Higher Education (HE) systems worldwide are undergoing multifarious changes due to pressure engendered by the global need for the knowledge economy. The demand for knowledge economy has created two demands: the need for quality HE education and the high social demand for HE which has resulted in the rapid emergence of private universities (PRUs). The quest for quality education has long been the main foci in HE reforms evident in universities putting in place quality management systems for assessment of university performance. Extant research shows that in Tanzania, PRUs have long been facing quality challenges ranging from lack of adequate and qualified academics to frail quality assurance (QA) systems. Although the existing research on QA challenges in private higher education are numerous and informative, the question on how university leadership responds to quality management challenges and whether or not such initiatives are significant in lessening the challenges remains largely unknown. Therefore, this paper examines the leadership initiatives aimed to respond to QA challenges in Tanzania's PRUs and on whether such initiatives are useful in addressing QA challenges. The paper contends that private universities need effective leadership and governance to overcome the existing quality challenges.