

ABSTRACT

Every industry and or organization should aspire to have a good corporate governance image that enhances the reputation of the industry and or organization making it attractive to customers, investors, suppliers, contributors or donors. Quite a number of studies have been done on corporate governance. Most of these previous studies focused on financial institutions. Others focused on establishing the relationship that exists between corporate governance and performance. The researcher felt that the corporate governance area has not been fully exhausted and therefore focused on the healthcare industry with a main focus on private hospitals. Hence the research was conceived. The aim of the study was to determine the corporate governance practices and corporate governance challenges of the Private hospitals in the Coast province of Kenya. The research methodology used was a cross-sectional census survey. The population of study was made up of fourteen (14) private hospitals but only eleven (11) responded adequately making the response rate 79%. The data was collected by means of a questionnaire. The collected data was analyzed using Statistical Package for Social Sciences (SPSS). New insights on corporate governance practices and corporate governance challenges of private hospitals in Coast province of Kenya have been highlighted. A good number of the surveyed private hospitals in Coast province of Kenya indeed do practice good corporate governance. On the other hand a number of corporate governance challenges are being experienced by the private hospitals. A major challenge identified was the issue of low-income clients in need of their services. Through the study, vital information and critical areas in corporate governance practices pertaining to private hospitals management have been brought out.