



# National University of Science and Technology

Think in Other Terms



**FACULTY OF COMMERCE**

**DEPARTMENT OF INSURANCE AND ACTUARIAL SCIENCE**

**MSC IN RISK MANAGEMENT AND INSURANCE**

**DISSERTATION**

**An Analysis of the adoption, implementation and application of Enterprise Risk  
Management practices and effect on share price volatility in the post dollarization era  
for Public Listed Companies in Zimbabwe**

*By*

**CHARLES MUCHOVO (N0124504V)**

**SUPERVISOR: DR. S MUTENGA**

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## Executive Summary

In a world where more complex and volatile business environment has almost become the norm, Enterprise Risk Management (ERM) has continued to grow in importance in many organisations the world over. Zimbabwe has experienced one of the most turbulent economic environments and continues to have an economic environment that is characterised by volatility and uncertainty. Listed Companies have to pace with ongoing corporate governance requirements, enhanced transparency and ongoing regulatory shifts and scrutiny. The study assessed the level of ERM adoptions and implementation, the ERM practices in light of the turbulent period prior to dollarisation, the factors influencing companies to adopt ERM, the benefits as well as the challenges of ERM implementation. Furthermore, the study investigates the effect of ERM on the share price volatility of the listed companies.

The research findings show that, despite the potential benefits of ERM, less than half of the listed companies have fully implemented ERM. Most of the companies with fully ERM are in the financial services sector, probably due to regulatory requirements. The results also show that companies that have fully implemented ERM have lower mean share price volatility as a group compared to non adopters as a group.