

Corporate governance has become an issue of global significance. There is a need for good governance, especially in the publicly quoted companies in Kenya. Ngugi (2007) did a study on the relationship between corporate governance structures and the performance of insurance companies in Kenya. Gatawa (2008) studies the relationship between corporate governance practices and stock market liquidity for firms listed on the Nairobi Stock Exchange. Matengo (2008) also conducted a study on the relationship between corporate governance practices and performance the case of banking industries in Kenya. The general objective of this study will be to investigate the effect of corporate governance practices on financial performance among commercial banks in Kenya: a case of Kenya Commercial Bank.

The purpose of this study is to determine corporate governance practices and the effect of corporate governance on financial performance of commercial banks with special reference to Kenya Commercial Bank. For the purposes of this study, the researcher will apply a descriptive research design. Primary data will be collected from one head of the various departments in the bank. Self-administered drop and pick questionnaires will be distributed among the sampled employees currently employed by Kenya Commercial Bank. Quantitative data collected will be analyzed by the use of descriptive statistics.

Both primary and secondary data will be collected in completing this study. Primary data will be collected using a questionnaire with close ended and open ended questions administered to the management staff of the Kenya Commercial Bank. The questionnaires will be self administered. Descriptive and content analysis techniques will be employed. Quantitative data analysis will be done by descriptive statistics where SPSS and Microsoft excel will be used to obtain percentages, tabulations, means and other central tendencies. Tables and other graphical presentations as appropriate will be used to present the data collected for ease of understanding and analysis. This will generate quantitative reports through tabulations, percentages, and measures of central tendency. Content analysis will be used to analyze data collected from the unstructured questions that is in qualitative nature.