

CERTIFICATION

**A STUDY ON FACTORS AFFECTING THE PERFORMANCE OF
TANZANIA ZAMBIA RAILWAY AUTHORITY (TAZARA)**

University of Tanzania is a research (Independent study) entitled "A Study on Factors Affecting the Performance of Tanzania Zambia Railway Authority (TAZARA)" as a partial fulfillment of the requirements for the award of Master of Business Administration.

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ABSTRACT

Tanzania Zambia Railway Authority (TAZARA) is a railroad connecting two countries, Tanzania and Zambia that was built in the mid seventies. This was built after the government of Mr. Ian Smith in Northern Rhodesia, now Zimbabwe, declared a Unilateral Declaration of Independence (UDI) from the United Kingdom. Very few railway organizations in the world make profits, leave alone breaking even. Most of them suffer losses, which result in the necessity to get Government subsidy. This is a normal phenomenon in the railway industry. That said, TAZARA is afforded no such subsidies as yet by the two Governments who are also the owners. This study investigates the factors that affect the overall performance of TAZARA in the areas of Technical performance, Finance performance, and Human resources performance.

The author has designed questionnaires and conducted interviews and recorded his observations in this document to come to conclusions and recommendations. Basing on the data collected the selected areas proved to have shortfalls which hinder efficient performance for TAZARA. There is low motive power, insufficient wagons and high competition with road transport. The writer notes that expenses always exceed revenues and the out- turn is perpetual losses. Assets of the Authority have no corresponding return. The assets don't generate sufficient income to meet requisite costs. Employees' motivation is low and this exacerbates low productivity. Customer's satisfaction is low given that poor services are given by TAZARA.