ABSTRACT
Organizations, depending on the nature of their businesses, structure, and size employ different strategies in order to achieve their desired level of output. The organization therefore must implement the right strategies that they have formulated if the desired performance level is to be achieved. (Thompson and Strickland, 2008). In an organization’s quest to improve efficiency and profitability, most of these organizations tend to implement a corporate restructuring strategy involving re-building or total dismantling of areas or departments within the organization that requires special attention from management and other stakeholders. According to Bowman et al (1999), the consequences of restructuring can be conceptualized in terms of intermediate effects which may have positive or negative outcomes and these intermediate effects may have some impact on financial performance or economic wealth of the corporation. Restructuring is a contemporary solution issue to managing and anticipating change (Acharya, 2009). The purpose of the study is to establish the extent to which the various restructuring efforts executed at the top performing commercial banks affect the performance of the banks. For such a study to be carried out primary data will be used to determine the extent to which restructuring has been done by the commercial banks. Thus questionnaires are to be administered to employees of the selected banks to get this information and analyzed by use of men and standard deviation. The performance of the banks is derived from secondary data that is the published financial statements. From these the abnormal returns can be computed to determine the impact of the restructuring on the returns of the banks. This is then followed by a t test and the findings are then presented using tables. The study concludes that restructuring in banks leads to improved performance by the banks. The study had several limitations such as restricted number of participants and some respondents not giving information considered as confidential thus leading to the respondents giving unreliable information. The study implies there is a relationship between restructuring and performance of banks. For restructuring to be a success, management needs to take employee needs and concerns in planning and implementation of strategies,