

## Abstract

The purpose of this study was to evaluate the effectiveness of risk management systems on financial performance in a Public Sector Setting. The study was triggered by the financial turmoil which had been experienced in a developing country by some institutions from 2014- 2016 as a result of fraud risks. This situation also resulted in poor service delivery. A quantitative research approach was employed in the study. Target population constituted 65 participants and a sample size of 50 respondents drawn from the ministry's departments in Harare region. Data was collected using a questionnaire. Analysis of data was done using percentages and mode and results were presented in tables, graphs and charts. The researchers established that effectiveness of risk management (RM) system in the ministry was negatively affected by major challenges such as lack of trained personnel that resulted in knowledge gap to adopt a formal system, non-existence of audit committee and lack of management commitment and coordination. Engaging the Auditor General to act as a RM consultant and provide training services may abridge the existing knowledge gap.