

3.3 Data analysis

Applying SPSS software for statistical interpretation Quantitative data were examined using descriptive statistics (mean, standard deviation) and inferential statistics, including Pearson correlation analysis, to ascertain the strength and significance of relations between variables. In the other hand, Qualitative data were analysed using content analysis. The expected outcomes of this study include identifying the prevalence and nature of corporate entrepreneurship practices in Tanzania, uncovering the benefits such as increased innovation, competitiveness, and employee engagement, and offering practical recommendations to overcome common challenges such as resistance to change, resource constraints, and lack of strategic alignment.

3.4 Ethical Considerations

The study adhered to ethical principles for research involving human subjects. Approval was granted by the related authorities organs including Institute, and all corporate companies involved in the study.

4. Results and Discussion

4.1 Results

This part presents the analysis and interpretation of data collected from respondents across various Tanzanian corporations. The objective was to examine how organizational culture, entrepreneurial strategies, and barriers to adoption influence innovation and competitiveness. Descriptive and inferential statistics were used to analyze the data, with results presented in tables and interpreted narratively.

4.1.1 Response Rate and Demographic Characteristics of Respondents

A total of 290 questionnaires were distributed to employees and managers across 10 corporations in sectors including banking, manufacturing, telecommunications, and public services. Out of these, 272 were completed and returned, representing a response rate of 88%. This high response rate indicates strong engagement and relevance of the research topic. Demographically, 58% of respondents were male and 42% female. Approximately 60% held middle management positions, while 25% were in senior management and 15% in entry-level positions. Regarding experience, 40% had worked in their organizations for more than 6 years, suggesting a mature understanding of organizational culture and innovation practices.

4.1.2 Descriptive analysis

Descriptive statistics were used to summarize respondents' perceptions across the four major sections of the questionnaire. The scale ranged from 1 (Strongly Disagree) to 5 (Strongly Agree). Table 3.1 presents the mean and standard deviation (SD) for each construct.

The results indicate that respondents generally agreed that their organizations exhibit a moderately strong entrepreneurial culture ($M = 3.97$), and that entrepreneurial strategies are being implemented to some extent ($M = 3.75$). Barriers to adoption were rated lower ($M = 2.84$), suggesting that structural and financial constraints remain a concern. Innovation and competitiveness received a relatively high score ($M = 3.88$), reflecting growing innovation activities within Tanzanian corporations.

4.2.1 Organizational Culture

Respondents indicated from Table 1, that their organizations encourage employees to take initiative and propose new ideas. The mean scores for openness, trust, and empowerment ranged from 3.8 to 4.1. This suggests that Tanzanian corporations are transitioning toward cultures that value creativity and collaboration, though hierarchical barriers still exist.

4.2.2 Entrepreneurial Strategies

Findings from Table 1, showed that while many corporations have introduced innovation programs and idea-sharing platforms, implementation is inconsistent across departments. The average mean score of 3.75 indicates a positive trend toward institutionalizing entrepreneurship, but the variability ($SD = 0.72$) implies uneven adoption across organizations.

4.2.3 Barriers to Adoption

Barriers to adoption were found to moderately hinder innovation. Respondents rated bureaucratic procedures and limited funding as the top constraints. The relatively low mean ($M = 2.84$) shows that although employees recognize the importance of innovation, they face systemic obstacles that reduce the effectiveness of entrepreneurial initiatives.

4.2.4 Organizational Innovation and Competitiveness

Respondents agreed that innovation activities have led to improved efficiency, competitiveness, and customer satisfaction. Table 2 show that the mean score of 3.88 suggests that corporations are benefiting from innovation-related initiatives, especially those that link employee creativity to business performance outcomes.

Table 2: Adoption of Entrepreneurial Mindsets in Tanzanian Corporations

| SN | Items | N | Mean score | SD |
|----|---|-----|------------|------|
| 1 | Organization culture | 272 | 3.97 | 0.65 |
| 2 | Entrepreneurial strategies | 272 | 3.75 | 0.72 |
| 3 | Barrier to adoption | 272 | 2.84 | 0.81 |
| 4 | Orgaizational(Innovation & Competativeness) | 272 | 3.88 | 0.69 |

4.3 Inferential Analysis

To determine the relationships between organizational culture, entrepreneurial strategies, barriers to adoption, and innovation outcomes, correlation and regression analyses were conducted. From Table 2, Regression results indicate that organizational culture ($\beta = 0.34$) and entrepreneurial strategies ($\beta = 0.29$) significantly predict innovation and competitiveness, while barriers to adoption ($\beta = -0.21$) have a negative and significant

effect. The model explains 58% of the variance in innovation outcomes ($R^2 = 0.58$), suggesting a strong predictive relationship among the variables. Generally, The analysis demonstrates that Tanzanian corporations are progressing toward embedding entrepreneurial mindsets, supported by positive cultural and strategic practices. However, barriers such as bureaucracy and limited resources continue to impede full realization. The findings highlight the importance of leadership commitment, organizational flexibility, and investment in innovation capacity for sustained competitiveness.

Table 2: Regression Statistical results summary

| SN | Predictor Variable | β (Beta) | t- value | Sig. |
|----|--|----------------|----------|-------|
| 1 | Organizational Culture | 0.34 | 4.52 | 0.002 |
| 2 | Entrepreneurial strategies | 0.29 | 3.88 | 0.000 |
| 4 | Barriers to Adoption | -0.21 | -2.95 | 0.004 |
| | R^2 for innovation model (0.58), $F(3.128)=22.15$, $p<0.001$ | 0.56 | - | - |

- **Entrepreneurial strategies** act as a bridge translating positive culture into tangible innovation outcomes.
- **Barriers (especially bureaucracy and lack of funds)** significantly dampen these effects.
- **Policy implication:** Corporate leaders and policymakers should reduce bureaucratic rigidity, increase innovation funding, and foster inter-departmental collaboration

4.2 Discussion

4.2.1 Organizational Culture

The findings of this study indicate that most Tanzanian corporations exhibit a moderately strong entrepreneurial culture, yet continue to be influenced by traditional management norms that limit innovation and risk-taking. This pattern aligns with previous research emphasizing that in many developing economies, organizations are still transitioning from bureaucratic and control-oriented cultures toward more flexible, innovation-driven systems (Hofstede, 2001; Schein, 2010; Neneh, 2012). Similar to the present study, Gathungu, Iravo, and Namusonge (2015) found that East African firms often espouse innovation rhetorically but face challenges in embedding entrepreneurial values into daily operations due to hierarchical decision-making structures.

The study's observation that organizations encourage creativity and idea generation resonates with Schein's

(2010) concept of organizational culture as a system of shared meanings that shapes behavior. The emphasis on openness and creativity is consistent with Martins and Terblanche (2003), who assert that an innovative culture is characterized by freedom, trust, and participative leadership. However, the persistence of hierarchical barriers in Tanzanian corporations supports Ogbonna and Harris (2000) and Naranjo-Valencia et al. (2011), who noted that bureaucratic authority and centralized decision-making often stifle innovative behavior in traditional organizations.

The mixed perceptions regarding risk-taking further corroborate the findings of Lumpkin and Dess (1996) and Covin and Slevin (1991), who observed that organizational tolerance for risk is a critical dimension of entrepreneurial orientation but remains culturally constrained in many contexts. Similar studies in African corporations (Urban & Wood, 2017; Nzonzo & Matashu, 2014) have revealed that employees often fear negative repercussions for failure, leading to incremental rather than radical innovation a phenomenon also evident in this study.

Positive perceptions of communication and trust across departments reflect progress toward more transparent and collaborative organizational cultures. This observation supports Denison's (1990) model, which identifies involvement, adaptability, and consistency as cultural traits linked to higher performance. Moreover, the importance of leadership as a driver of creativity mirrors the findings of Kuratko

(2017) and Jung, Chow, and Wu (2003), who emphasize that transformational and supportive leaders serve as role models, inspiring employees to innovate and assume ownership of ideas.

The study's finding that leaders who normalize failure as part of learning achieve stronger innovative outcomes also echoes Edmondson's (1999) concept of psychological safety**, which highlights that employees innovate more effectively when mistakes are not punished but treated as learning opportunities. Yet, the continued cultural sensitivity around failure in Tanzanian corporations aligns with the observations of Hayton, George, and Zahra (2002) that societies with high uncertainty avoidance tend to penalize failure, which undermines experimentation.

Overall, these findings are consistent with a body of research suggesting that organizational culture plays a pivotal role in shaping innovation and entrepreneurial activity (Zahra, 1993; Martins & Terblanche, 2003). Tanzanian corporations appear to be undergoing the same cultural transformation identified in emerging markets globally, where openness, communication, and empowerment are increasingly valued but risk aversion and hierarchical legacies remain significant constraints. Strengthening trust, decentralizing authority, and recognizing innovation as a core cultural value would thus align Tanzanian corporate practices with global trends in entrepreneurial management.

4.2.2 Entrepreneurial Strategies

The findings of this study reveal that entrepreneurial strategies within Tanzanian corporations are emerging but remain unevenly institutionalized, a result that aligns closely with earlier empirical and theoretical research on corporate entrepreneurship in developing economies. Several scholars have emphasized that while many organizations in Africa are increasingly aware of the importance of entrepreneurial thinking, the translation of such awareness into systematic strategies is still at an early stage (Gathungu, Iravo & Namusonge, 2015; Nzonzo & Matashu, 2014).

Consistent with the current findings, Kuratko (2017) and Ireland, Covin, & Kuratko (2009) argue that entrepreneurial strategies are effective only when supported by strong leadership commitment and organizational alignment. The observed variation in support across departments in Tanzanian corporations mirrors Zahra's (1991) assertion that corporate entrepreneurship tends to flourish in technical or innovation-oriented units but remains weak in administrative divisions dominated by control mechanisms. This suggests that leadership behavior and departmental culture continue to shape the intensity of entrepreneurial engagement across organizations.

The limited presence of formal innovation channels such as suggestion systems or internal incubation units also corresponds with the findings of Antoncic and Hisrich (2003), who noted that many firms in emerging markets lack structured processes for idea generation and evaluation. Similarly, the observation that feedback mechanisms are slow or unclear reflects Hornsby et al. (2002), who found that unclear communication and bureaucratic processes undermine employee motivation to innovate. These studies collectively reinforce the idea that structural and procedural clarity is essential for effective entrepreneurial strategy implementation.

Regarding reward and recognition systems, the present findings agree with Lumpkin and Dess (1996), who highlighted that innovation-oriented behavior is more likely to occur when employees perceive tangible rewards or career advancement linked to creativity. The inconsistency between traditional productivity-based appraisals and innovation-based evaluations, as seen in Tanzanian corporations, echoes similar patterns observed by Antoncic (2007) in South African firms, where entrepreneurial performance is often undervalued due to legacy management practices.

The study also finds that collaboration with external stakeholders including startups, universities, and NGOs is recognized but not yet fully integrated into core corporate strategy. This aligns with Hornsby, Kuratko, & Zahra (2002) and Rae (2012), who stressed the importance of cross-sector partnerships as catalysts for innovation in corporate settings. The Tanzanian context appears to mirror global findings that organizations in emerging economies often engage in isolated, project-based collaborations rather than strategic, long-term partnerships (Klofsten et al., 2021).

Furthermore, the recognition of training and workshops as a positive yet underdeveloped component supports prior research by Fayolle and Gailly (2015) and Gibcus & van der Wal (2010), who found that entrepreneurial capacity building is most effective when delivered as an ongoing process rather than as short-term interventions. This underscores the need for Tanzanian firms to institutionalize continuous learning frameworks that embed innovation competencies into everyday work routines.

Overall, the current findings reinforce previous studies indicating that entrepreneurial strategies in developing economies are more rhetorical than operational (Sanchez, 2013; Urban & Wood, 2017). The persistence of bureaucratic systems, inconsistent incentives, and limited resources continues to hinder the full integration of entrepreneurial principles into corporate management. Nonetheless, the study extends prior literature by providing context-specific evidence from Tanzania, demonstrating that while the strategic intent to foster entrepreneurship is present, the institutional and cultural readiness required for effective implementation remains a key developmental challenge.

4.2.3 Barriers to Adoption of Entrepreneurship

The results of this study reveal that Tanzanian corporations encounter significant structural, financial, and cultural barriers that inhibit the effective adoption of entrepreneurial mindsets and innovation practices. These findings are strongly aligned with prior research emphasizing that institutional and organizational rigidities remain among the major challenges to corporate entrepreneurship in developing economies (Bruton, *et al.*, 2008; Acs, & Hessels, 2008). Bureaucratic hierarchies and centralized decision-making systems were identified as persistent obstacles, echoing the conclusions of Covin and Slevin (1991) and Hornsby *et al.* (2002) that formalized control structures tend to suppress the flexibility, autonomy, and speed required for innovation.

The finding that bureaucratic procedures delay decision-making and approval of new ideas aligns closely with study of Zahra (1993), who observed that hierarchical management processes reduce the ability of employees to act on entrepreneurial initiatives promptly. Similarly, Ireland and Kuratko (2009) emphasized that the success of corporate entrepreneurship depends on reducing procedural bottlenecks and empowering employees at multiple levels to take initiative. The persistence of lengthy approval processes in Tanzanian organizations thus mirrors a broader pattern observed in both emerging and transitional economies, where administrative culture prioritizes control over creativity (Muriithi, 2017).

The lack of financial resources dedicated to innovation corroborates earlier studies indicating that limited access to funding remains a dominant constraint to entrepreneurship in Sub-Saharan Africa. Bartels, Alladina, and Lederer (2009) and Ndemo & Weiss (2017) reported that insufficient R&D investment and budgetary rigidity reduce experimentation and innovation diffusion in corporate environments. The combination of financial scarcity and inadequate technological infrastructure, as noted in this study, reflects the “resource-based bottleneck” identified by Barney (1991), which limits firms’ ability to build and sustain innovation capabilities.

Cultural resistance to change and fear of failure were also observed as critical barriers. These findings reinforce Hofstede’s (2001) cultural dimension of uncertainty avoidance, which explains that societies uncomfortable with ambiguity are less likely to support risk-taking and experimentation. Studies by Hayton, George, and Zahra (2002) and Neneh (2012) similarly revealed that African corporate cultures often discourage entrepreneurial behavior due to social and institutional stigma attached to failure. The current findings further support Edmondson’s (1999) notion of “psychological safety,” showing that without trust and tolerance for error,

employees remain hesitant to propose innovative solutions.

The observed siloed organizational structures that discourage cross-departmental collaboration align with Martins and Terblanche (2003) and Tushman and O’Reilly (1996), who found that structural fragmentation hinders organizational learning and the exchange of ideas necessary for innovation. This structural rigidity reinforces a culture of competition rather than cooperation among departments, ultimately weakening collective creativity. Similarly, Lumpkin and Dess (1996) emphasize that collaborative and flexible structures are vital for fostering innovation-driven entrepreneurial orientation.

External regulatory and policy constraints identified in the study correspond with findings by North (1990) and Baumol (1990), who demonstrated that institutional frameworks can either facilitate or inhibit entrepreneurial activity depending on how supportive or restrictive they are. Naudé (2010) further argued that in many African countries, overregulation, slow policy implementation, and institutional conservatism discourage innovation, particularly in heavily regulated sectors. This study’s observation that management often resists adopting new technologies or business models confirms the role of institutional inertia as a deterrent to corporate entrepreneurship.

Overall, the findings reinforce the consensus in the literature that barriers to adoption moderate the relationship between entrepreneurial strategies and innovation outcomes by weakening the implementation of creative initiatives. Similar conclusions were drawn by Hornsby *et al.* (2002) and Kuratko (2017), who found that even when organizations express strategic intent toward innovation, internal constraints and contextual barriers often prevent meaningful transformation. Therefore, consistent with Bruton *et al.* (2008), this study underscores the importance of institutional reform, leadership-driven cultural change, and structural flexibility as prerequisites for fostering sustainable entrepreneurial transformation in Tanzanian corporations.

4.2.4 Organizational Innovation and Competitiveness

The findings of this study indicate that Tanzanian corporations are demonstrating moderate but growing levels of innovation and competitiveness, which aligns with previous research highlighting the gradual evolution of innovation capacity in developing economies. According to Porter (1990), national and corporate competitiveness is closely tied to innovation and the ability of firms to upgrade continuously. Similarly, Zahra & Covin (1995) emphasized that corporate innovation through new products, services, or processes is a critical determinant of organizational performance and market

success. The observation that innovation in Tanzanian firms tends to be incremental rather than disruptive reflects similar findings by Prahalad & Mashelkar (2010), who described innovation in emerging markets as primarily focused on efficiency improvements and cost optimization rather than radical technological breakthroughs.

The finding that agility and adaptability to market change vary across industries corresponds with Teece, Pisano, and Shuen's (1997) theory of dynamic capabilities, which suggests that firms' ability to integrate, build, and reconfigure internal competencies determines how effectively they respond to environmental change. Tanzanian corporations adopting digital transformation practices reflect this evolving capability, although bureaucratic and structural constraints still limit flexibility consistent with Gebreyesus (2011), who found that institutional rigidity often slows innovation diffusion in African manufacturing firms.

The study's results further support the empirical evidence from Jiménez-Jiménez and Sanz-Valle (2011) and Calantone, Cavusgil, and Zhao (2002), who established that innovation enhances organizational efficiency, learning, and performance. Respondents' recognition that technological integration and process automation improve efficiency aligns with these findings, confirming that innovation not only promotes creativity but also drives operational excellence. The acknowledgment that employee creativity directly contributes to growth echoes Amabile's (1996) componential theory of creativity, which posits that individual creative effort is a foundational input into organizational innovation and performance. Consistent with prior studies, this research found that organizations implementing entrepreneurial strategies such as innovation programs, R&D budgets, and external collaborations report higher competitiveness. This corresponds with Kuratko, Ireland, and Hornsby (2001) and Dess and Lumpkin (2005), who found that entrepreneurial orientation and strategic innovation capability collectively strengthen competitive advantage. The identification of Tanzanian firms that are perceived as industry innovation leaders aligns with findings by OECD (2010), which showed that firms investing in innovation capabilities tend to gain higher customer loyalty, improved brand perception, and market share growth.

Furthermore, the linkage between innovation, customer satisfaction, and business performance is consistent with Hult, Hurley, and Knight (2004), who demonstrated that market-oriented innovation enhances firm competitiveness through improved responsiveness to customer needs. The growing perception among Tanzanian firms that innovation strengthens reputation and loyalty reflects these global findings and highlights a positive shift toward customer-centric innovation.

Overall, these findings confirm a well-established theoretical consensus that innovation is a central determinant of corporate competitiveness (Schumpeter, 1934; Porter, 1990). However, the Tanzanian context extends this understanding by showing that the maturity and depth of innovation outcomes are directly influenced by the strength of organizational culture, the presence of entrepreneurial strategies, and the ability to overcome structural barriers. This supports Crossan and Apaydin's (2010) integrative framework of innovation, which emphasizes that innovation is not a single activity but a complex system shaped by cultural, strategic, and environmental factors. Therefore, Tanzanian corporations that successfully integrate cultural openness, strategic entrepreneurship, and institutional flexibility are likely to achieve superior adaptability, sustainable growth, and competitive advantage in regional and global markets.

5. Conclusion and Recommendations

5.1 Conclusion

This study sought to explore how the adoption of entrepreneurial mindsets within Tanzanian corporations influences organizational innovation and competitiveness, with particular attention to the roles of organizational culture, entrepreneurial strategies, and barriers to adoption. The findings indicate that the development of an entrepreneurial mindset within corporate settings is both promising and challenging. The results suggest that many Tanzanian organizations are transitioning from traditional bureaucratic systems toward more flexible and innovation-oriented cultures. Organizational culture was found to play a critical role in shaping employee behavior, openness to new ideas, and readiness to take initiative. Firms that foster trust, encourage risk-taking, and empower employees to make decisions demonstrate stronger innovation outcomes. However, the implementation of entrepreneurial strategies such as innovation programs, training workshops, and external partnerships is still at an early stage. While awareness of the importance of entrepreneurship has grown, many organizations have yet to integrate these strategies fully into their structures, performance systems, and budgets. The presence of formal innovation channels and reward systems remains limited, which weakens the overall impact of entrepreneurial efforts on performance.

In contrast, barriers to adoption continue to exert significant negative influence. Bureaucratic procedures, financial constraints, resistance to change, and lack of incentives all hinder the translation of entrepreneurial ideas into tangible outcomes. These barriers not only reduce the effectiveness of entrepreneurial strategies but also discourage employees from taking calculated risks or experimenting with new approaches. Despite these challenges, the study suggests that organizations which manage to overcome such barriers experience marked

improvements in innovation, adaptability, and competitiveness. Innovation contributes to higher efficiency, improved customer satisfaction, and stronger market positions. Overall, entrepreneurial thinking within corporate contexts appears to be a key driver of sustainable performance, but its success depends on the alignment between culture, strategy, and structure.

5.2 Recommendations

The study recommended that Tanzanian corporations intentionally embed entrepreneurial values such as risk-taking, proactiveness, creativity, and continuous learning into their organizational culture by revising leadership practices, performance appraisal systems, and reward mechanisms to support innovation. Management should invest in employee training and cross-functional collaboration, encourage idea generation through internal innovation platforms, and create a supportive environment where experimentation is tolerated and learning from failure is valued. Additionally, policymakers and industry regulators should collaborate with corporations to provide incentives, capacity building programs, and innovation-friendly policies that strengthen corporate entrepreneurship and enhance long-term competitiveness in the Tanzanian business environment.

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