

**Impact of privatization of parastatals on the employees in Tanzania: the case of Tanzania
breweries limited and blankets and textile manufacturers**

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This study is on the impacts of privatisation of parastatals on the employees in Tanzania. The study was carried out in two companies that are situated in Dar es Salaam region. The two companies were Tanzania breweries limited and blanket and textile manufacturing company. The purpose of the study was to find out if the employees of the privatized companies have benefited in terms of their welfare (motivation, working conditions, salaries, health care etc) as compared to when the company was a parastatal. In conducting the study, the researcher formulated four hypotheses: H1: employees working conditions have improved in privatised companies H2: There is an opportunity for advancement in privatised companies H3: employees do participate in decision making in privatised companies. H4: retrenchment of employees in privatised companies has caused full work load. Data collection instruments that were used in the study included questionnaires, interviews and participate observation. A total of 100 questionnaires were submitted to the simple for filling. At the end of the exercise only 85 questionnaires wee able to be got. 85 percent of the questionnaires were thus received. The collected data was analysed using the statistical program for social sciences. The responses from the questionnaires were summarized, tabulated and percentages were computed. The first three hypotheses were rejected and the fourth one was accepted. Thus according to the results of the study employee working conditions have not improved in privatised companies, there is no opportunity for advancement in privatised companies, employees do not participate in decision making in privatised companies and retrenchment of employees in privatised companies has caused full work load. Based on the result of the study, we have made the following recommendations: Firstly the government should enter into agreement with the new owners during the sale deal on the level of automation that should be done. Secondly the managements of the privatised companies should make studies to find out what motivates employees. Thirdly the government should assist the retrenched workers on how to invest the money given to them when retrenched and, finally the government should invest more on education.