ABSTRACT
Financial institutions are important intermediaries in channeling financial resources to different users and they are important actors in facilitating efficient resource allocation in the economy. Considering its importance, effective corporate governance is required to be established to enhance performance. Thus, it is not an exception to microfinance institutions. Furthermore, corporate governance in MFIs is challenging due to their ownership structure, objectives and the business risk they are associated with. Hence, the general objective of this paper was to identify the impact of corporate governance variables on performance of Microfinance institutions. As a result, majority of the empirical evidences reviewed depict that corporate governance does impact financial performance of MFIs, without ignoring the findings showing negative and no effect. Thus, further research is required to find out and make clear the debatable issue in corporate governance and performance.

KEY WORDS: Corporate governance, financial performance, Microfinance institutions.