

Title: THE IMPACT OF CORPORATE GOVERNANCE ON UNDERWRITING PERFORMANCE OF INSURANCE COMPANIES IN KENYA

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ABSTRACT

The study examined the relationship between performance and corporate governance in insurance companies in Kenya. The study was prompted by the collapse of some insurance companies in the recent past as a result of non-proportional relationship between the claims and premiums paid in. The study aim was to seek the relationship between corporate governance and underwriting performance using a sample of 7 companies in the Kenyan insurance industry. A cross sectional study was carried out using MRA to determine the dependence of incurred claims ratios on 7 main corporate governance factors. Multiple Regression Analysis was used to investigate the relationship. The findings revealed that there is no relationship whatsoever between the corporate governance and the underwriting performance. The study justifies need for Insurance companies to make the appropriate and strategic decisions on the business to write under general insurance.

Key words: Corporate Governance, firm's performance