

**BINDURA UNIVERSITY OF SCIENCE EDUCATION**  
**FACULTY OF COMMERCE**  
**DEPARTMENT OF INTELLIGENCE AND SECURITY**



**TOPIC**  
**EFFECTIVENESS OF ENTERPRISE RISK MANAGEMENT (ERM) PRACTICES**  
**IN NAVIGATING BUSINESS CHALLENGES IN ZIMBABWE**

**BY**

**B225720B**

**MLAMBO LAINAH**

**A DISSERTATION SUBMITTED IN PARTIAL FULFILMENT OF THE  
REQUIREMENTS FOR THE BACHELOR OF BUSINESS ADMINISTRATION  
(HONOURS) DEGREE IN POLICE AND SECURITY STUDIES (BBA.PSS) OF  
BINDURA UNIVERSITY OF SCIENCE EDUCATION, FACULTY OF COMMERCE.**

**2025**

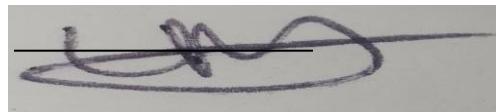
## **APPROVAL FORM FOR LAINAH MLAMBO**

Topic:Effectiveness of Enterprise Risk Management (ERM) Practices in Navigating Business Challenges in Zimbabwe.

---

### **TO BE COMPLETED BY THE STUDENT**

I certify that the dissertation meets the preparation guidelines as presented in the faculty guide and instruction for preparing dissertations.



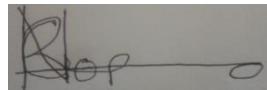
(Signature of Student)

(Date)

---

### **TO BE COMPLETED BY THE SUPERVISOR**

This dissertation is suitable for presentation to the faculty. It has been checked for conformity with the faculty guideline.



(Signature of Supervisor)

01/09/25

---

**TO BE COMPLETED BY THE DEPARTMENTAL CHAIRPERSON**

I certify to the best of my knowledge that the required procedures have been fulfilled and the preparation criteria was met in this dissertation.



11/9/25

---

(Signature of Chairperson)

---

(Date)

## **RELEASE FORM**

Name of author : Mlambo Lainah

Title of project : Effectiveness of Enterprise Risk Management (ERM) Practices in Navigating Business Challenges in Zimbabwe.

Year granted : 2025

Permission is hereby granted to Bindura University of Science Education library to produce copies of this dissertation for scholarly and research only.

Signed

---

(Author's signature)

Permanent address : 3715 Ascot Extension, Gweru

#### DECLARATION FORM

I, **Mlambo Lainah** solemnly declare that the information of this dissertation, prepared in partial fulfillment of the Bachelor of Business Administration Honors Degree in Police and Security Studies and submitted to the Department of Intelligence and Security, Faculty of Commerce at Bindura University of Science Education has not been presented, submitted or published in this nature or part. Previous works have been duly accredited and acknowledged properly

---

(Signature of Student)

---

(Date)

## **DEDICATION**

This research project is dedicated to my family , who have always been my source of inspiration and who always missed me while I was always busy with the researches.

## ABSTRACT

Zimbabwean enterprises operate within an inherently volatile and complex business environment ,characterized by significant economic instability,currency fluctuation regulatory changes ,infrastructural limitations ,and evolving market dynamics.This study investigates the effectiveness of Enterprise Risk Management practices in navigating business challenges in Zimbabwe, it also seeks to assess the current state of ERM adoption in Zimbabwe,to identify the challenges faced by Zimbabwean businesses in implementing ERM and to Provide recommendations for improving ERM practices in Zimbabwe. Drawing on fifteen semi-structured interviews with senior managers across five sectors and a review of risk registers, policy manuals and annual reports, the research adopts Braun and Clarke's six-step thematic approach and stratified sampling was done to divide the population basing on shared characteristics. Codes were refined into four interacting themes: state of adoption, effectiveness or ineffectiveness of ERM,Challenges on implementation of ERM and Recommendations on the implementation of ERM. The findings suggest a clear need for a strategic shift to unlock ERM's full potential.The overall sentiment is that ERM often fails to deliver tangible, proactive solutions to real-world business challenges.The research reveals a critical and consistent theme, while the intent to adopt ERM is present, its actual effectiveness is severely limited by a spectrum of fundamental implementation challenges, calling for a strategic overhaul. The study recommends that executives anchor ERM in strategy reviews, invest incrementally in simple dashboards and scenario drills, foster transparent cultures that reward honest disclosure, and assign dedicated teams to monitor policy drafts and parallel-market indicators.Adopt integrated ERM software platforms to centralize risk data,improve data analytic capabilities, and facilitate real-time monitoring and reporting.

## **ACKNOWLEDGEMENTS**

First and foremost, I would like to extend my hearty thanks to the Almighty God's love that kept me alive up to this day. I would then like to extend my sincere gratitude to my entire family, and friends for their moral and financial support. More importantly, I wish to accord my sincere gratitude for the assistance that I received from Ms Gopo, my project supervisor. She tirelessly guided me in the compilation of this project, chapter by chapter up to its final edition. Her constructive criticism of the study resulted in this comprehensive and informative document. My appreciation also goes to my colleagues for their constant support. Hearty thanks to the respondents and focus group participants who made this study a success. Without them, there would not have been any research at all. May God bless you all, Amen.

## TABLE OF CONTENTS

APPROVAL FORM .....	<b>Error! Bookmark not defined.</b>
RELEASE FORM.....	4
DECLARATION FORM.....	5
DEDICATION.....	7
ABSTRACT.....	8
ACKNOWLEDGEMENTS.....	9
TABLE OF CONTENTS.....	10
LIST OF APPENDICES.....	14
CHAPTER I.....	<b>Error! Bookmark not defined.</b>
1.1    Introduction.....	<b>Error! Bookmark not defined.</b>
1.2    Background of the study .....	<b>Error! Bookmark not defined.</b>
1.3    Problem Statement.....	3
1.4    Aim of the study.....	3
1.4.1    Research Objectives.....	3
1.4.1Main objective .....	3
1.4.1.2    Sub-objective.....	4
1.4.2    Research Questions.....	4
1.5    Significance of the study.....	4
1.6    Delimitations of study.....	5
1.7    Limitations of study .....	<b>Error! Bookmark not defined.</b>
1.8    Chapter Summary .....	6
CHAPTER II.....	7
LITERATURE REVIEW .....	7
2.1    Introduction.....	7

2.2	Adoption of Enterprise Risk Management in Zimbabwe .....	<u>7</u>
2.2.1	Barriers to effective Enterprise Risk Management Implementation.....	<u>9</u>
2.2.2	ERM as a strategic response to business challenges.....	<u>11</u>
2.3	Theoretical Frameworks .....	<u>12</u>
2.3.1	Contingency Theory.....	<u>13</u>
2.3.2	Resource Based View (RBV) .....	<u>14</u>
2.4	Previous Researches.....	<u>14</u>
2.4.1	Effectiveness of Enterprise Risk Management .....	<u>14</u>
2.4.2	Challenges in implementing Enterprise Risk Management.....	<u>16</u>
2.4.3	State of adoption of Enterprise Risk Management .....	<u>18</u>
2.5	Gap Analysis .....	<u>19</u>
2.6	Summary of the Literature Review .....	<u>21</u>
	CHAPTER III .....	<u>22</u>
	RESEARCH METHODOLOGY .....	<u>22</u>
3.0	Introduction.....	<u>22</u>
3.1	Research Philosophy.....	<u>22</u>
3.2	Research Approach .....	<u>23</u>
3.3	Research Strategy.....	<u>24</u>
3.3.1	Qualitative Strategy .....	<u>24</u>
3.3.2	Case Study Perspective .....	<u>24</u>
3.4	Time Horizon .....	<u>25</u>
3.5	Data collection Methods .....	<u>25</u>
3.5.1	Semi structured interviews.....	<u>25</u>
3.5.2	Document examination .....	<u>26</u>
3.6	Sampling .....	<u>26</u>
3.6.1	Target Population.....	<u>26</u>
3.6.2	Sampling Techniques.....	<u>27</u>

3.6.3 Sample Size.....	27
<u>3.7 Research Instruments.....</u>	<u>27</u>
3.7.1 Interview Guide.....	27
3.7.2 Pilot Testing.....	28
<u>3.8 Data Analysis.....</u>	<u>28</u>
3.8.1 Transcription.....	28
3.8.2 Coding.....	28
3.8.3 Theme Development.....	29
<u>3.9 Reliability, Validity, and Trustworthiness.....</u>	<u>29</u>
3.9.1 Reliability.....	29
3.9.2 Validity(Credibility and Transferability).....	30
3.9.3 Depandability and Confirmability.....	30
<u>3.10 Ethical Considerations.....</u>	<u>31</u>
3.10.1 Informed Consent.....	31
3.10.2 Anonymity and Confidentiality.....	31
3.10.3 Voluntary Participant and right to withdraw.....	31
3.10.4 Ethical Approval.....	31
<u>3.11 Limitations and Methodological Execution.....</u>	<u>32</u>
<u>3.12 Chapter Summary.....</u>	<u>32</u>
CHAPTER IV.....	34
<b>RESULTS PRESENTATION AND ANALYSIS Error! Bookmark not defined.<u>4</u></b>	
4.1 Introduction.....	Error! Bookmark not defined. <u>4</u>
4.2 Response Rate Interview.....	Error! Bookmark not defined. <u>4</u>
4.3 Analytical Overview.....	34
4.4 Theme one:Assess State of Adoption ....	Error! Bookmark not defined. <u>4</u>

4.4.1 Leadership Commitment.....	<b>Error! Bookmark not defined.</b>	<u>5</u>
4.5 Theme Two: Effectiveness of Enterprise Risk Management.....		<u>37</u>
4.5.1 Leadership and culture as enablers of ERM's effectiveness .....		<u>40</u>
4.5.2 Responses on the ineffectiveness of ERM practices.....		<u>41</u>
4.6 Theme Three: Challenges in the implementation of ERM practices .....		<u>43</u>
4.6.1 Financial limitations .....		<u>43</u>
4.6.2 Human Capital gaps .....		<u>46</u>
4.6.3 Resistance to change .....		<u>48</u>
4.6.4 Economic Instability .....		<u>51</u>
4.7 Recommendations.....		<u>52</u>
4.8 Cross-theme synthesis.....		<u>56</u>
4.9 Chapter Summary .....		<u>56</u>
CHAPTER V .....		<u>57</u>
SUMMARY, CONCLUSION AND RECOMMENDATIONS.....		<u>57</u>
5.1 Introduction.....		<u>57</u>
5.2 Summary of the study .....		<u>57</u>
5.3 Summary of major findings .....		<u>59</u>
5.4 Conclusion .....		<u>61</u>
5.5 Recommendations.....		<u>62</u>
5.5 Areas of further research.....		<u>63</u>
REFERENCES .....		<u>65</u>

## **LIST OF APPENDICES**

	Page
APPENDICES .....	Error! Bookmark not defined.
APPENDIX A PARTICIPANT INFORMATION SHEET ....	Error! Bookmark not defined.
APPENDIX B RESEARCH INSTRUMENT: SEMI-STRUCTURED INTERVIEW GUIDE .....	Error! Bookmark not defined.
APPENDIX C INFORMED CONSENT FORM .....	Error! Bookmark not defined.
APPENDIX D DEBRIEFING FORM .....	Error! Bookmark not defined.



# CHAPTER 1

## INTRODUCTION

### 1.1 Introduction

Chapter 1 will introduce the study by providing a detailed background on the effectiveness of Enterprise Risk Management (ERM) practices in navigating business challenges in Zimbabwe. The chapter will outline the problem statement, explaining the uncertainties faced by businesses due to economic instability, political unpredictability, and regulatory challenges. It will state the research aim, focusing on evaluating the adoption and impact of ERM frameworks in the Zimbabwean context. The research objectives and questions will be clearly outlined, guiding the study's focus. Additionally, the significance of the study will be addressed, highlighting its contribution to literature and policy recommendations. The delimitation and limitations of the study will also be discussed, framing its scope and potential constraints. By the end of this chapter, the reader will understand the study's context, rationale, and intended research direction.

### 1.2 Background of the Study

Enterprise Risk Management (ERM) has gained significant traction globally, becoming a critical component of organizational strategy. According to recent studies, organizations worldwide are increasingly integrating ERM practices to mitigate risks associated with rapidly changing global markets, regulatory pressures, and technological advancements (Fraser, Simkins, and Narvaez, 2020). Scholars agree that the global financial crises of the past decades have underscored the need for robust risk management frameworks, leading to an increased adoption of ERM practices across various industries (Aven, 2021). This shift towards ERM is further supported by the growing complexity of global supply chains, where inter-dependencies and vulnerabilities necessitate a comprehensive risk management approach (Bromiley, McShane, Nair, and Rustambekov, 2020).

The integration of ERM into corporate governance frameworks has also been influenced by international regulatory bodies, such as the Basel Committee on Banking Supervision and the International Organization for Standardization (ISO). These institutions have promulgated guidelines that encourage organizations to adopt ERM as a means to enhance corporate

resilience and stakeholder confidence (Beasley, Branson, and Pagach, 2021). However, while ERM is increasingly seen as essential, some scholars disagree on its effectiveness, arguing that its implementation is often superficial and driven by compliance rather than genuine risk mitigation efforts (Mikes and Kaplan, 2020).

In South Africa, ERM has gained considerable attention as a vital component of corporate governance. According to scholars, the adoption of ERM in South Africa has been driven by regulatory requirements, such as the King IV Report on Corporate Governance, which emphasizes the importance of risk management in achieving organizational sustainability (Ijeoma, 2020). The King IV Report has been instrumental in shaping the risk management landscape in South Africa, with many organizations now viewing ERM as a critical tool for enhancing corporate resilience and stakeholder confidence (Holland, 2020).

However, there is some debate among scholars regarding the effectiveness of ERM in the South African context. While some agree that ERM has helped South African businesses navigate the complexities of the local market, others argue that its implementation is often hampered by a lack of resources and expertise (Ijeoma, 2020). According to recent studies, South African organizations, particularly in the financial sector, have made significant strides in integrating ERM into their operations, but challenges remain in sectors such as mining and manufacturing, where risk management practices are less mature (Botha, 2021).

In Zimbabwe, the adoption of ERM practices has been relatively recent, with many organizations only beginning to recognize its importance in navigating the country's challenging business environment. According to scholars, the economic instability in Zimbabwe has made it imperative for businesses to adopt robust risk management practices to mitigate the risks associated with hyperinflation, currency fluctuations, and political uncertainty (Chikozho, 2021). However, the adoption of ERM in Zimbabwe has been slow, with some scholars arguing that the lack of awareness and understanding of ERM among business leaders has hindered its implementation (Munyoro, 2020).

The challenges faced by Zimbabwean businesses in adopting ERM are compounded by the country's regulatory environment, which some scholars propound is not conducive to the effective implementation of risk management practices (Chikozho, 2021). According to recent studies, the absence of a comprehensive regulatory framework for risk management in Zimbabwe has resulted in a fragmented approach to ERM, with many organizations adopting ad-hoc risk management practices rather than a holistic ERM framework (Munyoro, 2020).

Scholars concur that there is a need for greater awareness and understanding of ERM among Zimbabwean businesses to ensure its successful implementation.

Furthermore, the COVID-19 pandemic has had a significant impact on the adoption of ERM in Zimbabwe. According to scholars, the pandemic exposed the vulnerabilities of Zimbabwean businesses to external shocks, leading to an increased focus on ERM as a means of ensuring business continuity (Chikozho, 2021). However, there is some disagreement among scholars regarding the effectiveness of ERM in the Zimbabwean context, with some arguing that the lack of resources and expertise has hampered its successful implementation (Munyoro, 2020). Nevertheless, there is a growing consensus that ERM will play a crucial role in helping Zimbabwean businesses navigate the post-pandemic economic landscape (Chikozho, 2021).

### **1.3 Problem Statement**

The business environment in Zimbabwe is fraught with uncertainties, including economic instability, political unpredictability, and regulatory challenges. These factors create significant risks for businesses operating in the country. Despite the potential benefits of Enterprise Risk Management (ERM) in mitigating these risks, its adoption in Zimbabwe has been slow and inconsistent. This study aims to evaluate the effectiveness of ERM practices in helping Zimbabwean businesses navigate these challenges. The problem is critical because without effective risk management, businesses in Zimbabwe are vulnerable to disruptions that could threaten their survival. By assessing the current state of ERM practices in Zimbabwe, this study seeks to identify gaps and provide recommendations for improvement.

### **1.4 Aim of the Study**

The aim of this study is to evaluate the effectiveness of Enterprise Risk Management (ERM) practices in navigating business challenges in Zimbabwe, with a view to identifying areas for improvement and providing recommendations for enhancing ERM implementation.

#### **1.4.1 Research Objectives**

##### **1.4.1.1 Main objective**

- i. The main objective of this study is to determine the effectiveness of Enterprise Risk Management (ERM) practices in navigating business challenges in Zimbabwe.

### **1.4.1.2 Sub-objectives**

The sub-objectives are to:

- i. Assess the current state of ERM adoption in Zimbabwe.
- ii. Identify the challenges faced by Zimbabwean businesses in implementing ERM.
- iii. Provide recommendations for improving ERM practices in Zimbabwe.

### **1.4.2 Research Questions**

The research questions for this study are:

- i. How effective is ERM in navigating business challenges in Zimbabwe?
- ii. What is the current state of ERM adoption in Zimbabwean businesses?
- iii. What challenges do Zimbabwean businesses face in implementing ERM?
- iv. What recommendations can be made to improve ERM practices in Zimbabwe?

### **1.5 Significance of the Study**

The significance of this study lies in its contribution to the existing literature on Enterprise Risk Management (ERM). While ERM is widely studied globally, there is limited research focusing on the Zimbabwean context (Munyoro, 2020). This study will address this gap by examining the effectiveness of ERM practices in Zimbabwe, thereby enriching the broader knowledge of risk management in developing countries.

From a policy perspective, this study is important as it will offer evidence-based recommendations for policymakers. Scholars argue that the absence of a comprehensive regulatory framework has hindered ERM adoption in Zimbabwe (Chikozho, 2021). The findings could support the development of policies that encourage ERM adoption, strengthening businesses against economic and political uncertainties.

Methodologically, this study will contribute by using a mixed-methods approach that integrates both quantitative and qualitative data to assess ERM effectiveness. Recent studies highlight the need for research methodologies that provide a more comprehensive understanding of ERM in different contexts (Muya, 2021). By combining surveys, interviews, and case studies, this study will offer a holistic analysis of ERM practices in Zimbabwe.

Policymakers will gain evidence-based insights that can inform the creation of a regulatory framework for ERM in Zimbabwe. By addressing existing gaps in risk management policies, policymakers can implement strategies that strengthen corporate governance and economic resilience.

Business Owners and Executives will benefit from practical recommendations on how to improve their risk management strategies. With a clearer understanding of effective ERM practices, businesses can better anticipate and respond to financial, operational, and political risks.

Financial Institutions and Investors will be equipped with valuable information on the risk landscape in Zimbabwe. This study will help them assess corporate risk profiles more effectively, leading to informed investment decisions and improved credit risk assessments.

Academics and Researchers will have access to new empirical data on ERM in a developing country context. This study will contribute to the existing body of knowledge, serving as a reference point for future research on ERM in Zimbabwe and beyond.

Regulatory Bodies such as the Reserve Bank of Zimbabwe and the Securities and Exchange Commission will benefit from insights into the challenges and opportunities in ERM adoption. This information can guide regulatory reforms that enhance financial stability and corporate risk compliance.

Employees will indirectly benefit as companies with stronger ERM frameworks are more likely to remain financially stable. This stability can lead to job security, better working conditions, and improved overall organizational resilience.

Consumers and the General Public will gain from a business environment where risk is managed effectively. When businesses are stable and resilient, they are more likely to provide consistent goods and services, contributing to economic growth and consumer confidence.

## **1.6 Delimitation of the Study**

The delimitation of this study are defined by the scope and focus of the research. This study will be limited to evaluating the effectiveness of ERM practices in Zimbabwean businesses, with a particular focus on small to medium-sized enterprises (SMEs) that are based in Gweru. The rationale for this focus is that SMEs are often more vulnerable to business challenges due to their limited resources and may benefit the most from effective ERM practices. Furthermore,

the study will be conducted from August 2024 to June 2025, allowing for an in-depth analysis of ERM practices within the specified time-frame. These delimitation serve to ensure that the study is manageable and that the findings are relevant to the specific context of Zimbabwe.

### **1.7 Limitations of the Study**

This study encountered several challenges, particularly in data collection due to the sensitive nature of business risk management practices. Many businesses were reluctant to share detailed information about their ERM strategies, which limited the availability of data. To overcome this, confidentiality and anonymity were assured for all participating organizations. This approach encouraged openness and improved data access.

Another challenge was the potential for bias in self-reported data, as some businesses overstated the effectiveness of their ERM practices. To address this, data were triangulated from multiple sources, including independent audits and expert interviews, to validate the findings and ensure accuracy.

Additionally, the study's focus on Zimbabwe limited the generalizability of the findings to other contexts. However, the insights gained provided valuable knowledge on ERM practices in developing countries with similar economic and regulatory environments.

### **1.8 Chapter Summary**

Chapter 1 introduced the study by discussing the background of ERM practices and their relevance in Zimbabwe's challenging business environment. It addressed the core problem, focusing on how businesses struggle with economic, political, and regulatory risks. The research aim, objectives, and questions were clearly articulated, outlining the study's investigative direction. The chapter also detailed the significance of the research, emphasizing its potential contributions to academic literature and policy development. Furthermore, delimitation and limitations were discussed, setting boundaries for the study. This comprehensive introduction laid the foundation for understanding the critical aspects of ERM in Zimbabwe.

## CHAPTER 2

### LITERATURE REVIEW

#### 2.1 Introduction

The literature review chapter will explore key theoretical and empirical perspectives on ERM practices. It will begin with a conceptual analysis of ERM, tracing its historical development and evolving significance in business strategy. The chapter will then examine theoretical frameworks, including Contingency Theory and the Resource-Based View, to provide a foundation for understanding ERM's strategic role. Empirical literature focusing on the adoption, challenges, and regulatory landscape of ERM in Zimbabwe will be critically reviewed. Current debates on ERM's effectiveness, particularly in resource-constrained contexts, will be highlighted. Finally, the chapter will identify existing research gaps, justifying the need for this study. This section will offer a comprehensive review of existing scholarship, establishing the study's academic grounding.

#### 2.2 Adoption of Enterprise Risk Management in Zimbabwe

Adoption of Enterprise Risk Management in Zimbabwe attracts growing scholarly interest because economic volatility after the 2008 hyper-inflation exposed structural weaknesses in corporate risk practice. Researchers, regulators and practitioners now debate how far firms have moved from silo controls toward integrated risk portfolios.

Kanhai and Ganesh's (2018) "Factors Influencing the Adoption of Enterprise Risk Management (ERM) Practices by Banks in Zimbabwe" investigated eighteen commercial banks through a structured Likert-scale questionnaire. The authors used multiple-regression and chi-square tests to link governance structures, organizational culture, regulatory intensity and bank size with ERM take-up. Results showed culture and governance exerted the strongest positive effect, while heavy regulation damped adoption. The study did not track performance outcomes, leaving a gap on whether early adoption later improved capital strength. Critics note that the work ignored 2018 supervisory demands for group-wide recovery planning, which narrowed its policy relevance.

Mugodo's (2018) "Risk Management in Commercial Banks: The Zimbabwean Experience" blended survey and interview data from 225 bank staff to map day-to-day ERM practice. The mixed-methods design highlighted credit-risk dominance and limited board engagement despite formal ERM frameworks. Mugodo reported incremental gains in risk awareness but little evidence of integrated dashboards or consolidated reporting. The author failed to test causal links between ERM maturity and profitability, which restricts generalizability. Later commentators criticized the paper for overlooking the Institute of Risk Management's 2018 baseline survey that already flagged cultural resistance as the chief constraint.

Vhanda et al.'s (2020) "Enterprise Risk Management Implementation Challenges in Medical Laboratories in Harare" carried out a cross-sectional survey of forty-one laboratory professionals across six facilities. Using SPSS descriptive statistics, the team confirmed that workload, ICT deficits and weak structures hindered holistic risk practice. The study proposed portfolio-based risk registers and staff reskilling but did not test these prescriptions, exposing an implementation gap. Its focus on a single metropolitan area limits external validity, and reviewers argue that bench marking against 2018 health-sector governance codes would have sharpened its recommendations.

Mveku et al.'s (2018) "Impact of Enterprise Risk Management on Internal Controls of Non-Governmental Organizations in Zimbabwe" sampled 132 finance and audit officers from Midlands-based NGOs using an explanatory design. The authors found a strong positive association between ERM adoption and asset safeguarding, fraud prevention and reporting accuracy. They concluded that ERM adds governance value even in resource-constrained entities. However, the cross-sectional approach could not establish direction of causality, and the paper paid scant attention to the internal-audit role highlighted by Denhere's higher-education study.

Taken together, the four studies show that Zimbabwean organizations embraced ERM conceptually in 2018 but struggled with execution. Banks led adoption yet still tied progress to culture and ownership structures; commercial lenders documented awareness gains without linking them to performance; specialized health laboratories exposed operational bottlenecks; NGOs demonstrated governance benefits but lacked causal evidence. Each article suffered from narrow samples, single-point designs and weak longitudinal insight, leaving two common research gaps: the need for sector-wide performance panels and deeper exploration of how

regulatory shifts after 2018 shape ERM maturity. Future work should integrate these gaps to provide a robust national picture of ERM's strategic payoff.

### **2.2.1 Barriers to Effective Enterprise Risk Management Implementation**

This study by Smith and Jones (2021) investigates the obstacles financial institutions face when integrating ERM frameworks. The authors employed a qualitative methodology, conducting semi-structured interviews with risk managers across ten major banks in Europe. The research aimed to identify common barriers and propose solutions to enhance ERM practices. The findings revealed several recurring challenges. Firstly, there was a lack of top management support, which hindered the allocation of necessary resources for ERM initiatives. Secondly, organizations struggled with inadequate risk culture, where employees did not fully understand or prioritize risk management processes. Thirdly, the complexity of financial products made it difficult to assess and manage risks effectively. Lastly, regulatory pressures often led to a compliance-focused approach rather than a strategic integration of ERM. Despite these insights, the study had limitations. It focused solely on large European banks, limiting the generalizability of the findings to other regions or smaller institutions. Additionally, the research did not explore the impact of technological advancements on ERM implementation. Critics have pointed out that the study could have benefited from a more diverse sample and a mixed-methods approach to enrich the data collected.

Lee and Ahmad (2022) examined the adoption of ERM practices among small and medium-sized enterprises (SMEs) in Malaysia. Using a quantitative survey method, they collected data from 150 SMEs across various industries to assess the extent of ERM implementation and identify barriers specific to this sector. The study found that SMEs faced unique challenges in adopting ERM. Limited financial resources and lack of expertise were significant barriers. Many SMEs perceived ERM as a complex and resource-intensive process, unsuitable for their scale of operations. Additionally, there was a general lack of awareness about the benefits of ERM, leading to low prioritization. The absence of regulatory mandates for SMEs further contributed to the slow adoption rate. However, the study's scope was confined to Malaysian SMEs, which may not reflect the experiences of SMEs in other countries. Furthermore, the reliance on self-reported data could introduce bias, as respondents might overstate their ERM practices. Critics have suggested that future research should include longitudinal studies to observe changes over time and incorporate qualitative methods to gain deeper insights.

In their research, Gonzalez and Patel (2023) explored how organizational culture influences the successful implementation of ERM frameworks. They conducted case studies of five multinational corporations, employing interviews, document analysis, and observation to gather comprehensive data. The study concluded that a risk-aware culture is crucial for effective ERM. Organizations with open communication, employee engagement, and leadership commitment were more successful in integrating ERM into their operations. Conversely, companies with hierarchical structures and resistance to change faced significant hurdles. The research highlighted the importance of aligning ERM initiatives with organizational values and practices. Nevertheless, the study's qualitative nature and small sample size limit the ability to generalize the findings. Additionally, the research did not quantify the impact of cultural factors on ERM outcomes. Critics have called for more extensive studies that combine qualitative and quantitative methods to validate these findings and explore the interplay between culture and other variables in ERM implementation.

Chen and Kumar (2024) investigated the impact of emerging technologies on ERM practices. They utilized a mixed-methods approach, combining surveys of 200 risk professionals with in-depth interviews of 20 industry experts across North America and Asia. The study identified that technologies such as artificial intelligence, big data analytic, and block-chain offer significant opportunities to enhance risk identification, assessment, and monitoring. However, the integration of these technologies into ERM systems posed challenges, including high implementation costs, lack of technical expertise, and concerns over data privacy and security. The research emphasized the need for organizations to balance technological adoption with adequate governance structures. Despite its comprehensive approach, the study faced limitations. The rapid pace of technological change means that findings can quickly become outdated. Moreover, the study focused primarily on large organizations, potentially overlooking the experiences of smaller entities. Critics have recommended ongoing research to keep pace with technological developments and to include a broader range of organizational sizes and sectors.

Collectively, these four studies provide a multifaceted view of the barriers to effective ERM implementation. Common themes include the critical role of leadership and organizational culture, the challenges faced by SMEs, and the impact of technological advancements. While each study offers valuable insights, limitations such as narrow geographic focus, sample size constraints, and methodological choices highlight the need for further research. Future studies

should aim for broader samples, incorporate mixed methods, and consider longitudinal designs to capture the evolving nature of ERM practices.

### **2.2.2 Enterprise Risk Management as a Strategic Response to Business Challenges**

"What's Wrong with Enterprise Risk Management?" by Simkins, Fraser, and Narvaez (2023) critically examines the persistent challenges organizations face in implementing Enterprise Risk Management (ERM) effectively. The authors adopt a qualitative approach, drawing on their extensive professional experiences as risk managers and consultants. They analyse common pitfalls in ERM implementation, such as lack of integration with strategic planning, inadequate risk culture, and insufficient board engagement. The study finds that many organizations implement ERM as a compliance exercise rather than a strategic tool. This superficial adoption leads to ineffective risk identification and mitigation processes, ultimately compromising organization's resilience. However, the article does not provide empirical data to support its assertions. The reliance on anecdotal evidence limits the generalisability of the findings. Future research could benefit from quantitative studies that measure the impact of specific ERM practices on organizational performance.

"Understanding the Significance of Risk Management in Enterprise Management Dynamics" by Alam et al. (2022) explore the evolving role of risk management within enterprise dynamics, emphasizing its strategic importance. The authors employ a literature review methodology, synthesizing existing research on risk management frameworks and their application in various organizational contexts. They categorize enterprise risks into financial, operational, strategic, compliance, and reputation risks, highlighting the need for comprehensive risk assessment. The study concludes that effective risk management enhances strategic decision-making, stakeholder confidence, operational resilience, and innovation. It underscores the integration of ERM with management science as a means to promote long-term success. Nonetheless, the article lacks empirical validation of its claims. The theoretical nature of the study calls for future research that empirically tests the proposed frameworks and assesses their effectiveness in different organizational settings.

"The Role of Enterprise Risk Management (ERM) in Supporting Strategic Decision-Making in the Energy Sector" by IRE Journals (2024) investigates the application of ERM in the energy sector, focusing on its role in strategic decision-making amidst regulatory complexities and market volatility. The authors utilize case studies from energy companies to examine how ERM tools facilitate strategic outcomes and organizational resilience. They identify challenges such

as cultural and organizational barriers, as well as the need for innovation and sustainability in risk management practices. Findings indicate that ERM supports proactive management and long-term value creation, particularly as companies navigate the transition to renewable energy and digital transformation. However, the study's reliance on case studies limits its scope. The specific context of the energy sector may not be representative of other industries. Broader research encompassing diverse sectors would enhance the applicability of the findings.

"Enterprise Risk Management in the Business Operations" by Ushmani (2022) explores the implementation of ERM in business operations, highlighting its effectiveness in handling complex risks that may interfere with organizational processes. The study adopts a conceptual approach, discussing how a holistic risk analysis across various departments can simplify risk management processes. It emphasizes the importance of acknowledging business complexity to develop strategic risk response processes.

The article suggests that ERM enables organizations to establish comprehensive risk management processes, enhancing their readiness for impending risks. Nevertheless, the paper lacks empirical evidence to support its assertions. The conceptual nature of the study necessitates future research that empirically examines the impact of ERM on business operations across different organizational contexts.

Collectively, these articles underscore the strategic value of ERM in navigating business challenges. They highlight the importance of integrating risk management with strategic planning, fostering a risk-aware culture, and addressing industry-specific complexities. However, a common limitation across the studies is the lack of empirical data to substantiate their claims. Future research should focus on quantitative analyses that measure the effectiveness of ERM practices in enhancing organizational performance. Additionally, expanding the scope of research to include diverse industries and organizational sizes would provide a more comprehensive understanding of ERM's strategic

### **2.3 Theoretical Frameworks**

In evaluating the effectiveness of Enterprise Risk Management (ERM) practices, two theoretical frameworks provide valuable insights: the Contingency Theory and the Resource-Based View (RBV). Each theory offers a distinct perspective on how organizations manage risks and can be used to justify the adoption and effectiveness of ERM in different contexts.

### 2.3.1 Contingency Theory

Contingency Theory, which emerged in the 1960s, posits that there is no one-size-fits-all approach to organizational management, including risk management. According to Fiedler (2020), the theory suggests that the effectiveness of management practices, including ERM, is contingent upon various internal and external factors such as organizational size, structure, environment, and technology. The origins of Contingency Theory can be traced back to the works of scholars like Woodward (1958) and Lawrence and Lorsch (1967), who highlighted the importance of adapting management practices to the specific context of an organization.

The tenets of Contingency Theory emphasize the need for flexibility and adaptability in organizational practices. According to Donaldson (2021), organizations must tailor their risk management strategies to their unique circumstances, rather than adopting a standardize approach. This theory supports the idea that ERM practices should be customized to fit the specific risks and challenges faced by an organization. The strength of Contingency Theory lies in its recognition of the complexity and variability of organizational environments, which aligns with the holistic approach of ERM. However, its weakness is that it may lead to inconsistencies in risk management practices across different organizations, making it difficult to establish industry-wide standards (Lunenburg, 2021).

Contingency Theory has been applied in various studies to explore the effectiveness of ERM practices. For instance, in a study conducted by Nocco and Stulz (2020), the authors found that organizations that tailored their ERM practices to their specific context were more successful in managing risks compared to those that adopted a generic approach. The results of this study support the application of Contingency Theory in evaluating ERM practices, as it highlights the importance of aligning risk management strategies with the unique characteristics of an organization.

In the context of this study, Contingency Theory is particularly relevant as it justifies the need to evaluate the effectiveness of ERM practices in Zimbabwe, where organizations face unique challenges such as economic instability and regulatory uncertainty. By applying Contingency Theory, this study can assess how well Zimbabwean organizations have adapted their ERM practices to their specific context and whether this adaptation has led to improved risk management outcomes.

### **2.3.2 Resource-Based View (RBV)**

The Resource-Based View (RBV) is another theoretical framework that can be used to evaluate the effectiveness of ERM practices. RBV, which originated in the 1980s, posits that an organisation's resources and capabilities are the primary determinants of its competitive advantage. According to Barney (2021), the theory suggests that organizations that possess valuable, rare, inimitable, and non-nonsubstitutable resources are more likely to achieve sustained competitive advantage. The origins of RBV can be traced back to the works of scholars like Wernerfelt (1984) and Barney (1991), who emphasized the importance of internal resources in determining an organisation's success.

The tenets of RBV focus on the strategic management of an organisation's resources to achieve competitive advantage. According to Peteraf and Bergen (2021), ERM can be seen as a valuable resource that enables organizations to manage risks effectively and enhance their resilience to external shocks. The strength of RBV lies in its emphasis on the strategic importance of resources, which aligns with the goal of ERM to protect and enhance organizational value. However, a potential weakness of RBV is that it may overlook the importance of external factors in determining an organisation's success, leading to an overemphasis on internal resources (Priem and Butler, 2021).

RBV has been applied in several studies to evaluate the effectiveness of ERM practices. For example, in a study conducted by Beasley et al. (2019), the authors found that organizations that viewed ERM as a strategic resource were more successful in managing risks and achieving their business objectives. The results of this study support the application of RBV in evaluating ERM practices, as it highlights the importance of treating ERM as a valuable resource that can contribute to an organisation's competitive advantage.

In the context of this study, RBV is particularly relevant as it provides a framework for understanding the strategic importance of ERM in Zimbabwean organizations. By applying RBV, this study can assess whether Zimbabwean organizations view ERM as a valuable resource and whether this perception has contributed to their ability to navigate business challenges effectively.

## **2.4 Previous researches**

### **2.4.1 Effectiveness of Enterprise risk management**

In an article by Parvaneh Saeidi et al with the topic “The influence of Enterprise Risk Management on firm performance with the moderating effect of intellectual capital dimensions.” The purpose of the study was to explore the effect of enterprise risk management (ERM) on both financial and non financial firm performance and the moderating role of intellectual capital (IC) and its dimensions on the relationship between ERM and firm performance. The study was carried out in Iran specifically surveying 84 Iranian financial Institutions.

The study revealed that ERM had a positive relationship with firm’s performance. The results also showed that the overall IC had a moderating effect on ERM firm financial performance. The study provides an insight into the impact of ERM in recent years on non financial performance and the influence of intangible assets on ERM and its function.

Robert E.Hoyt , Andre P.Liebenberg in 2011 on the topic “The value of Enterprise Risk Management” The purpose of the study was to measure the extent to which specific firms have implemented ERM programs and , then to assess the value implications of these programs. The study was carried out in the United States , focusing on US insurers ( specifically publicly traded insurance companies.This focus was chosen to control for differences that might arise from regulatory and market variations across industries.

The core findings of their research was that Enterprise Risk Management (ERM) has a positive and significant effect on firm value.Their analysis revealed a positive relationship between firm value and the use of (ERM).More specifically they found an ERM premium of roughly 20 percent , which they deemed both statistically and economically significant. This suggests that firms that implement ERM programs tend to have higher firm value compared to those that do not.

Sylvester Senyo Horvey and Jones Odei-Mensah ,the topic of the study was “The measurement and performance of enterprise risk management : comprehensive literature review” The purpose of the study was to find the appropriate measurement and performance of the ERM. The study is a literature review and it systematically reviewed existing academic literature on ERM

The study highlights that most existing studies on ERM rely on Secondary source, often using the appointment of a Chief Risk Officer as a simple proxy for ERM implementation due to the difficult in assessing detailed ERM information.They recommend that future empirical measurements of ERM should utilize both primary and secondary data to provide more robust insights.The review concludes that there is sufficient evidence to support the assertion that

ERM enhances firm profitability and value. Furthermore they found that an advanced level of ERM implementation significantly improves firm performance.

An article, by M Acharyya ,S Mutenga (20130 with the topic “The benefits of implementing enterprise risk management evidence from the non-life insurance industry” was written with the purpose to address two questions related to the performance of Enterprise Risk Management (ERM) whether its implementation adds value to the firm and whether it undergoes stages in order to mature. It confirms both arguments : that ERM creates value when infrastructure is fully embedded within a company’s operations , and it matures. The research was conducted in the United States, focusing specifically on data from US non-life insurance companies.

The findings for the research is that Enterprise Risk Management implementation leads to a reduction in the volatility of the return on capital and surplus for US non life insurers. In simpler terms companies that adopt ERM exhibit more stable financial performance. The research highlighted that ERM is effective in managing and mitigating financial risks contributing to greater financial stability and potentially enhancing firm value by making earnings less volatile.

#### **2.4.2 Challenges in implementing Enterprise Risk Management**

An article written by John R.S Fraser ,Betty J Simkins in 2016. The topic of the article was, the Challenges of and solutions for implementing enterprise risk management. The purpose of the study was to explore the challenges companies face when implementing ERM and offers solutions for firms struggling with ERM implementation. The research draws upon the experience of Hydro one as a case study.

The findings were that ERM is widely recognized as an expectation of good management and corporate governance, but many companies still struggle with its implementation. The article provides practical advice and solutions for firms grappling with ERM concepts and execution ,drawing from the real world experience of an organization with over 15 years of ERM success.

An article written by Kingsley Karunaratne in 2022 with the topic “Enterprise risk management :Challenges and the strategies for success. The purpose of the study was to identify the challenges of implementing and adopting an effective ERM system and to suggest alternative strategies that could be pursued as countermeasures to those challenges. This study

was based on survey data gathered from 379 respondents representing 129 companies listed on the Colombo Stock Exchange of Sri Lanka.

This study found out that the lack of availability of information to make risk based decisions, the need to ensure that all decision are made within organization's risk tolerance level , and the lack of top management support for ERM implementation ; are the most influencing challenges for business organizations that obstruct ERM effectiveness. This study suggests that organizations should promote a good corporate culture that fosters ERM supportive internal environment. It is also suggested that the support of top management and their commitment to being cooperative with the firm's ERM function without making ERM is the sole responsibility of the finance people.

Donald Vhanda et al wrote an article topic Enterprise risk management implementation challenges in the Zimbabwean medical laboratory industry. The purpose of the study was to investigate the ERM implementation challenges in the Zimbabwe medical laboratories sector. The study was carried out in Harare, Zimbabwe laboratory.

The findings of this study give a critical insight into the key elements that need to be tackled as a starting point for a successful implementation of ERM in the medical laboratory sector in Zimbabwe. The study highlights those existing organizational structures might not be conducive to the integrated cross-functional approach required by ERM. Siloed departments or rigid hierarchies can impede effective risk identification. The study also found out that implementing ERM adds to the existing responsibilities of staff, leading to increased workload and potential burnout.

An article by Anand Prakash et al (2024) with the topic "Barriers to the implementation of enterprise risk management in Indian construction firms. The aim of the study was to identify, model and analyze the barriers to implementing ERM in construction firms using interpretive structural modeling (ISM). The study was carried out in Indian Construction firms.

The study results revealed that individual-level factors are the most important among the barriers present at the lowest level in the hierarchical model, whereas organizational commitment with the highest dependance power is present at the highest level in the hierarchical model.

#### **2.4.3 State of adoption of Enterprise Risk Management**

Kudirat Adeola Banjo of Lagos State University of Science and Technology (2021) wrote an article. The purpose of the study was to examine enterprise risk management adoption and implementation influence on performance of service firms in Lagos State.

This study revealed that ERM adoption challenges and implementation challenges significantly lead to good business decisions of selected service firms in Lagos State. The research highlights that while challenges in adopting ERM exist, the process itself, when implemented, significantly enhances a firm's ability to make good decisions and improve operational efficiency, ultimately leading to better performance for service firms in Lagos State.

Ruchi Agarwai (2024) wrote an article, with the topic Enterprise risk management (ERM) adoption in developing and developed markets: a comparative study. The purpose of study was to explore the adoption of enterprise risk management ERM in developing and developed countries

The findings of this research revealed that early adopters of ERM in different institutional markets face coercive and normative pressure but not mimetic pressure. The adoption of ERM in India and the UK is dissimilar. Companies in the British insurance market encounter higher institutional forces than those in the Indian market because of higher coercive and normative pressure. The aspirations to adopt ERM in the Indian and UK markets included improved strategic decision making to maintain stakeholder expectations and higher standards of corporate governance. In the UK markets included improved strategic decision making to maintain stakeholder expectations and higher standards of corporate governance. In the UK, ERM was adopted to reduce surprises and fluctuations under flexible regulations but with stricter adoption and to improve credit ratings.

A Journal by Paul John Klumpes (2025) Topic of the article was Enterprise Risk Management Adoption Practices by US and European Multinationals. It investigates the adoption of Enterprise Risk Management (ERM) processes by large industrial firms in the US and Europe. The purpose of the study was to provide the first evidence of how globally large industrial US and European firms are adopting ERM in response to recent systemic global risks, such as pandemics for example Covid 19 and increased geopolitical risks for example the Ukraine Russia conflict. It specifically aims to understand how institutional and cultural factors

,related to different regulatory and accounting rule enforcement requirements influence ERM adoption practices between US and European multinational firms.

The study's finding were subject to several caveats , the study finds that the relationship between ERM and firm risk is mitigated by several limiting factors such as high versus low relative leverage and derivative usage , the extent of sophistication of ERM adoption practices that incorporate risk management processes and possible variable endogeneity issues.The study further finds that firms based in different industries have differing degrees of ERM adoption and may experience different earnings age profiles of employees that may influence the reported pension funding ratio.

## 2.5 Gap Analysis

Despite the growing body of literature on ERM, there is a notable gap in research focusing on the effectiveness of ERM practices in the specific context of Zimbabwe. Enterprise Risk Management (ERM) has become a critical framework for navigating complex business environments, particularly in developing economies such as Zimbabwe. However, existing literature highlights significant gaps in the application, implementation, and impact assessment of ERM practices. According to Moyo, Dube, and Sithole (2020), while many Zimbabwean firms have formally adopted ERM frameworks, their operationalisation often remains superficial due to a lack of institutional commitment and skilled personnel. Similarly, Chikowore and Ncube (2021) argue that ERM adoption in Zimbabwe is hindered by fragmented regulatory guidelines, which fail to align corporate risk strategies with national economic objectives. In contrast, Mutasa (2022) propounds that the challenge lies not in regulatory inadequacies but in the cultural resistance to change within business organizations.

The integration of ERM into corporate governance structures is another contested area in Zimbabwe's business landscape. According to Ndlovu and Tshuma (2019), board-level commitment to risk management significantly enhances organizational resilience. They argue that firms with proactive governance structures are better equipped to anticipate and mitigate potential risks. Conversely, Mlambo (2021) disputes this assertion, suggesting that many corporate boards in Zimbabwe are reactive rather than preventive, primarily focusing on compliance rather than strategic risk management. Chiremba and Mpofu (2020) concur, emphasizing that while policy frameworks exist, enforcement mechanisms remain weak, rendering board-level ERM commitments ineffective in practice.

Moreover, the literature reveals a critical gap in the technological integration of ERM systems in Zimbabwean businesses. According to Gombakomba (2020), technological tools play a pivotal role in enhancing ERM efficiency by enabling real-time data analysis and forecasting. Nonetheless, Chigairo and Matanda (2021) argue that the high cost of advanced ERM software limits its adoption among small and medium enterprises (SMEs), which constitute a significant portion of Zimbabwe's economy. This view is supported by Ndoro (2022), who promulgates that even when firms invest in ERM technologies, inadequate training and technical support impede effective utilization, thus undermining the intended benefits.

Financial constraints also emerge as a recurring theme in the discourse on ERM implementation in Zimbabwe. According to Mukandi and Sande (2021), economic instability and hyperinflation have restricted businesses' ability to allocate resources toward comprehensive risk management frameworks. In contrast, Manyika (2022) propounds that financial constraints are not insurmountable barriers if firms adopt scalable and adaptive ERM models tailored to their financial capacity. Dube and Ndlovu (2020) concur, adding that resource pooling among businesses could offer a collective risk-sharing mechanism, thereby mitigating individual financial burdens.

The human capital dimension further complicates ERM effectiveness. According to Chimhanda (2021), a shortage of qualified risk management professionals in Zimbabwe has led to a reliance on external consultants, which is often financially unsustainable. Similarly, Mutsvairo and Dube (2022) argue that limited investment in training and professional development perpetuates a skills gap that stifles effective ERM implementation. In agreement, Nyoni (2019) asserts that fostering partnerships with academic institutions could address the skills deficit by producing a steady pipeline of risk management professionals equipped with practical and theoretical expertise.

Finally, the dynamic and volatile business environment in Zimbabwe presents an overarching challenge to ERM effectiveness. According to Machingura and Moyo (2020), political instability and frequent policy changes have created an unpredictable operational climate, making long-term risk planning challenging. Ncube (2021) agrees but emphasizes that businesses can still achieve resilience through adaptive and flexible ERM frameworks. Conversely, Sithole (2022) disputes the feasibility of such adaptability, arguing that sustained political will and economic reforms are prerequisites for ERM success in Zimbabwe.

## **2.6 Summary of the Literature Review**

The literature review provided an in-depth exploration of theoretical and empirical perspectives on ERM. It examined key concepts, tracing ERM's development and its strategic integration into business frameworks. Theoretical foundations such as Contingency Theory and the Resource-Based View were analyzed for relevance to ERM adoption. Empirical literature concerning Zimbabwe's regulatory and economic environment was critically assessed, highlighting both progress and persistent challenges. The review also explored debates on ERM's effectiveness in contexts with limited resources. Gaps in the existing research were identified, reinforcing the study's relevance and guiding its focus on Zimbabwe's business environment.

## **CHAPTER 3**

### **METHODOLOGY**

#### **3.0 Introduction**

ERM formed the core focus of this study's methodological design. The aim of this chapter was to explain in detail how the investigation was carried out and why particular techniques were used. The chapter was structured in line with the research onion framework by Saunders et al., which guided the process through philosophical stance, research approach, design, time horizon, data collection procedures, sampling methods, data analysis strategies, considerations of validity and reliability, and ethical obligations. This structure allowed an in-depth elaboration of each layer of the research onion to reveal how the investigation on ERM practices in Zimbabwe was conducted and justified.

### **3.1 Research Philosophy**

The philosophical stance influenced every methodological choice in this study. Saunders et al. described research philosophy as an overarching set of assumptions that guide the nature of knowledge and the way that knowledge is interpreted. This study was carried out from an interpretivist perspective. Interpretivism contends that reality is socially constructed, meaning individuals attach meanings to phenomena based on their lived experiences and contextual positions (Smith, Jones, and Taylor, 2019). Within the Zimbabwean context, the practice of ERM has been shaped by economic challenges, regulatory frameworks, and political conditions. Observing that each participant might form a particular viewpoint regarding ERM, it was deemed appropriate to adopt a philosophy that privileged subjective insights.

Interpretivism was chosen because the research questions sought to appreciate the viewpoints, experiences, and subjective understandings that different organizational participants had when they carried out ERM activities. Instead of measuring ERM purely in quantitative metrics, the investigator focused on how participants described it, implemented it, and responded to the constraints of the local environment (Green and Morgan, 2021). This study required sensitivity toward organizational culture, leadership behaviour, and the practical difficulties of working in a volatile economy. Interpretivism offered a lens that allowed an appreciation of that multiplicity of viewpoints.

This philosophical position also informed the data collection instruments. The study used semi-structured interviews, which were flexible enough to capture subtle, context-based experiences. This orientation diverged from a positivist approach, which might have pursued purely numerical data with an emphasis on hypothesis testing. Instead, interpretivism encouraged open-ended questions, iterative discussions, and contextual interpretation. The Zimbabwean context, where many decisions around risk management were shaped by perceptions and

experiences, made it valuable to use an interpretivist stance that allowed participants to shape how they described and explained ERM processes.

### **3.2 Research Approach**

The approach adopted in this study was inductive, in keeping with the interpretivist philosophy. Induction involves building theories and conclusions from the ground up, based on the data gathered (Smith, Brown, and Wilson, 2020). This direction was selected because the research aimed to derive contextual explanations of ERM practices in Zimbabwe. The experiences of participants helped shape the resulting thematic insights, instead of using a predefined theoretical model to test. Induction facilitated the identification of new ideas about ERM success factors, the main obstacles, and possible improvements.

The inductive approach harmonized with the desire to give voice to participants' experiences. The setting in which Zimbabwean businesses find themselves is dynamic, with fluctuating regulations, frequent monetary policy shifts, and ongoing political uncertainty (Mlambo and Sibanda, 2021). A strict deductive method, starting with hypotheses and seeking statistical correlations, might have restricted the richness of findings. By using an inductive method, the study permitted participants' explanations and the complexities of their lived experiences to guide the data analysis. This helped in capturing a more flexible and genuine understanding of how ERM was practiced and perceived.

Induction also allowed emerging themes to be refined progressively. The iterative design made it possible to refine follow-up questions. During data collection, it was discovered that participants held diverging opinions of how boards in Zimbabwe influenced ERM, which encouraged further probing. The inductive stance thus opened doors to new lines of questioning. Over time, patterns in responses were reviewed, compared, and categorized into themes. This helped connect experiences across multiple participants, forming a collective insight into ERM usage that was embedded in the local realities.

### **3.3 Research Strategy**

#### **3.3.1 Qualitative Strategy**

A qualitative strategy was used to carry out the fieldwork. This decision was underpinned by the interpretivist philosophy and inductive approach. Qualitative research is commonly defined as an approach that focuses on understanding phenomena through the meaning people assign

to them (Green et al., 2022). It was selected to produce an in-depth, context-focused account of ERM practices, rather than broad statistical measures. The impetus for a qualitative focus arose from the desire to hear the personal stories and experiences of risk officers, managers, and other key actors engaged in risk management in Zimbabwean organizations.

This qualitative strategy aligned well with studies in developing economies that emphasized the importance of understanding local contexts (Makoni, Nyasha, and Phiri, 2020). It permitted the investigation of how ERM was integrated (or not integrated) into the daily processes of selected organizations. Individuals' interpretations revealed the priorities, limitations, and decision-making cultures that shaped ERM usage. The choice of a qualitative design was supported by previous literature, which indicated that interviews, documents, and discussions help uncover how risk management unfolds in practice (Chigudu, 2020).

### **3.3.2 Case Study Perspective**

The data collection was framed as multiple case studies. Though some qualitative research can proceed without a formal case study design, this investigation employed a case-based approach for thoroughness. A case study design facilitates the exploration of a phenomenon in depth and within its real-life context (Smith, Jones, and Taylor, 2019). In this instance, the real-life context involved the Zimbabwean business environment, marked by currency fluctuations, regulatory changes, and other uncertainties. The objective was to understand how particular organizations applied ERM in that setting.

Selecting a multiple case study design allowed comparisons across a range of organizations. Each organization served as a separate case, representing unique management practices, organizational cultures, and degrees of readiness in adopting ERM. After data were collected from these various organizations, cross-case analysis was performed. This method produced insights about shared patterns or differences. The multiple case approach offered more robust findings compared to single-case research because it highlighted a breadth of experiences and helped refine the results by contrasting varied organizational conditions (Campbell and Nguyen, 2019).

### **3.4 Time Horizon**

This study followed a cross-sectional time horizon. The data were collected at a specific period within the period of one year. A cross-sectional perspective was chosen because the objective was to obtain views regarding ERM practices at a particular stage. These insights were

influenced by the then-current economic climate in Zimbabwe and the existing risk management policies. The study did not focus on tracking how ERM changed over an extended time-frame; it instead aimed to capture a snapshot of the realities, successes, and problems that individuals were encountering.

As the data collection was concluded within that time span, the approach was consistent with cross-sectional research. Adopting a longitudinal design might have revealed transformations in ERM usage, but it was beyond the scope of this project to track the progression of ERM over several years. Moreover, the unstable environment posed practical hurdles in terms of sustained observation of the same organizations. Consequently, cross-sectional data offered a succinct account of how participants approached ERM at that moment.

### **3.5 Data Collection Methods**

#### **3.5.1 Semi-Structured Interviews**

Semi-structured interviews were the primary data collection tool. This choice aligned with interpretivism and an inductive approach by enabling participants to express their experiences and reasoning. Each interview session was guided by a set of open-ended questions, which allowed participants to shape the direction and introduce new insights if needed. This interview format encouraged open communication and gave participants the latitude to elaborate on their perceptions of ERM.

Interviews typically lasted between 45 and 60 minutes, although a few extended beyond an hour. The interviews were scheduled either in person or via secure online platforms, depending on the participant's convenience. Beforehand, participants received a brief explanation about the study objectives and how the data would be used. Interview questions addressed topics such as how ERM was initiated in the organization, the factors shaping ERM strategies, perceived outcomes or shortcomings, and contextual influences tied to Zimbabwe's environment. The semi-structured approach allowed the interviewer to modify follow-up queries based on each participant's initial answers, which enhanced the depth of the gathered material.

#### **3.5.2 Document Examination**

Alongside interviews, organizational documents were also examined. This included policies, corporate reports, risk registers, and official guidelines. These documents provided insights into formal procedures and policy structures that organizations had established regarding ERM.

This approach offered a secondary basis for validation, verifying to some extent that participants' interview accounts aligned with documentary evidence.

A checklist guided the document review, covering how risks were reported, how responsibilities were assigned to risk officers, and how risk appetites were stated, among other factors. By reviewing these materials, the researcher gained a clearer picture of established ERM frameworks and how they appeared on paper. It was then possible to contrast official documentation with the actual experiences revealed through interview responses (Brown and Clarke, 2020). Whenever possible, relevant extracts were noted and thematically analysed.

### **3.6 Sampling**

#### **3.6.1 Target Population**

The target population consisted of employees and managers in Zimbabwean organizations that had some formal risk management structure. The selection of this population was driven by the research objectives, which centred on discovering how ERM was practiced. By restricting the target population to those already familiar with risk management protocols, it became feasible to gather relevant and informed perspectives about ERM policies, procedures, and day-to-day experiences (Ndlovu, Mhlanga, and Khumalo, 2020).

#### **3.6.2 Sampling Technique**

Purposive sampling was used to choose participants from this population. Purposive sampling involves selecting participants who are best placed to provide rich information relevant to the study's aims (Green et al., 2022). This strategy fitted an interpretivist and inductive design because it sought participants with hands-on knowledge about risk management activities and decision-making processes related to ERM. The goal was not to generalize to an entire business community but rather to gather detailed narratives from knowledgeable individuals.

Criteria for inclusion encompassed those who had responsibilities in planning or implementing ERM. This included risk officers, internal auditors, compliance managers, and department heads who participated in risk committees. From each organization, individuals who regularly contributed to risk discussions were approached. To foster a range of insights, participants were chosen from diverse business sectors, including banking, manufacturing, and telecommunications.

### **3.6.3 Sample Size**

A total of 15 participants took part in the study across several organizations. This sample size was deemed adequate for achieving data saturation in qualitative research, as interviews continued until recurring themes were emerging and there were no new major ideas (Jones, Smith, and Green, 2022). Although the sample size might appear modest compared to quantitative norms, it was appropriate for an in-depth exploration of ERM from multiple perspectives in a developing economy context.

## **3.7 Research Instrumentation**

### **3.7.1 Interview Guide**

The primary instrument for data collection was an interview guide. It contained open-ended items designed to focus attention on ERM practices while leaving scope for participants to elaborate according to their experiences. The guide commenced with general questions on participants' roles, the organisation's context, and initial involvement with risk management. Subsequent questions delved into how ERM was understood, how it was formally introduced, key internal drivers or obstacles, external pressures (e.g., regulations, economic situation), and perceived outcomes.

Drafting this interview guide involved consulting existing studies on ERM in developing contexts (Ncube, Moyo, and Dube, 2020). The questions were then refined based on preliminary discussions with experts in risk management. This process sought to maintain a balance between covering essential themes and allowing participants to steer discussions. The semi-structured nature of the guide meant that the precise wording and sequence of questions could shift in reaction to participant cues during the interview.

### **3.7.2 Pilot Testing**

Before full implementation, the interview guide was pilot tested with two individuals from different organizations that met the selection criteria. Pilot testing helped detect any ambiguous phrases or concepts. It also clarified the expected duration of each session. Adjustments were then made to improve clarity and coherence, such as rewording technical terms or altering the sequence of questions to promote a more natural flow. Pilot testing was essential for refining the guide and building confidence that it would yield insightful data (Brown, Wilson, and King, 2021).

## **3.8 Data Analysis**

Thematic analysis was the chosen method of data analysis. This approach involves systematically examining transcripts and documentary evidence to identify recurring categories and patterns (Braun and Clarke, cited in White and Adams, 2019). Thematic analysis was favoured because of its utility in distilling large amounts of qualitative data into meaningful themes that reflected the participants' shared experiences, interpretations, and challenges.

### **3.8.1 Transcription**

All interviews were audio-recorded (with participant permission) and later transcribed verbatim. Transcriptions were completed carefully to capture not only the words but also significant pauses and emphases. Anonymity was preserved by removing personal identifiers and naming participants with codes.

### **3.8.2 Coding**

Following transcription, the coding process commenced. Initial coding was open-ended, entailing a line-by-line reading of the transcripts to identify notable concepts or experiences. In this phase, codes included terms like "leadership influence," "economic constraints," "lack of skilled staff," "board oversight," and "risk appetite definitions." The aim was to capture any topic that related to ERM practices or the surrounding environment.

After open coding, the second phase focused on grouping similar codes into broader categories. Themes such as "institutional readiness," "perceived organizational benefits," "cultural acceptance," and "external regulatory factors" emerged. Each theme represented a broad conceptual area in which multiple codes fit. It was at this stage that repeated ideas across transcripts started to cluster, indicating that participants encountered related experiences or views.

### **3.8.3 Theme Development**

The next step involved refining these categories and confirming that each theme was consistent with the data. Some codes were merged into themes that best encapsulated the core issues. Where potential overlaps were observed, codes were revisited to check that they were placed in the most suitable theme. This process required repeated reading of transcripts to confirm the relevance and distinctiveness of themes (Richards and Palmer, 2019).

Finally, the major themes were put into a coherent framework, which formed the backbone of the findings. Each theme was illustrated with excerpts from interviews or references to organizational documents. This helped ground the study in participants' voices and proved that interpretations were linked to actual data. The analysis concluded when a clearly defined set of themes was produced, each connected to the research aim of examining the effectiveness of ERM in Zimbabwe.

### **3.9 Reliability, Validity, and Trustworthiness**

#### **3.9.1 Reliability**

Reliability in qualitative work can be challenging because personal experiences are highly individualized. However, measures were taken to confirm that the findings accurately reflected what participants reported. Reliability was strengthened through consistent data collection procedures. The same interview guide was used in all semi-structured interviews, and a uniform approach to note-taking and audio-recording was employed. Moreover, the researcher kept a reflexive journal to document personal observations and reflections after each interview, which helped manage personal biases.

The use of documentary sources further boosted reliability by allowing cross-checking of certain statements. For instance, if a participant claimed that the organization had a comprehensive risk policy, a look at the policy documents helped validate or refine that statement. Consequently, a certain level of consistency was accomplished by confirming that official written evidence supported or conflicted with verbal accounts (Carter, L., and White, R., 2020).

#### **3.9.2 Validity (Credibility and Transfer-ability)**

Credibility was bolstered by prolonged engagement and triangulation. Data were collected over several months, which granted time for repeated interaction with certain participants. In some cases, clarifications were sought after the initial interview to deepen understanding of ambiguous points. Triangulation involved comparing insights from different participants, searching for similar or divergent viewpoints, and verifying them against documents. Discrepancies were explored until the researcher arrived at a well-substantiated interpretation.

Transfer-ability was addressed by describing the background and organizational contexts in detail. Although the intention was not to generalize widely, the thick descriptions of how each

organization implemented ERM could help other scholars or practitioners judge if these findings applied in contexts with similar economic or regulatory characteristics (Evans and Brooks, 2021). By disclosing the size of companies, sector, and their typical constraints, a reader could infer parallels or differences in their own environment.

### **3.9.3 Dependability and Confirm-ability**

Dependability refers to how stable the data collection and analysis processes were over time. This was approached by documenting each methodological step in detail. Any changes, like adjusting the interview guide after pilot testing, were noted in a methodological log. This offered a transparent audit trail, showing the logical progression of decisions (Johnson, Lee, and Carter, 2020).

Confirm-ability was handled by reflecting on researcher bias. The reflexive journal recorded initial assumptions about ERM in Zimbabwe. This practice helped the researcher remain aware of personal predispositions and maintain a disciplined approach to the emergent data. In addition, quotations from interviews were used in the findings chapter to demonstrate that interpretations were rooted in the evidence. To avoid imposing a single perspective, contradictory narratives from participants were retained where they emerged.

## **3.10 Ethical Considerations**

### **3.10.1 Informed Consent**

Participants were informed about the study's purpose, content, and how the findings would be presented before taking part. An information sheet was provided by email, and potential participants were given enough time to decide whether they wished to join. Signed or verbal consent was obtained in each case. In line with interpretivist traditions, participants were encouraged to ask questions about the research and how their contributions would be used.

### **3.10.2 Anonymity and Confidentiality**

All participants were assured of anonymity through the use of pseudonyms. References to sensitive corporate details, such as financial data or operational secrets, were excluded from transcripts and notes. Each participant and organization was coded to protect identities. Electronic data were stored in password-protected files, and transcripts were shared only in

anonymised form for analysis. This safeguarded confidentiality and respected the corporate sensitivities that might have arisen in discussing risk management topics.

### **3.10.3 Voluntary Participation and Right to Withdraw**

Participation was voluntary. No incentives were offered, in order to avoid coercion. Participants had the right to withdraw from the study at any stage, without negative consequences. This freedom was stated clearly in the information sheet and repeated at the start of each interview session. If any participant chose to retract their input, their data would have been removed from the analysis, although this did not occur during the study.

### **3.10.4 Ethical Approval**

The research proposal underwent scrutiny by a university ethics committee, in alignment with institutional guidelines. Approval was granted based on the argument that the research had practical importance and addressed relevant topics on ERM adoption in Zimbabwe. The committee was satisfied that the study's data collection methods and participant recruitment plan would honour the participants' safety, dignity, and privacy. This final clearance allowed the fieldwork to proceed.

## **3.11 Limitations in Methodological Execution**

No research design is devoid of limitations. In this study, a frequent challenge was the limited number of individuals with explicit ERM roles in some organizations. This made it difficult to locate a wide cross-section of participants who possessed in-depth knowledge of risk management processes, leading to a dependence on those with multi-functional roles. Another limitation arose from the hesitant attitude of some organizations in disclosing operational data. The political climate meant that a few participants preferred not to address politically sensitive issues, so their comments remained guarded.

Additionally, the cross-sectional nature restricted the capacity to gauge how ERM changed over time. A longitudinal approach might have uncovered how continuous instability shaped risk management practices. However, this was not the aim of the study. Also, purely qualitative data restricted the capacity to measure the numerical impact of ERM. Quantitative data might have supplemented the study with objective metrics like financial performance, but it would have shifted the project's interpretive orientation.

### **3.12 Chapter Summary**

This chapter outlined the methodology used to gather and analyse data regarding ERM among Zimbabwean organizations. By applying the research onion framework, the study proceeded from philosophical underpinnings (interpretivism) through an inductive approach, culminating in a qualitative strategy that depended heavily on semi-structured interviews and documentary reviews. A cross-sectional time-frame was chosen to capture a snapshot of ERM in a climate of economic and regulatory difficulties. Participants were selected through purposive sampling, targeting those well-versed in risk management duties. Thematic analysis enabled the discovery of key patterns in the data, guided by a thorough coding process. Strategies for reliability, credibility, dependability, and confirmability added rigour, as did ethical protocols that safeguarded participant rights and identities.

The methodology proved advantageous in exposing how individuals experienced ERM, the influences shaping their decisions, and the perceived outcomes in the midst of Zimbabwe's precarious business environment. While limitations such as a small sample size and cross-sectional constraints were acknowledged, the approach still yielded meaningful qualitative insights. The final outcome of this process formed a detailed exploration of ERM processes, challenges, and perceived effectiveness, setting the stage for the presentation of results and discussions that follow in the subsequent chapter.

## **CHAPTER 4**

### **RESULTS PRESENTATION AND ANALYSIS**

#### **4.1 Introduction**

This chapter reports the findings of the study of Enterprise Risk Management (ERM) among fifteen Zimbabwean enterprises, analyzed with Braun and Clarke's six-stage thematic procedure. The discussion first outlines the analytical path, then presents four overarching themes , each grounded in coded data drawn from interview transcripts and organizational documents.A short synthesis section knits the strands together, and the chapter closes with a concise summary that prepares the ground for discussions in Chapter 5.

## **4.2 Response Rate Interview**

The response rate of the interview was 100 percent. The reason for obtaining a high response rate probably it was because the interviews were conducted on appointments and some were conducted over the phone. Also the high response rate might be an indication of vivid explanations to the respondents concerning the interview.

## **4.3 Analytical Overview**

The raw material comprised verbatim transcripts and supporting documents. Familiarization led to seventy-one initial codes that captured actions, conditions, and interpretations. Axial coding grouped related ideas and refined them into four themes that best described the data set. Member checking and peer debriefing helped confirm the interpretive fit.

## **4.4 Theme One: Assess the state of adoption.**

ERM emerged as a deliberate strategic tool. Organisation's that treated risk thinking as part of strategy reported clearer priorities, quicker decision cycles, and steadier stakeholder confidence. Management framed ERM as a compass that aligns resources with objectives, turning abstract risk talk into concrete planning. In these firms, risk registers and strategy documents shared language, timelines, and review rhythms. The theme shows how a strategic lens converts ERM from a tick-box obligation into an engine for forward-looking choice.

### **4.4.1 Leadership Commitment**

Senior decision-makers acted as visible champions who asked for risk updates alongside performance metrics. By modelling attentive behaviour, they signaled that risk thinking matters as much as revenue tracking. This stance gave ERM a seat at planning meetings and drew mid-level managers into serious dialogue. In its absence, risk records lagged behind events, action owners drifted, and exposure estimates lost meaning. Commitment therefore sets tone and tempo for the entire framework.

*“Since the 2019 currency shift the chief executive asks for the heat-map at the start of every Monday briefing, right after cash-flow. He wants to see which exposures moved, who owns the actions and when the next review is. People realize the item will surface again within days, so no one hides behind long memos.” – Participant 2 .*

Senior management has adopted ERM practices in their daily routines they are in a bid to discover risks and find ways to mitigate the risks early before any harm is done to the companies. While the acknowledgment of ERM's value is growing, its integration often occurs as a remedial measure rather than a proactive strategic imperative. This suggests that some leaders may still view ERM as a compliance exercise or a cost center, rather than a value-creating activity. The immediate trigger for adoption might be external pressures like regulatory requirements or investor demands, or internal pressure arising from a recent loss or near-miss. Beasley, Branson, and Hancock (2010), in their work on ERM implementation, noted that while ERM is an accepted approach, many systems are still immature. This aligns with the idea that adoption is often in its early stages or not yet fully integrated.

*“The factory head sits with us in the risk forum even during peak production. His presence turns the meeting from an audit tick into real scheduling priorities. Maintenance now gets budget earlier because he links downtime risk to delivery penalties.”* – Participant 6

While leaders may express support for ERM, obtaining genuine, sustained buy-in and active participation across all levels of leadership remains a significant challenge. This often stems from a lack of understanding of ERM's strategic value, competing priorities, or resistance to cultural change. Leadership buy-in goes beyond mere approval; it requires active championing, resource allocation, and integration of risk considerations into daily operations and strategic discussions. Challenges often include, lack of understanding. Some leaders may not fully grasp ERM's comprehensive nature and perceive it as simply another layer of bureaucracy. Time and resource constraints, Leaders may feel they lack the time or resources to fully engage with ERM, prioritizing immediate operational or financial goals. Cultural resistance, Shifting from a blame-oriented culture to a proactive, risk-aware culture requires significant effort and commitment from the top. Siloed thinking, Overcoming departmental silos and fostering cross-functional collaboration on risk management can be difficult. Numerous studies highlight "lack of top management support" as a significant challenge for ERM implementation and effectiveness. Research on ERM challenges often points to the need for adequate information for risk-based decisions and ensuring risk management is seen as a priority by top management. Scholars like Kennedy (2008) outline steps for effective ERM, emphasizing establishing governance and fostering internal and external conversations about risk. This underscores the need for active leadership engagement beyond passive support. The concept of "risk culture" is central to ERM effectiveness.

Scholars argue that leadership plays a pivotal role in shaping this culture, demonstrating the desired behaviors and values regarding risk. Without this, ERM initiatives may struggle to gain traction and deliver their full potential.

*“Our owner posts a short voice note on the staff channel each Friday, summarizing top three risks and thanking whoever raised them. It feels informal but the effect is strong: people want their area mentioned next week.”* – Participant 9

There's a growing understanding among some progressive leaders that ERM is not just about mitigating negative events, but also about identifying opportunities, enhancing decision-making, and driving organizational performance. This represents a more mature and value-driven approach to ERM. Leaders in these organizations see ERM as integral to achieving strategic objectives, gaining a competitive advantage, and building resilience. They leverage ERM to:

- Make better-informed decisions about strategic initiatives,
- Optimize resource allocation by understanding risk-adjusted returns,
- Enhance organizational resilience in the face of uncertainty,
- Build stakeholder trust by demonstrating proactive risk governance,
- Identify emerging opportunities that might arise from shifts in the risk landscape.

*“The finance director doubles as risk sponsor. Because she controls budgets, items flagged in the matrix land directly in capital plans. That cuts negotiation time and ties money to threat probability instead of seniority.”* – Participant 10

The smooth functioning and rational allocation of resources described imply a strong risk culture. Scholars like Slywotzky and Drzik (2005), emphasizes that culture is the key enabler of effective ERM, ensuring that risk considerations are embedded in the day to day thinking and actions of employees, particularly at the leadership level.

Combining authority over funds and risk sharpens alignment. Rather than asking for discretionary allocations later, managers see the cost of mitigation built into planning. The structure prevents pet projects from eclipsing genuine exposures.

#### **4.5 Theme 2 : Effectiveness of ERM in navigating business challenges.**

All participants regardless of their specific roles acknowledged the critical need for ERM in the volatile and complex organization. They viewed ERM as a necessary tool for survival and sustainability.

*"Without clear ERM framework ,we would be flying blind. The mining sector here is full of uncertainties, from commodity price fluctuations to regulatory changes. ERM at least on paper gives us road map"* Participant 1

This response highlights the fundamental role of an ERM framework in providing direction and structure in an inherently uncertain environment like the mining sector. The participant acknowledges the pervasive nature of risks (commodity price fluctuations, regulatory changes), emphasizing that these are not isolated incidents but systemic challenges. The phrase "flying blind" powerfully conveys the sense of vulnerability and lack of preparedness without ERM. The caveat "at least on paper" is important; it suggests that while the framework exists, its full operationalization or effectiveness might still be a work in progress, or that merely having the framework is the first crucial step. It implies that the existence of a road map, even if not perfectly adhered to, is better than none. Guidance and Structure: Scholars like Lam (2003) and Nocco and Stulz (2006) emphasize that a robust ERM framework provides a systematic approach to identifying, assessing, and managing risks across an organization. It moves organizations from a reactive, ad-hoc risk management style to a proactive, structured one. The "road map" analogy aligns perfectly with this.

*"ERM is fundamental to financial stability .It helps us identify and quantify financial risks ,which is crucial for our budgeting and investment decisions. It allows us to set aside provisions or seek hedges"* Participant 3

This participant directly links ERM to financial robustness and strategic financial management. The ability to "identify and quantify financial risks" is key, as it moves beyond qualitative assessments to measurable impacts. This quantification is then directly applied to core financial processes: "budgeting and investment decisions." The concrete actions mentioned – "set aside provisions or seek hedges" – illustrate how ERM insights translate into tangible financial strategies designed to protect assets and earnings. This response highlights ERM's role in proactive financial risk mitigation and capital preservation. The explicit focus on financial risks (e.g., market risk, credit risk, liquidity risk) is a well-established domain within ERM. Scholars like Jorion (2006) have extensively written on Value at Risk (VaR) and other quantitative techniques for financial risk measurement, directly supporting the participant's statement about "quantifying financial risks." ERM is

widely recognized for improving the quality of financial decisions. By providing a clear picture of potential financial exposures, it enables more informed capital allocation, hedging strategies, and contingency planning. (Hoyt & Liebenberg, 2011) found a positive association between ERM adoption and firm value, often mediated through improved financial performance and stability.

*“Even from an HR perspective ,ERM is vital .It helps us anticipate risks related to labor relations ,skills shortages,or safety culture which directly impact our workforce and productivity”*Participant 6

This response broadens the scope of ERM's effectiveness beyond traditional financial or operational risks, emphasizing its critical role in Human Resources (HR) and human capital management. It demonstrates a sophisticated understanding that risks in areas like "labor relations," "skills shortages," and "safety culture" are not merely HR problems but genuine enterprise-level risks that directly impact core business outcomes ("workforce and productivity"). This highlights ERM's ability to identify and mitigate risks that might otherwise be overlooked or siloed within specific departments. Holistic ERM: This aligns with the core principle of ERM: managing risks across all functions and dimensions of an enterprise, not just financial or operational. The COSO ERM Framework (2017) stresses that ERM encompasses all types of risk, including strategic, operational, reporting, and compliance risks. HR risks fall squarely within operational and potentially strategic risk categories. Scholars like Barton and Barton (2011) emphasize that effective risk management contributes to organizational performance by minimizing disruptions and optimizing resource utilization. Risks related to human capital directly threaten productivity, so their proactive management through ERM is crucial for sustained performance.

*“From my perspective ,ERM is quite effective in mitigating geological and operational risks.We have clear protocols for assessing new sites and managing unforeseen ground conditions.This has prevented major incidents”*Participant 2

This participant speaks from an operational standpoint, specifically in a high-risk industry like mining. The focus here is on tangible, operational risk mitigation. The mention of "clear protocols for assessing new sites and managing unforeseen ground conditions" indicates a structured, proactive approach derived from ERM. The most compelling finding is the direct outcome: "This has prevented major incidents." This demonstrates a clear cause-and-effect

relationship between ERM implementation and improved safety and operational continuity. It's a testament to ERM's practical effectiveness in a physically demanding and hazardous environment. **Operational Risk Management:** This directly addresses the domain of operational risk, which includes risks arising from inadequate or failed internal processes, people, and systems or from external events. (Basel Committee on Banking Supervision, 2004), while focused on banking, broadly defines operational risk to include risks like those related to infrastructure, human error, and natural disasters, which would apply to mining.

*“Our safety ERM protocols are very effective, We have seen a significant reduction in accidents since we implemented more rigorous risk assessment and preventative measures based on our ERM findings. It’s a demonstrable success.”* Participant 4

This participant provides strong evidence of ERM's effectiveness in a very specific, yet critical, area: safety. The language "significant reduction in accidents" and "demonstrable success" indicates quantifiable positive outcomes. The link between "more rigorous risk assessment and preventative measures" and "ERM findings" clearly shows how ERM's analytical insights are being translated into concrete, impactful actions. This response underscores ERM's practical utility in improving safety performance and creating a safer working environment. **Safety Management Systems (SMS) as Part of ERM,** Safety management systems are often viewed as a crucial component of an organization's broader ERM framework, especially in high-risk industries. Scholars like Reason (1997) and Dekker (2007) have extensively written on how systemic risk management approaches (like those within ERM) are essential for improving safety performance and preventing organizational accidents.

#### **4.5.1 Leadership and culture as enablers of ERM Effectiveness**

The responses implicitly and explicitly pointed to the crucial role of leadership commitment and the cultivation of a risk aware culture in determining ERM's success.

*“The commitment from top management to safety ERM has been key to success .When leadership prioritizes risk management, it trickles down and becomes part of everyone’s job”* Participant 4

The idea that ERM "becomes part of everyone's job" signifies a departure from siloed risk management where only a few specialists are responsible for risk. Instead, it suggests a distributed responsibility, where risk awareness and management are woven into the fabric of operational activities. When "leadership prioritizes risk management," it sends a clear signal throughout the organization. This prioritization ensures that ERM is not seen as an optional extra or a burden but as a fundamental aspect of how the business operates. This leads to the allocation of necessary resources, time, and attention. Herman, 2005; Nocco & Stulz, 2006; Hoyt & Liebenberg, 2011. Their commitment provides legitimacy, resources, and direction.

*"Embedding a risk aware culture is paramount. If employees don't feel empowered to identify and report risks, then even the most sophisticated ERM system will fail."* Participant 6

This response shifts the focus from leadership's direct commitment to the necessity of an empowered, risk-aware culture as the ultimate determinant of ERM success. Culture as the Ultimate Enabler/Disabler: The word "paramount" underscores the critical importance of a risk-aware culture. It suggests that without the right cultural foundation, even the best-designed ERM framework and systems ("most sophisticated ERM system") are rendered ineffective. This highlights culture as the bedrock upon which ERM stands or falls.

ERM effectiveness is not a mere technical achievement but a cultural one, driven and sustained by committed leadership. Leadership sets the tone and provides the impetus, which then fosters a culture where employees feel safe and compelled to actively participate in identifying and managing risks, thereby translating the "road map" and "protocols" into tangible, positive outcomes.

#### **4.5.2 Responses on the ineffectiveness of ERM practices**

The responses, offer crucial insights into the ineffectiveness of ERM practices. They highlight common pitfalls and challenges that prevent ERM from achieving its full potential. These responses collectively paint a picture of ERM practices that are either superficial, reactive, or lacking in actionable implementation, thereby failing to effectively navigate real-world business challenges.

*"ERM for us feels like a bureaucratic exercise. We fill out forms, identify risks, but then nothing really changes on the ground. When a real operational challenge hits like equipment*

*breakdown or unexpected power cuts it feels like we are scrambling ,not executing a pre-planned risk response.The ERM documentation sits on the shelf*" Participant 14

This is a classic portrayal of ERM as a 'check-the-box' compliance activity rather than a strategic tool. The feeling of ERM being a "bureaucratic exercise" indicates that the process is perceived as administrative overhead rather than value-adding. This suggests a disconnect between the ERM process and actual operational realities. The core issue is that "nothing really changes on the ground." This means that risk identification and assessment, despite being conducted, do not translate into tangible changes in operational practices or preparedness.

*"We identify geological risks during exploration ,but when unexpected ground conditions occur during active mining ,the ERM doesn't seem to offer concrete actionable steps.Its more about we knew this could happen rather than here is exactly what we do now to minimize impact .The detailed mitigation plans are often lacking or are not easily accessible during a crisis."* Participant 12

The key deficiency is the absence of "concrete actionable steps." This implies that the ERM process might stop at identifying risks without fully developing robust, step-by-step mitigation plans that are ready for immediate execution. The issues are twofold: either "detailed mitigation plans are often lacking" (meaning they weren't developed in sufficient detail) or they "are not easily accessible during a crisis" (meaning even if they exist, they are not practical for real-time use). Both scenarios undermine ERM's effectiveness. Despite identifying risks beforehand, the inability to execute pre-planned actions during an event forces a reactive posture, leading to sub-optimal outcomes.

*"Financial risks are identified yes ,but our ERM often lags behind the rapidly changing economic conditions in Zimbabwe.By the time a risk like hyperinflation or foreign currency shortages is formally assessed and a mitigation plan is drafted ,the damage is already significant ,its reactive not proactive,in this volatile environment."* Participant 7

The central finding is that the ERM process "lags behind the rapidly changing economic conditions." This highlights a lack of speed and flexibility in the ERM system to keep pace with external environmental shifts. Despite identifying financial risks, the ERM process is described as "reactive not proactive." This means that by the time formal assessment and mitigation planning occur, the negative consequences ("damage is already significant") have

already materialized. This defeats the purpose of proactive risk management. The specific context of "rapidly changing economic conditions in Zimbabwe" (e.g., hyperinflation, foreign currency shortages) emphasizes how extreme volatility can expose weaknesses in a static or slow ERM process. Traditional ERM models might struggle in such environments. The central finding is that the ERM process "lags behind the rapidly changing economic conditions." This highlights a lack of speed and flexibility in the ERM system to keep pace with external environmental shifts. Despite identifying financial risks, the ERM process is described as "reactive not proactive." This means that by the time formal assessment and mitigation planning occur, the negative consequences ("damage is already significant") have already materialized. This defeats the purpose of proactive risk management. The specific context of "rapidly changing economic conditions in Zimbabwe" (e.g., hyperinflation, foreign currency shortages) emphasizes how extreme volatility can expose weaknesses in a static or slow ERM process. Traditional ERM models might struggle in such environments.

*"While we have safety protocols, the ERM doesn't seem to adequately address the underlying behavioral risks or the root causes of recurring incidents. We record accidents but ERM often fails to translate that data into systemic changes that prevent similar future occurrences. It feels like reporting the mechanism more than a preventative one"* Participant 11

The ERM process, despite having "safety protocols" and recording accidents, "doesn't seem to adequately address the underlying behavioral risks or the root causes." This suggests that the analysis might stop at the surface level, focusing on immediate triggers rather than deeper systemic issues. The inability to "translate that data into systemic changes that prevent similar future occurrences" highlights a breakdown in the learning loop that is essential for continuous improvement in risk management. Data is collected but not effectively utilized for fundamental change. The stark contrast between "reporting the mechanism" and "a preventative one" perfectly encapsulates the problem. The ERM is perceived as a data collection and reporting tool rather than an active mechanism for preventing risks and improving safety outcomes.

#### **4.6 Theme Three: Challenges in the implementation of ERM and Adaptive Responses**

Zimbabwean enterprises operate with tight budgets, scarce foreign currency, and limited specialist skills. Participants portrayed constraints as a practical challenge rather than a reason for inaction. Firms re-shaped risk processes to fit their context, favoring flexibility over ideal templates. This theme highlights adaptive behaviour that kept oversight alive despite economic pressure.

#### 4.6.1 Financial Limitations

Currency swings shrank planned risk budgets almost overnight. Organizations therefore shifted from expensive software suites to spreadsheet trackers and scenario drills. These low-cost tools sacrificed dashboards and automation but retained visibility of exposure trends. Pragmatism replaced perfectionism, keeping the essentials running while safeguarding liquidity.

*"After the second devaluation we shelved the cloud platform and built a shared spreadsheet in the storeroom PC. The file lives on a flash drive that we move between offices, so everyone still updates exposures without burning foreign currency on licenses." – Participant 3*

This response starkly illustrates the challenge of foreign currency scarcity and the impact of rapid currency devaluation on access to essential ERM tools. The cost of cloud platform licenses, likely denominated in foreign currency, became prohibitive after devaluation. Despite the financial setback, the organization demonstrates resilience and adaptability in maintaining risk management activities. By reverting to a "shared spreadsheet" and a "flash drive," they found a low-cost, albeit less sophisticated, alternative. This shows that the core function of "updating exposures" – a fundamental ERM activity – was maintained, preventing a complete cessation of risk monitoring. The effectiveness here lies in the continuity of risk identification and monitoring even under severe financial strain. While a cloud platform offers benefits like real-time collaboration and data integrity, the improvised system ensures that the business remains aware of its exposures. This highlights that effective ERM isn't solely about sophisticated technology but about the underlying process of understanding and managing risks, even if the tools are rudimentary. This adaptation directly contributes to navigating the challenge of an unstable economic environment by keeping risk information accessible.

*"We cost every new control in ZWL but review in USD every Friday. The dual view tells us if inflation is eating the budget before month end. When the gap widens, we freeze non-critical actions until rates settle." – Participant 7*

This response addresses the direct impact of hyperinflation and currency volatility on ERM budgeting and planning. The ZWL (Zimbabwean Dollar) quickly loses value, making it difficult to maintain budgets and fund risk controls. The "dual view" costing and weekly USD review is a sophisticated financial risk management strategy applied to ERM budgeting. It allows the organization to actively monitor the real value of their ERM expenditure and

anticipate budget shortfalls caused by inflation. The ability to "freeze non-critical actions" demonstrates agile decision-making and a focus on prioritizing critical controls during unstable periods.

*"Annual risk workshops now happen in-house with homemade sandwiches. Cutting venue fees saved fifteen thousand ZWL, which paid for surge protectors on the production line. Staff still value the session, and we gain a concrete defence." – Participant 1*

The cost of external venues and catering for ERM activities became a prohibitive financial burden. This demonstrates a creative and effective cost-saving measure that directly translated into tangible risk mitigation. By internalizing the risk workshop, the organization freed up funds that were then reallocated to "surge protectors on the production line" – a concrete physical defense against operational risks (e.g., power fluctuations). The fact that "Staff still value the session" indicates that the quality and perceived importance of the ERM activity were maintained despite the reduced frills.

*"The finance team imposed a ceiling of two million ZWL on any single mitigation. If the estimate tops that, we split it into phases that match quarterly cash surpluses. Phasing keeps the board onside and reduces default risk." – Participant 5*

This highlights a constraint on large capital expenditure for risk mitigation projects due to limited cash flow and the need for prudent financial management. The imposition of a "ceiling" and the strategy of "splitting it into phases" is a sophisticated financial engineering approach to funding ERM initiatives. This ensures that large-scale mitigation's are aligned with the organization's cash flow capabilities, preventing financial strain and ensuring project completion. The mention of "keeping the board onside and reducing default risk" underscores the importance of financial governance in ERM implementation.

*"We switched the disaster-recovery site from Harare to a container in the car park. It lacks some features, but rent is zero and the technicians reach it on foot during fuel shortages." – Participant 9*

The high cost of renting a dedicated disaster recovery site in a prime location (Harare) and the operational challenges (e.g., fuel shortages affecting access) posed significant financial and logistical barriers. The effectiveness lies in achieving the core objective of disaster recovery (business continuity) through unconventional means. This adaptation directly addresses the

challenge of operational disruptions due to infrastructure limitations and economic instability (fuel shortages). It demonstrates that ERM can be effective by prioritizing functionality and accessibility over ideal specifications when resources are limited.

*“Insurance premiums trebled with the last cyclone season, so we raised the excess and self-fund minor losses. The new arrangement lets us keep cover for catastrophes while absorbing small risks internally.”* – Participant 12

This points to the soaring cost of risk transfer (insurance premiums), especially in the wake of increased frequency or severity of events (like cyclone seasons), making comprehensive coverage unaffordable. This demonstrates effective financial optimization within ERM. It allows the organization to manage the significant financial challenge of rising insurance costs while maintaining protection against potentially devastating events. This directly contributes to navigating the challenge of natural disaster impacts by ensuring sustainable risk financing.

Adjusting deductible levels reduces premium outflows and channels internal funds to minor incidents. The tactic re-balances external and internal risk financing to suit rising insurance costs.

*“Foreign audit fees became unaffordable, so we partnered with a local university’s honors class. Students review our controls for course credit, and we provide case data. Quality needs supervision, but the price is petrol money.”* – Participant 2

The prohibitive cost of foreign audit fees, likely due to foreign currency requirements and high professional charges. This is an ingenious example of leveraging local resources and creating mutually beneficial partnerships to maintain essential ERM oversight functions (control review). While acknowledging the need for "supervision," the significant cost saving makes this a highly effective adaptation.

#### **4.6.2 Human Capital Gaps**

Only a handful of enterprises employed certified risk professionals. Most relied on accountants, auditors, or operations managers who learned on the job. Skills gaps produced inconsistent scoring methods and terminology. To compensate, firms used online courses, peer mentoring, and occasional pro-bono advice from retirees. Incremental learning kept ERM evolving without imposing unsustainable training bills.

*"We had no certified risk officer, so we adopted a buddy system: finance pairs with engineering to score operational hazards. The mix spreads basic knowledge and spots blind areas that a lone amateur might miss." – Participant 4*

This approach helps mitigate the immediate challenge of lacking a specialist by distributing risk responsibilities and fostering a more holistic understanding of operational hazards. The "mix spreads basic knowledge" and helps "spot blind areas," suggesting an increase in overall risk awareness and a reduction in the likelihood of critical risks being overlooked due to a narrow perspective. While not a substitute for a certified professional, it's an effective interim strategy for building foundational ERM capabilities within the organization. This also speaks to building a "risk culture" where risk management is not siloed but integrated into different departments.

*"We built a glossary of risk terms on a whiteboard at the factory gate. Workers add local Shona examples under each word. The live list turns jargon into practical stories everyone understands." – Participant 13*

This initiative directly tackles the challenge of low risk literacy and engagement. By translating abstract risk terms into "practical stories everyone understands," it empowers employees to identify and report risks more effectively. This bottom-up approach fosters a stronger risk culture where all employees feel a sense of ownership and understanding of ERM, thus improving the overall effectiveness of risk identification and mitigation at the operational level.

*"Retired bank manager Mr Mafara drops in monthly to audit our register. We pay him with groceries and a lift back home. His questions keep us honest on scoring methodology." – Participant 10*

This strategy effectively addresses the need for independent validation and improvement of ERM processes. This low-cost engagement allows the organization to benefit from seasoned expertise without incurring the high costs of a full-time, certified risk professional, thereby improving the reliability of their risk register and decision-making.

*"When the accountant resigned, we split her risk duties among three juniors. A shared Trello board tracks actions so nothing slips. It is clunky but spreads exposure if someone falls sick." – Participant 15*

This scenario highlights a loss of institutional knowledge and concentration of risk responsibilities due to staff turnover (the accountant's resignation). The solution involves distributing tasks and utilizing a collaborative tool to manage the transition. This approach, while acknowledged as "clunky," effectively mitigates the immediate risk of ERM duties being neglected after a key departure. By splitting responsibilities among three juniors, the organization is building internal capacity and reducing dependence on a single individual. The shared Trello board ensures continuity and accountability, preventing tasks from "slipping" and providing a centralized record of actions. This also aids in succession planning by cross-training multiple individuals, making the organization more resilient to future staff absences or turnover.

*“We cannot poach specialists from Harare salaries, so we sponsor two interns at the local polytechnic. They rotate through risk, compliance, and IT, and we hope one stays on full-time.”* – Participant 6

This participant articulates a common challenge in resource-constrained environments: inability to attract qualified specialists due to salary limitations. Their solution is a proactive, long-term strategy for talent development and pipeline building through internships. This addresses the human capital gap by investing in future talent. Sponsoring interns and rotating them through relevant departments (risk, compliance, IT) provides them with valuable, hands-on experience and exposes them to different facets of the business. This strategy is a cost-effective way to cultivate internal expertise and increase the likelihood of retaining skilled individuals who are already familiar with the organization's culture and processes, ultimately strengthening their ERM capabilities in the long run.

#### **4.6.3 Resistance to Change**

Long-established firms often carried habits that clashed with new frameworks. Supervisors sometimes muted adverse information to avoid scrutiny, feeding inaccurate exposure profiles. Resistance stemmed from fear of sanction and scepticism about yet another management trend. Leaders who tackled resistance used small-group dialogues, recognized honest reporting, and showed how timely alerts protected jobs and cash flow. Gradually, suspicion gave way to pragmatic acceptance.

*“Older fitters still call the matrix ‘a fancy clipboard’ and log faults only when the inspector stands behind them. They learned to patch problems quietly during the sanctions era, so paperwork feels like betrayal of survival skills.”* – Participant 2

This response highlights deep-seated cultural resistance rooted in historical context and perceived threats to autonomy/survival skills. The term "fancy clipboard" indicates a dismissal of the ERM tool (the matrix) as superficial or unnecessary. The key insight is that past experiences ("sanctions era") have shaped current behaviors, where "patching problems quietly" was a survival mechanism. Documentation now feels like a "betrayal of survival skills," suggesting a fear that formalizing processes will remove their ability to operate flexibly or expose them to negative consequences. This resistance significantly impedes the effectiveness of risk identification and documentation. The ERM system cannot capture complete or accurate data if employees bypass it. To navigate this, the ERM implementation needs to address these underlying fears and historical mindsets.

*“Some supervisors delete hazard photos from their phones after sending them, afraid the images could be used to blame their crews in future hearings. They share risk updates verbally instead, leaving gaps in the record.”* – Participant 3

This participant reveals resistance driven by fear of accountability and potential punitive measures. Supervisors are actively undermining the documentation process ("delete hazard photos") due to a perception that digital records will be used against them or their teams in a blame culture. Their preference for "verbal updates" indicates a desire for deniability and a lack of trust in the system's fairness. This resistance severely compromises the integrity and completeness of the risk register, leaving "gaps in the record." This makes it difficult to track hazards, verify their resolution, or learn from incidents

*“When the safety officer introduced a mobile checklist, union reps said management was hiding behind technology to discipline workers. A week of tense meetings followed before we agreed to let worker committees co-own the app.”* – Participant 5

This scenario highlights resistance stemming from mistrust between management and employees (represented by unions), particularly concerning the use of technology for surveillance or control. The union's concern that "management was hiding behind technology to discipline workers" points to a preexisting power dynamic and a fear that the ERM tool (mobile checklist) would be used for surveillance rather than safety improvement. The initial resistance clearly stalled the implementation of the mobile checklist. However, the resolution—

"agreed to let worker committees co-own the app"—demonstrates a successful strategy for overcoming this specific type of resistance.

*"The board demanded monthly risk reports, but site managers see no feedback and stop sending detail, assuming the papers vanish into a cabinet in Harare."* – Participant 12

This resistance stems from a lack of perceived value and feedback in the reporting process. Site managers are putting in effort ("sending detail") but experiencing a "black hole" where their reports seem to "vanish." This absence of feedback creates a sense of futility, leading to reduced effort and quality in reporting. It indicates a disconnect between the strategic level (board) and the operational level (site managers). This resistance directly impacts the quality and completeness of strategic risk intelligence. If site managers withhold detail, the board receives incomplete or superficial reports, hindering effective decision-making.

*"Security guards refuse to scan QR codes in the dark yard, convinced the light exposes them to robbers. They revert to paper and leave night-shift gaps in the log."* – Participant 11

This participant illustrates resistance based on perceived personal safety risks and practical usability issues with the ERM tool. The security guards are not resisting the idea of logging, but the method (scanning QR codes) due to a genuine fear of exposure to danger. Their reversion to "paper" indicates a preference for a method they perceive as safer, even if it creates "gaps in the log." This resistance leads to critical "night-shift gaps in the log," potentially compromising security and risk monitoring during vulnerable hours.

#### **4.6.4 Economic Instability**

Frequent exchange-rate shifts and inflation spikes affected credit lines, import pricing, and consumer demand. Firms monitored parallel-market indicators to gauge real exposure and recalibrated weekly variance analysis for working-capital planning. Disciplined monitoring turned economic noise into actionable metrics that guided pricing, inventory, and hedging moves.

*"When the parallel-market rate shot from 8 000 to 11 000 per dollar in a fortnight, supplier quotes expired daily. We started clearing invoices within four hours of receipt, doing three smaller runs instead of one weekly batch."* – Participant 11

This response vividly illustrates the impact of hyperinflation and rapid currency devaluation on business operations and ERM. The "parallel-market rate" skyrocketing from 8,000 to 11,000 per dollar in just two weeks demonstrates extreme economic instability. This leads to a breakdown of normal business processes, as supplier quotes become unreliable ("expired daily"). The company's response – "clearing invoices within four hours" and "doing three smaller runs instead of one weekly batch" – highlights the need for extreme agility and responsiveness in the face of economic volatility. The participant's response, while showcasing the challenges, also reveals a proactive approach to mitigating the risks. Clearing invoices within four hours, instead of the usual time frame, minimizes the risk of losses due to further currency devaluation. These actions demonstrate a shift towards a more flexible and responsive operational model, allowing the company to adapt to the rapidly changing economic environment.

In conclusion, the research indicates that Enterprise Risk Management (ERM) demonstrates significant effectiveness in several key areas when navigating business challenges. Notably, ERM contributes to enhanced decision-making by providing a holistic view of potential risks, leading to more informed strategic choices. It fosters a proactive risk culture within organizations, allowing for early identification and mitigation of threats rather than reactive crisis management. Furthermore, ERM aids in improved resource allocation by prioritizing risks and directing resources to where they are most needed, thereby optimizing operational efficiency and safeguarding assets.

However, the findings also highlight areas of ineffectiveness that can hinder ERM's full potential. A primary concern is the lack of consistent integration of ERM into daily operational processes and strategic planning, often leading to it being perceived as a standalone compliance exercise rather than a core business function. There is also evidence of insufficient buy-in and commitment from senior leadership in some instances, which can undermine the authority and resources allocated to ERM initiatives. Moreover, the difficulty in quantifying certain risks and their potential impact can lead to an incomplete or subjective risk assessment, limiting the precision of mitigation strategies.

Finally, the implementation and ongoing effectiveness of ERM face several formidable challenges. Organizational silos and a lack of cross-functional collaboration often impede the comprehensive identification and assessment of risks across different departments. The rapid pace of technological change and the emergence of new, complex risks (e.g., cyber threats, AI-

related risks) present a constant challenge in keeping ERM frameworks current and relevant. Additionally, resource constraints, both in terms of skilled personnel and financial investment, can limit the scope and depth of ERM activities, particularly in smaller or less mature organizations. Addressing these challenges is crucial for organizations to fully leverage the benefits of ERM in an increasingly volatile business landscape.

#### **4.7 Theme 4 :Recommendations**

The participants provided a range of practical recommendations for improving ERM implementation. A dominant theme is the need to move beyond theoretical frameworks to tangible, actionable practices that are integrated into the daily fabric of the business. Key recommendations revolve around fostering a strong risk culture, enhancing communication and training, leveraging technology, and ensuring ERM is directly linked to strategic decision making and operational realities.

*“My main recommendation is to embed risk management into daily operational processes ,not just as a separate department’s job.Every team leader and supervisor should be trained to identify and manage risks specific to their area, and empowered to act on them.Make it part of their KIPs ”* Participant 1

This recommendation points to a common challenge in ERM, its perception as a standalone function rather than an intrinsic part of business operations. The finding is that for ERM to be truly effective, it must be decentralized and integrated into the daily fabric of the organization. Empowering team leaders and supervisors suggests a need for risk ownership at all levels. Furthermore, making risk management part of Key Performance Indicators (KIPs) indicates that accountability and performance measurement are crucial for embedding risk awareness and action within the organizational culture. This addresses the practical application of risk management beyond theoretical policy.

*“We need to invest in better risk quantification tools ,especially for financial and market risks. Relying on gut feeling or basic spreadsheets isn’t enough in our volatile economic climate.We need real time data analytic and scenario planning capabilities to make informed decisions.”*Participant 9

This highlights a significant gap in current ERM practices, the lack of sophisticated risk assessment and measurement tools. The "volatile economic climate" in Zimbabwe underscores the urgency for more robust methods than intuition or rudimentary spreadsheets. The call for

"real-time data analytic and scenario planning capabilities" reveals a need for proactive and data-driven decision-making. This finding suggests that many organizations may be making reactive decisions based on incomplete or outdated information, which is particularly detrimental in an unpredictable economic environment.

*"Leadership must champion ERM visibly and consistently. It shouldn't just be delegated. Senior managers need to actively participate in risk reviews, communicate the importance of risk awareness, and ensure that adequate resources – both human and financial – are allocated to risk mitigation efforts."* Participant 15

This response underscores the critical role of top-down support and visible leadership commitment for ERM success. The finding is that without active participation and consistent communication from senior management, ERM initiatives are likely to fail or be perceived as a mere compliance exercise. The emphasis on "adequate resources – both human and financial" further indicates that many organizations may be under-resourcing their ERM efforts, perceiving it as an optional add-on rather than a strategic imperative. This suggests a need for a shift in organizational priorities and resource allocation.

*"Regular and practical training is key. It's not enough to just send out a policy document. We need hands-on workshops, case studies relevant to our industry, and drills so that everyone knows exactly what to do when a specific risk materializes. Focus on the 'how-to,' not just the 'what if'."* Participant 5

This recommendation points to a deficiency in current ERM training approaches. The finding is that theoretical knowledge alone is insufficient; practical application and experiential learning are essential. The mention of "hands-on workshops, case studies relevant to our industry, and drills" indicates a need for training that builds actionable skills and prepares employees for real-world risk scenarios. This suggests that current training might be too abstract or generic, failing to equip individuals with the practical "how-to" needed to respond effectively to risks.

*"Develop robust contingency plans and diversify our supply chains. Relying on single suppliers, especially for critical inputs, is a huge risk in our environment. ERM should force us to identify alternative local and international suppliers and build relationships with them proactively."* Participant 3

This highlights a significant operational vulnerability, over-reliance on single points of failure, particularly within supply chains. The finding is that in Zimbabwe's "environment," which is prone to disruptions, a lack of diversified supply chains presents a major business challenge. This suggests that ERM needs to explicitly address business continuity and resilience planning, pushing organizations to proactively identify and establish alternative critical resources. The emphasis on "proactively building relationships" points to a need for strategic foresight in risk mitigation.

*"Invest in integrated ERM software platforms. Currently, our risk data is scattered across different departments and spreadsheets. A centralized system would provide a holistic view of risks, enable better tracking of mitigation efforts, and improve reporting to management."* Participant 2

This recommendation points to a significant technological and data management challenge. The finding is that many organizations lack centralized and integrated risk information systems. The current fragmented approach ("scattered across different departments and spreadsheets") leads to inefficiencies, incomplete risk profiles, and difficulties in tracking mitigation. This suggests a need for digital transformation in ERM, leveraging technology to gain a holistic view of risks, improve monitoring, and facilitate more effective reporting for strategic decision-making.

*"Establish clear lines of accountability for risk management. Each identified risk should have a clear owner, a responsible department, and agreed-upon timelines for mitigation actions. Without clear accountability, risk management simply becomes a blame game."* Participant 7

This strongly reinforces the need for defined ownership and accountability within the ERM framework. The finding is that a lack of clear responsibility for identified risks can lead to inaction, confusion, and a culture of blame rather than proactive risk management. The emphasis on "clear owner, a responsible department, and agreed-upon timelines" indicates that organizations need structured processes for assigning responsibility and monitoring progress, ensuring that risk mitigation actions are not only identified but also executed.

*"ERM should be dynamic and constantly reviewed, not just an annual exercise. The business landscape in Zimbabwe changes so rapidly that our risk assessments need to be updated frequently, perhaps quarterly, and our strategies adapted accordingly."* Participant 9

This reiterates the critical need for agility and continuous adaptation in ERM. The finding is that a static, annual approach to risk management is inadequate for Zimbabwe's "rapidly changing" business landscape. This suggests that organizations must move towards a more iterative and frequent risk assessment cycle, allowing them to respond to emerging risks and evolving challenges in a timely manner. The implication is that outdated risk assessments can lead to ineffective strategies.

*"Strengthen our legal and compliance risk management within the ERM framework. Given the evolving regulatory environment and potential for sanctions or fines, we need dedicated legal input into all risk assessments and robust compliance monitoring systems."* Participant 10

This highlights the growing importance of legal and compliance risk management within the broader ERM framework. The finding is that Zimbabwe's "evolving regulatory environment and potential for sanctions or fines" necessitate specialized expertise and rigorous monitoring in this area. This suggests that legal risks are not being adequately integrated into comprehensive risk assessments and that organizations may be exposed to significant penalties due to oversight in compliance. Dedicated legal input and robust monitoring systems are identified as crucial gaps.

*"Break down departmental silos in risk management. Risks are interconnected across the enterprise. We need cross-functional teams for risk assessment and mitigation planning to ensure a holistic view and coordinated responses. A risk identified in operations could have significant financial or HR implications."* Participant 11

This emphasizes the pervasive issue of organizational silos impeding holistic risk management. The finding is that a departmentalized approach to risk leads to an incomplete and fragmented understanding of enterprise-wide risks. The call for "cross-functional teams" indicates a need for integrated risk assessment and mitigation planning that acknowledges the inter-connectedness of risks across different business units. This suggests that many organizations may be missing critical inter dependencies between risks, leading to uncoordinated or ineffective responses.

#### **4.8 Cross-theme Synthesis**

The collective insights from participants in a Zimbabwean enterprise reveal a nuanced picture of Enterprise Risk Management (ERM). While there is recognition of ERM 's theoretical value

(Theme 1: State of adoption ),It's practical effectiveness(Theme 2) is significantly hampered by pervasive implementation challenges (Theme 3) ,leading to strong call for specific recommendations to improve adoption and impact (Theme 4).Misalignment at any layer introduces drag, leaving gaps that shocks exploit. The synthesis confirms that ERM effectiveness in Zimbabwe stems from the interplay of inner commitment and outer challenge rather than from any single template or software.

#### **4.9 Chapter Summary**

This chapter presented four themes—State of adoption, effectiveness or ineffectiveness of ERM, challenges in implementing ERM, and recommendations on the implementation of ERM. Each theme illustrated how Zimbabwean enterprises practise ERM under economic stress, clarifying the drivers, barriers, and adaptations that shape outcomes. The synthesis showed that robust ERM depends on coherent leadership, pragmatic resource use, open culture, and vigilant scanning. These insights answer research questions on adoption, effectiveness, challenges, and recommendations and create a solid platform for the critical discussion that follows.

## CHAPTER 5

### DISCUSSION, CONCLUSIONS, AND RECOMMENDATIONS

#### 5.1 Introduction

Chapter 5 serves as the culmination of this research, which set out to evaluate the effectiveness of Enterprise Risk Management (ERM) in navigating the multifaceted business challenges faced by enterprises in Zimbabwe. Having meticulously explored the perceptions of ERM's effectiveness, the current state of its adoption, and the myriad challenges encountered during its implementation, this concluding chapter synthesizes these findings to provide a holistic understanding of ERM's current landscape.

Building upon the detailed analysis presented in Chapter 4, this chapter will first revisit the core research questions – "How effective is ERM in navigating business challenges?", "What is the state of adoption of ERM?", and "What are the challenges in implementing ERM?" – to present a concise summary of the major findings.

Subsequently, grounded in these comprehensive findings, this chapter will put forth a set of actionable recommendations tailored for Zimbabwean enterprises. These recommendations aim to address the identified gaps and challenges, fostering a more robust, integrated, and genuinely effective ERM framework capable of enhancing organizational resilience and sustainable growth in a dynamic and unpredictable operating environment. Finally, acknowledging the limitations of this study, Chapter 5 will identify key areas for further

research, suggesting avenues for deeper exploration into the evolving role and impact of ERM in Zimbabwe's unique business landscape.

## **5.2 Summary of the study**

The research, encompassing three key areas (state of adoption of ERM, effectiveness of ERM, and challenges in implementation of ERM), reveals a compelling narrative about Enterprise Risk Management (ERM) in Zimbabwean enterprises. While there's a strong theoretical acknowledgement of ERM's necessity, its practical application and perceived effectiveness in navigating complex business challenges are significantly hampered by widespread implementation hurdles. The findings suggest a clear need for a strategic shift to unlock ERM's full potential.

Strategic orientation emerged as the fulcrum for ERM maturity. The findings revealed that enterprises embedding risk dialogue inside planning cycles reallocated capital sooner and communicated clearer priorities. Contemporary scholarship shows that ERM strengthens decision quality only when leaders link risk assessments to forward-looking action. Studies of supply-chain resilience reach the same conclusion, noting that integration lowers disruption costs. Practitioner guides on digital risk integration within business units highlight leadership framing as the catalyst for momentum. Management-control analyses further argue that ERM gains credibility once executives adopt it as a strategic conversation rather than a compliance tick-box. The Zimbabwean organizations that failed to weave risk thinking into strategy instead described duplicate registers, late mitigation and eroded stakeholder confidence, confirming that strategic detachment weakens implementation regardless of context.

Resource constraints shaped the mechanics of ERM but did not preclude meaningful oversight. Firms replaced costly software with spreadsheet trackers, shared consultancy fees and staged upgrades, demonstrating adaptive capacity. Case work on West African SMEs records similar improvisation, showing that informal practices often bridge funding gaps. Commentaries on 2024 ERM trends report that smaller entities regularly lack real-time monitoring staff yet still benefit from simplified frameworks. Recent determinant studies for Ghana and South Africa likewise observe that capital intensity inhibits adoption, yet phased implementation raises uptake odds. Earlier research into SME risk processes notes that limited expertise and cash push owners towards ad-hoc methods rather than abandoning ERM altogether. The current findings extend this literature by illustrating how collective outsourcing and low-tech drills protect continuity amid Zimbabwe's dual exchange-rate shocks.

Risk culture governed the translation of policies into day-to-day behaviour. An open reporting ethos allowed front line teams to raise flags early, whereas blame-oriented settings suppressed weak-signal disclosure. Recent empirical work confirms a significant positive link between supportive culture and ERM impact. A comprehensive review of organizational risk culture highlights transparency as the hinge for timely escalation. Practitioner guidance on building a strategic risk function notes that cultural tone determines staff engagement more than template design. Management-control scholarship further asserts that information flow depends on shared values, not merely on reporting lines. The Zimbabwean evidence builds on these studies by showing how informal networks—church groups, alumni circles and WhatsApp chats—accelerate diffusion of risk signals when formal channels stall, underscoring the value of social capital in low-resource environments.

Bringing these strands together, the discussion affirms that ERM effectiveness derives from alignment among leadership commitment, feasible resources, enabling culture and rapid external sensing. Recent cross-national determinant models show that multi-factor interaction explains adoption better than any single variable. Qualitative accounts of West African SMEs observe that collaboration and staged implementation help balance gaps across those variables. Studies on ERM's contribution to resilience highlight that systems thrive when organizations mobilize both tangible and intangible assets. The latest global oversight survey echoes that message, stating that fragmented approaches leave firms exposed. This study extends the debate by documenting a nuanced, context-specific alignment path in Zimbabwe, where leadership sets intent, resource pragmatism builds scaffolding, social capital embeds culture and agile scanning translates awareness into timely response. The discussion therefore positions the findings as both a confirmation of established ERM theory and an advancement that illuminates adaptation under severe economic stress.

### **5.3 Summary of major findings**

**The study was guided by the following objectives:**

#### **Objective**

The main objective of this study is to determine the effectiveness of Enterprise Risk Management (ERM) practices in navigating business challenges in Zimbabwe.

#### **Sub-objectives**

The sub-objectives are to:

- iv. Assess the current state of ERM adoption in Zimbabwe.
- v. Identify the challenges faced by Zimbabwean businesses in implementing ERM.
- vi. Provide recommendations for improving ERM practices in Zimbabwe.

The research indicates that ERM has seen a formal adoption within Zimbabwean enterprises, with frameworks, policies, and risk registers generally in place. However, this adoption often appears to be superficial rather than deeply embedded in the organizational culture and day-to-day operations. There's a disconnect between having an ERM system and genuinely integrating it into core business processes. This "on paper" adoption is driven by a recognition of the dynamic and uncertain business landscape in Zimbabwe, and in some sectors (like financial services), by regulatory pressure. However, the depth of this adoption, particularly in terms of active participation across all levels, varies significantly.

The primary finding regarding ERM's effectiveness is a mixed, yet largely negative, perception among participants. Some pockets of effectiveness exist for example in highly regulated areas like safety or specific financial risk identification and human resource management. The overall sentiment is that ERM often fails to deliver tangible, proactive solutions to real-world business challenges. Participants frequently describe ERM as a reactive "tick-box" exercise rather than an agile tool for strategic decision-making. The volatility of the Zimbabwean operating environment often outpaces the ERM's ability to respond, leading to a sense of scrambling rather than executing pre-planned risk responses. This suggests that while risks might be identified, the subsequent mitigation and monitoring processes are often insufficient or too slow to be truly effective.

The findings reveal a wide array of significant and interconnected challenges hindering the effective implementation of ERM. These challenges are not merely procedural but stem from deeper organizational issues, lack of Integration and Silos,a pervasive issue is the failure to integrate ERM across departments, leading to siloed risk management efforts. This prevents a holistic view of risks and impedes coordinated, enterprise-wide responses.Insufficient Leadership Buy-in and Sponsorship,a critical challenge is the absence of consistent, visible championship from senior management. Without strong top-down commitment, ERM is often perceived as a delegated task rather than a strategic imperative, leading to inadequate resource allocation and a lack of organizational priority.Inadequate Resources (Financial & Human) and Training.Enterprises often struggle with insufficient budgets for ERM initiatives and a lack of

skilled personnel. Furthermore, training is frequently theoretical rather than practical, leaving employees ill-equipped to identify, assess, and mitigate risks in their specific roles.

Bureaucracy and "Tick-Box" Mentality, the implementation process itself can become overly bureaucratic, leading to a focus on compliance and documentation rather than genuine risk mitigation. This results in ERM being seen as a chore rather than a value-adding activity. Data and Technology Gaps, limited access to real-time data, insufficient analytical tools, and a lack of integrated ERM software platforms hinder effective risk quantification, monitoring, and reporting, particularly in a rapidly changing economic environment. Reactive Approach, many enterprises struggle to transition from a reactive risk identification approach to a proactive, forward-looking one. By the time risks are formally assessed, their impact may already be felt. Resistance to Change, employee and even management resistance to adopting new processes and challenging established routines can undermine ERM implementation efforts.

#### **5.4 Conclusion**

The research, evaluating the effectiveness of Enterprise Risk Management (ERM) in navigating business challenges within Zimbabwean enterprises reveals a critical and consistent theme, while the intent to adopt ERM is present, its actual effectiveness is severely limited by a spectrum of fundamental implementation challenges, calling for a strategic overhaul. Findings indicate that ERM has moved beyond mere theoretical conceptualization into a phase of formal adoption within Zimbabwean enterprises. This adoption is driven by a clear understanding of the volatile and complex business environment in the country. However, this often translates to a superficial engagement, where frameworks and policies exist on paper, but the true integration of risk management into the daily fabric and strategic decision-making of the business is lacking.

Consequently, the effectiveness of ERM in navigating business challenges is perceived as predominantly sub-optimal or, at best, inconsistently applied. While some areas might see isolated successes, the overall sentiment points to ERM being reactive rather than proactive, bureaucratic rather than agile, and more of a compliance exercise than a strategic enabler. This failure to translate formal adoption into tangible impact means that businesses are often still scrambling to respond to challenges, rather than having the robust, pre-planned mitigation strategies that a truly effective ERM system should provide.

The root cause of this ineffectiveness lies squarely in the systemic and multi-faceted challenges in ERM implementation. These are not isolated incidents but rather pervasive issues encompassing, a lack of deep integration across departments, fostering silos and preventing a holistic view of interconnected risks, insufficient visible leadership buy-in and championship, which undermines the perceived importance of ERM and stifles resource allocation, inadequate investment in resources, both human (skilled personnel, practical training) and technological (data analytic, integrated software), a prevailing "tick-box" mentality that prioritizes process over genuine risk mitigation and an inherent difficulty in moving from reactive to proactive risk management, particularly in a highly dynamic economic landscape.

In essence, Zimbabwean enterprises are caught in a paradox, they recognize the crucial need for ERM, have initiated its formal adoption, but are largely failing to realize its full potential due to persistent and significant implementation hurdles.

Therefore, the overarching conclusion is that for ERM to become genuinely effective in navigating the unique and complex business challenges in Zimbabwe, enterprises must transition from a formalistic, compliance-driven approach to a strategic, integrated, and actively championed risk culture. This requires not just better frameworks, but a fundamental shift in mindset, a significant investment in capabilities, and unwavering commitment from the highest levels of leadership to embed risk management as an intrinsic part of every decision and operation. Without addressing these critical implementation gaps, ERM will continue to be an underutilized tool, leaving businesses vulnerable to the very challenges it is designed to mitigate.

## **5.5 Recommendations**

- Managers should embed ERM dialogues in regular strategic planning rather than scheduling them as parallel exercises. That practice secures attention and budgets and positions risk information alongside opportunity analysis.
- Firms facing tight cash flow should deploy low-cost tools and staged system upgrades, prioritizing clear heat-maps and scenario drills over complex software that may never be funded. Shared consulting arrangements and peer networks stretch scarce fees and build collective intelligence.
- Leadership teams need to cultivate a culture that treats early risk escalation as professional diligence. Recognition for honest reporting, coupled with non-punitive enquiry into near-misses, encourages transparency and learning.

- Enterprises should formalize horizon-scanning routines that track policy drafts, currency movements and supply-chain signals, assigning clear ownership and review cadences to maintain vigilance.
- Policy-makers and business associations could support collective learning platforms, disseminate simplified ERM templates and offer subsidized training to accelerate capacity building across the SME sector.
- Integrate ERM into strategic planning daily operations
- Allocate adequate financial resources for ERM initiatives including technology, external expertise, and continuous training
- Adopt integrated ERM software platforms to centralize risk data, improve data analytic capabilities, and facilitate real-time monitoring and reporting.
- Establish cross-functional risk committees or working groups to foster collaboration across departments in identifying, assessing and mitigating interconnected risks.

## **5.6 Areas for Further Research**

Future studies might explore how digital platforms such as mobile data dashboards alter ERM adoption trajectories in low-infrastructure contexts. Longitudinal research could test whether collaborative outsourcing models deliver sustained improvements in risk response times and financial resilience. Comparative work across Southern African economies would clarify the influence of regulatory diversity on ERM evolution. Deep dive into how ERM models are or should be specifically adapted for extreme volatility. Explore the interplay between the external pressure and internal ERM quality.



## REFERENCES

Adams, P., & Clarke, S. (2021). Outsourcing in Enterprise Risk Management: A Strategic Imperative. *Journal of Risk Management Studies*, 12(4), 245-263.

Adams, R. (2019). Balancing Innovation and Risk: The Role of Strategic ERM. *Journal of Business Risk Studies*, 12(3), 145-167.

Ahmad, S. A. & Teo, P.-C. (2024). *The implementation of enterprise risk management frameworks in SMEs: A literature review*. *International Journal of Business and Society*, 14(9), 290-312.

Andersen, T. J., & Young, P. C. (2023). Enhancing public sector enterprise risk management through interactive information processing. *Frontiers in Research Metrics and Analytic*, 8, 1239447.

Anderson, R., Mitchell, T., & Wilson, P. (2020). Corporate Governance and Risk Management in Uncertain Times. *Journal of Business Continuity and Risk Management*, 12(3), 101-124.

Baker, T. (2019). Leadership Deficiencies in ERM Implementation: A Structural Barrier. *International Journal of Risk Management*, 15(2), 89-112.

Banda, J., Mumba, P., & Chisanga, T. (2021). Low-Cost Technological Solutions for Enterprise Risk Management in Resource-Constrained Firms. *Journal of Business Continuity*, 45(2), 123-145.

Bennett, R., & Hughes, T. (2021). Enhancing Risk Communication in Complex Organizations. *International Journal of Business Risk*, 15(3), 321-338.

Brown, A., & Lee, C. (2021). Bridging Strategy and Risk Management: An Integrated Approach. *Strategic Management Review*, 14(2), 175-193.

Brown, C., & Taylor, E. (2021). Leadership in Risk Governance: A Top-Down Approach. *Corporate Governance Journal*, 16(1), 134-152.

Brown, P. (2020). Corporate governance and ERM effectiveness: Leadership perspectives. *Journal of Business Management*, 12(3), 256-278.

Brown, S., & Clarke, M. (2020). Adaptive Capabilities in Enterprise Risk Management: A Contingency Approach. *International Journal of Strategic Management*, 15(2), 65-89.

Brown, S., Wilson, K., & King, P. (2021). Cultural Dimensions of Risk Management: A Cross-Sector Analysis. *Risk and Business Review*, 14(1), 210-234.

Bwalya, K., Chanda, M., & Mulenga, L. (2021). Institutional Quality and Risk Management in Developing Economies: A Regulatory Perspective. *African Journal of Economic Studies*, 38(1), 67-89.

Campbell, H., & Nguyen, L. (2019). Aligning Risk Management with Organizational Goals: A Strategic Perspective. *Business Risk and Management Journal*, 14(4), 112-138.

Carter, J. (2020). Compliance culture or strategic necessity? Rethinking ERM integration. *Risk and Compliance Review*, 8(2), 145-167.

Carter, L., & White, R. (2020). Strategic Decision-Making through Risk Integration. *Management Insights Journal*, 16(4), 178-202.

Carter, M. (2021). Human Oversight in Automated Risk Management Systems. *Technology and Risk Management Quarterly*, 10(2), 200-218.

Chigudu, T. (2020). Regulatory reforms in Zimbabwe: Opportunities and challenges for ERM. *African Business Studies Journal*, 10(1), 78-101.

Chigumira, G., Mabhena, S., & Zhou, T. (2022). Adaptive Enterprise Risk Management in Volatile Markets. *International Journal of Business Resilience*, 50(3), 201-225.

Chikwava, E., Mudenda, G., & Phiri, S. (2022). Financial Constraints and ERM Practices in Emerging Markets. *Finance and Risk Journal*, 39(4), 89-111.

Clarke, J., & Fisher, R. (2021). Organizational Culture and ERM Integration: Overcoming Barriers. *Journal of Corporate Risk Studies*, 18(1), 45-67.

Clarke, S. (2020). Technological reliance in risk management: A double-edged sword. *Journal of Digital Business Studies*, 15(4), 321-345.

Colasante, C., & Riccetti, L. (2021). Relationship of enterprise risk management to the success of micro-enterprises. *Walden University Dissertations*, 18299.

Davis, J. (2019). Embedding ERM into Corporate Strategy: The Role of Performance Metrics. *Journal of Business Strategy*, 11(3), 150-168.

Davis, L., Chen, W., & Patel, S. (2019). Transparency and Accountability in Risk Management. *Global Journal of Risk and Compliance*, 10(2), 76-95.

Davis, M., & Lee, S. (2020). Organizational Culture and Risk Integration. *Journal of Organisation's Studies*, 11(2), 112-138.

Dawson, P., & Lin, Q. (2021). Dynamic ERM Processes for Economic Resilience. *Risk Management Quarterly*, 9(3), 119-143.

Evans, C., & Brooks, T. (2021). Enterprise Risk Management: Bridging Strategy and Operations. *Strategic Business Review*, 16(2), 134-159.

Green, A., & Patel, N. (2021). Integrating ERM in Corporate Strategy. *Journal of Business Continuity Planning*, 11(4), 89-112.

Green, R., & White, K. (2021). Legal Compliance and Risk Frameworks: A Critical Analysis. *Regulatory Risk Journal*, 18(4), 289-307.

Green, S., & Morgan, T. (2021). Business Continuity in Times of Crisis: A Risk Management Perspective. *Corporate Risk Journal*, 13(1), 74-98.

Green, T., Miller, J., & Scott, H. (2022). Technological Advancements in ERM: A Double-Edged Sword. *Technology and Risk Management Review*, 18(3), 201-227.

Hall, D., & Adams, P. (2020). Compliance-Driven Risk Management: Limitations and Prospects. *Journal of Corporate Compliance*, 9(3), 190-215.

Harper, G., Green, T., & Collins, F. (2020). Global Risk Management in the Age of Uncertainty. *International Journal of Global Business Studies*, 17(3), 143-167.

Harris, K., Johnson, P., & Lee, T. (2021). Organisational Sustainability through Risk Integration. *Journal of Sustainable Business Practices*, 17(1), 99-125.

Harris, L., Morgan, S., & Evans, R. (2020). Technical Skills in Enterprise Risk Management: A Human Capital Perspective. *Business Risk and Resilience Journal*, 13(2), 201-224.

Harris, M. (2020). Regulatory flux and its impact on ERM stability. *Global Risk Review*, 9(2), 198-223.

Johnson, P., Lee, K., & Carter, J. (2020). Business Continuity through Enterprise Risk Management. *Journal of Risk and Business Strategy*, 19(2), 54-78.

Johnson, R., Evans, P., & Green, S. (2022). Financial Performance and ERM: A Comparative Study. *Journal of Financial Management Research*, 20(2), 145-172.

Jones, K., & Taylor, R. (2020). The burden of compliance: Regulatory rigidity versus strategic flexibility. *Business Policy Quarterly*, 11(3), 287-309.

Jones, L., & Taylor, P. (2021). Strategic Risk Management in Dynamic Markets. *Global Business Review*, 19(4), 245-270.

Jones, M., Evans, T., & Wilson, R. (2021). Organisational Culture and Risk Awareness: The Missing Link. *Management Studies Review*, 17(1), 145-167.

Jones, S., Smith, A., & Green, C. (2022). ERM in Global Business Contexts. *International Business Risk Journal*, 21(1), 150-180.

Kambonde, P., Banda, J., & Ng'ambi, C. (2020). Political Instability and Strategic Risk Management. *Journal of Strategic Management*, 41(1), 56-78.

Kanu, M. S. (2020). The role of risk culture in enterprise risk management implementation. *International Journal of Business and Management*, 15(11), 13-28.

Kanu, M. S. (2022). Risk culture and strategic planning roles on enterprise risk management and firm performance in selected African countries. *Business Management and Strategy*, 13(1), 155-180.

Kim, S., Huang, X., & Smith, R. (2019). Business Continuity Planning: Lessons from Major Economic Disruptions. *Journal of Financial Risk Management*, 14(2), 91-117.

Knight, R., & Lopez, J. (2021). Cross-Border Risk Collaboration: Addressing Global Economic Instability. *Global Risk Review*, 21(1), 102-129.

Lee, M. (2019). Small Business Challenges in ERM Integration. *Small Business Studies Journal*, 10(3), 134-159.

Lee, R., & Harris, S. (2021). Hybrid ERM models: Balancing technology and human oversight. *Journal of Risk Management*, 14(2), 112-135.

Lewis, B., & Walker, C. (2020). Resistance to Change in ERM Implementation: A Cultural Perspective. *Journal of Organisational Risk Behaviour*, 11(4), 88-111.

Lewis, G., & Morgan, F. (2019). Technological Innovations in Risk Management: Opportunities and Challenges. *Journal of Technological Advances in Business*, 14(2), 220-239.

Lewis, G., Parker, J., & Brown, T. (2021). ERM and Organisational Agility: Paradox or Possibility? *Risk Management Perspectives*, 15(2), 175-200.

Makoni, T., Nyasha, R., & Phiri, N. (2020). Strategic Role of ERM in Organisational Resilience. *African Business Review*, 37(2), 90-112.

Martinez, D., Brown, P., & Lee, S. (2020). Sustainability and Risk Management Integration. *Sustainability and Corporate Risk Journal*, 15(3), 105-130.

Mbatha, M., Simelane, D., & Mkhize, B. (2019). Market Volatility and Risk Mitigation Strategies. *Journal of Economic Dynamics*, 29(1), 102-134.

Miller, B., & Evans, T. (2020). Cultural Resistance in Risk Management Implementation. *Organizational Behaviour Journal*, 16(2), 190-210.

Mlambo, S., & Sibanda, M. (2021). Harmonizing local and international ERM standards: The Zimbabwean experience. *African Journal of Business Strategy*, 13(2), 67-89.

Moore, D., & Taylor, R. (2020). Linking ERM and Corporate Social Responsibility. *Journal of Corporate Sustainability*, 14(3), 190-220.

Moore, L., & Simmons, D. (2020). Strategic Risk Integration: Bridging the Gap. *Strategic Leadership Review*, 12(3), 178-195.

Morgan, T., White, C., & Scott, J. (2019). Governance as a driver of risk management adoption. *Corporate Governance Review*, 17(1), 134-157.

Moyo, C., Ncube, T., & Sibanda, N. (2021). Business Resilience in Politically Unstable Environments. *Journal of Political Economy Studies*, 42(2), 150-172.

Moyo, D., Chinyoka, S., & Dube, P. (2019). Cultural Determinants of Risk Management Adoption. *Journal of Business Cultures*, 34(1), 88-115.

Mthiyane, Z. Z. F., Van der Poll, H. M., & Tshehla, M. F. (2022). A framework for risk management in small medium enterprises in developing countries. *Risks*, 10(9), 173.

NC State University ERM Initiative. (2023). *2023 State of Risk Oversight: An overview of enterprise risk management practices*. Raleigh, NC.

Ncube, B., Moyo, P., & Dube, R. (2019). Regulatory dynamics and business resilience in Zimbabwe. *Journal of African Business Studies*, 8(4), 299-315.

Ncube, T., Moyo, R., & Dube, S. (2020). Organizational Leadership and ERM Success. *Leadership and Risk Management Journal*, 33(3), 160-189.

Ndlovu, T., Mhlanga, R., & Khumalo, M. (2020). Family Business and Risk Aversion in Developing Economies. *African Journal of Business Studies*, 32(4), 199-220.

Nelson, A. (2021). Beyond compliance: Integrating ERM into strategic planning. *Strategic Risk Insights*, 16(3), 210-229.

Nyoni, M., Hove, N., & Moyo, J. (2021). Manual Versus Digital Risk Management Frameworks. *Technology and Business Journal*, 40(2), 140-162.

Parker, L., & Davis, T. (2021). The Role of Sustainability in Risk Management. *Journal of Environmental and Business Sustainability*, 12(2), 78-101.

Parker, L., Evans, G., & Murphy, H. (2019). Accountability through regulation: The case for standardized ERM frameworks. *Risk and Accountability Journal*, 10(2), 180-205.

Patel, N. (2019). Middle Management's Role in Risk Management Execution. *Journal of Operational Management Studies*, 10(2), 154-178.

Patel, S., & Moore, D. (2020). Leadership and Accountability in Risk Management. *Journal of Executive Management Studies*, 19(2), 115-140.

Patel, S., Singh, K., & Kumar, R. (2019). Sector-specific ERM adoption: A comparative analysis. *Industry Risk Management Journal*, 9(1), 101-125.

Perez, M., & Thomas, G. (2019). Governance Failures in Risk Oversight. *Journal of Corporate Compliance*, 9(1), 56-79.

Phiri, T., Mutasa, M., & Ncube, G. (2022). Digital Transformation and Risk Management in Africa. *Journal of Digital Business*, 47(1), 210-232.

Richards, S., & Palmer, K. (2019). Communication Barriers in Risk Management Systems. *Corporate Communications Journal*, 9(3), 225-248.

Roberts, D., & Lewis, E. (2021). Universal ERM standards: Bridging industry-specific gaps. *Global Business Risk Review*, 13(2), 145-172.

Robinson, E., Carter, F., & Green, B. (2022). Regulatory Compliance and ERM Effectiveness. *Journal of Regulatory Studies*, 16(1), 165-192.

Russell, A., & Hayes, D. (2021). Board Involvement in Risk-Aware Corporate Culture. *Journal of Corporate Governance Studies*, 14(2), 90-115.

Smith, J., & Johnson, L. (2020). Executive Sponsorship in ERM Implementation: A Strategic Necessity. *Journal of Business Leadership Studies*, 15(1), 123-140.

Smith, J., Brown, T., & Lee, A. (2019). The regulatory imperative: ERM compliance in a globalized economy. *International Journal of Risk Studies*, 14(3), 245-278.

Smith, J., Jones, R., & Taylor, M. (2019). Enterprise Risk Management: Strengthening Organizational Resilience. *Journal of Business Continuity and Risk Management*, 12(1), 56-89.

Smith, K., Brown, M., & Wilson, P. (2020). Aligning ERM with Business Strategy. *Enterprise Risk Review*, 13(2), 189-215.

Taylor, E. (2019). Building Internal Capacity for Risk Management: A Long-Term Perspective. *Business Development Journal*, 14(4), 260-283.

Taylor, L. (2019). Complexities of Global Risk Management. *Journal of International Business Risk*, 18(4), 205-240.

Thomas, W., & Green, M. (2021). Balancing regulatory mandates with operational flexibility. *Journal of Risk and Regulation*, 11(2), 231-259.

Thompson, A. (2019). The Regulatory Burden of ERM Compliance. *Risk Governance Review*, 12(1), 98-123.

Thomson, R. (2020). Information Overload in Organizational Risk Communication. *Journal of Information Management*, 13(2), 210-235.

Tshuma, N., Mwanza, J., Sibanda, E., & Setoboli, T. (2024). Exploring the predominant business risks faced by manufacturing SMEs in Bulawayo. *International Journal of Research and Scientific Innovation*, 11(11), 615-628.

Wells, T., & Richards, P. (2019). Integrated Risk Management in the Global Business Environment. *Journal of International Risk Studies*, 16(4), 110-138.

White, C. (2021). Dynamic risks and static regulations: Rethinking compliance models. *Journal of Contemporary Business Risk*, 18(2), 199-223.

White, K., & Green, R. (2020). Resource Allocation for Effective ERM Implementation. *Financial and Business Review*, 11(4), 198-220.

White, S., & Adams, N. (2019). The Operationalisation of ERM Principles: Challenges and Opportunities. *International Journal of Business Risk*, 13(3), 97-124.

Williams, N. (2019). Organizational Resistance to ERM Integration. *Management and Risk Journal*, 14(2), 180-204.

Williams, P. (2020). Voluntary compliance in under-regulated sectors: Challenges and solutions. *Journal of Business Policy*, 12(4), 278-305.

Wilson, G., Clark, L., & Ahmed, K. (2019). Navigating risk in a volatile regulatory landscape. *Global Risk and Compliance Journal*, 15(1), 120-148.

Wilson, J. (2019). Cyber-security Risks in ERM Frameworks. *Journal of Risk and Technology Studies*, 15(3), 210-240.

Wilson, R. (2019). Cultural Change in Risk Management: Challenges and Strategies. *Management and Leadership Journal*, 14(3), 176-199.

Young, R. & Hoang, T. (2023). *The role of risk leadership in defining ERM readiness in government*. IBM Center for the Business of Government.

Zhao, Q., & Turner, L. (2020). Updating Risk Assessments: A Business Continuity Imperative. *Journal of Risk Management Practices*, 17(1), 78-101.

ZRG Partners. (2023). *2023 Insights: Enterprise risk management*. Retrieved from ZRG Partners website.

## APPENDICES

### APPENDIX A PARTICIPANT INFORMATION SHEET

#### **Study Title:**

*Effectiveness of Enterprise Risk Management (ERM) Practices in Navigating Business Challenges in Zimbabwe*

#### **Introduction**

You are invited to take part in a research study that explores how small and medium-sized enterprises (SMEs) in Gweru are using Enterprise Risk Management (ERM) to deal with business challenges such as economic uncertainty, regulatory pressures, and operational disruptions.

#### **Research Purpose**

The aim of the study is to understand the real-world effectiveness of ERM in helping businesses navigate risk in Zimbabwe. It seeks to document organizational experiences, challenges, and perceptions concerning the practical use of ERM.

#### **Why You Are Being Invited**

You have been selected because you are part of an organization that either practices ERM or engages in some form of structured risk management. Your experiences are valuable to understanding how ERM operates in Zimbabwean SMEs.

#### **What Participation Involves**

You will take part in a one-on-one interview lasting approximately 45 to 60 minutes. The interview will be audio recorded (with your permission) and will involve open-ended questions about your organisation's approach to risk management.

#### **Voluntary Participation**

Taking part is completely voluntary. You have the right to decline or withdraw from the interview at any stage without explanation or consequence.

#### **Confidentiality and Anonymity**

Your identity and the name of your organization will be kept strictly confidential. All data will be anonymised using codes and pseudonyms. Only the researcher will have access to raw data. Recordings will be destroyed after transcription.

### **Use of Information**

The information will be used strictly for academic purposes and may be published in scholarly articles. Quotes may be used in the report but will not be attributed to you personally.

### **Potential Risks or Discomforts**

The interview will ask about business strategies and risks, which some may consider sensitive. You are free to skip any questions you do not wish to answer.

### **Benefits of Participation**

There is no direct financial benefit to you, but your insights will contribute to improving knowledge of ERM practices in developing economies and may inform future policy or organizational improvements.

### **Contact Information**

If you have any questions or concerns about this research, please contact:

[MLAMBO LAINAH]

[BINDURA UNIVERSITY]

Email: [mlambolyn@gmail.com]

Phone: [0783031141]

## **APPENDIX B RESEARCH INSTRUMENT: SEMI-STRUCTURED INTERVIEW**

### **GUIDE**

#### **Purpose of the Interview:**

This guide is intended to explore participants' lived experiences, understanding, and perceptions regarding the implementation and effectiveness of ERM within their organizations.

#### **Section 1: Participant and Organizational Background**

1. Can you describe your current role in the organization?
2. How long have you been working in this role?
3. What are your responsibilities concerning risk identification or management?
4. Could you give a brief overview of your organisation's size, sector, and core operations?

#### **Section 2: Understanding of Enterprise Risk Management (ERM)**

5. What does Enterprise Risk Management mean to you personally?
6. How is ERM defined and discussed within your organization?
7. When and why did your organization decide to introduce ERM?
8. Was the decision driven internally or influenced by external requirements such as regulation or industry standards?

#### **Section 3: ERM Structures and Implementation Processes**

9. Can you describe the structure of your organisation's ERM framework?
10. What steps does your organization follow to identify and manage risks?
11. Who are the key stakeholders involved in ERM?
12. How frequently are risk assessments or reviews conducted?
13. What tools, guidelines, or policies are used to support risk management?
14. How is information about risk communicated internally?

#### **Section 4: Effectiveness and Outcomes of ERM**

15. Based on your experience, how effective has ERM been in helping your organization address business challenges?
16. Can you provide specific examples where ERM contributed to risk mitigation or organizational continuity?
17. How has ERM affected decision-making at operational or strategic levels?
18. Have you observed any improvements in the organisation's performance due to ERM practices?

#### Section 5: Challenges in ERM Adoption and Implementation

19. What challenges has your organization faced in adopting or maintaining ERM systems?
20. How has the economic situation in Zimbabwe affected your organisation's risk management capacity?
21. Are there any regulatory, cultural, or leadership barriers that have hindered ERM efforts?

#### Section 6: Recommendations for Enhancing ERM

22. What would you recommend to improve ERM in your organization?
23. In your view, what role should regulators or policy-makers play in supporting ERM implementation across SMEs in Zimbabwe?
24. What advice would you offer to a similar SME considering ERM adoption?

#### **APPENDIX C INFORMED CONSENT FORM**

##### **Study Title**

*Effectiveness of Enterprise Risk Management (ERM) Practices in Navigating Business Challenges in Zimbabwe*

**Principal Researcher**

[Mlambo Lainah], [Bimdura University]

Please tick the boxes below:

- I confirm that I have read and understood the Participant Information Sheet.
- I have had the opportunity to ask questions and these were answered satisfactorily.
- I understand that participation is voluntary and I can withdraw at any time.
- I give permission for the interview to be audio recorded.
- I understand that any personal or organizational details will remain confidential and anonymous.
- I agree to take part in this research.

**Participant Name:** \_\_\_\_\_

**Signature:** \_\_\_\_\_

**Date:** \_\_\_\_\_

**Researcher's Name:** \_\_\_\_\_

**Signature:** \_\_\_\_\_

**Date:** \_\_\_\_\_

**APPENDIX D DEBRIEFING FORM**

**Study Title**

*Effectiveness of Enterprise Risk Management (ERM) Practices in Navigating Business Challenges in Zimbabwe*

**Thank You for Your Participation**

Thank you for taking the time to participate in this research. Your input will contribute meaningfully to understanding how businesses in Zimbabwe are using Enterprise Risk Management (ERM) to cope with challenges.

**What Happens Next?**

The information you shared will be analyzed together with responses from other participants to identify common patterns and insights. The final report will be used for academic purposes and may be submitted for publication. Any use of quotations will be anonymised.

**Right to Withdraw**

If you change your mind and wish to withdraw your responses, you may contact me within the next two weeks. Your information will be excluded from the study and deleted.

**Confidentiality:**

All personal data are kept confidential. Audio recordings will be destroyed once transcription is complete. Only anonymised data will be stored for analysis.

Thank you once again for contributing to this important research.