ABSTRACT

This paper constitutes a theoretical review of existing literature relevant to the subject. The emerging literature on corporate governance indicates that the size of a bank's board of directors has a direct relationship with its profitability. The size of boards of directors have been claimed to be an important influence on the performance of large firms. For many firms the role of boards' acts more as a substitute for the development of internal staff and management skills, indicating that for large firms' directors chiefly support the control role of Chief Executive Officer. In light of advancement, the purpose of this paper is to clarify role of board size on performance of commercial banks.