ABSTRACT
Microfinance ensures the provision of financial services to the low income households, micro and small enterprises, and in turn provides an enormous potential to support the economic activities of the poor and thus contribute to poverty alleviation. It has been estimated that formal microfinance bank only serves less than one million clients in a country where over 60% of the country population of 40 million lives below poverty line. The objectives of this study were to: establish the extent to which MFI in Kenya have adopted microfinance as a strategic approach and to determine the role of microfinance in new venture support and growth in Kenya. This study was carried out through a crosssectional descriptive survey. The population of interest in this study consisted of all the MFIs in Nairobi County. There were 59 MFIs in Kenya as per the registered list of Association of Micro Finance Institutions 2012. Given that the number was small, a census survey was recommended. This study used a questionnaire to collect primary data for the study. The respondents of the study were the Chief Executive Officers (CEOs) of the MFIs. The data was then analyzed using descriptive statistics to summarize the pattern of findings. This involved the use of frequencies, percentages and means. Percentages were used to summarize and reflect the relative weight of micro financing as a strategic approach to new ventures support and growth. Mean was used to determine the magnitude of the weight a particular condition was given. The analyzed data was presented in tables and graphs. The findings of this study show that new venture support and growth through training and the supportive regulatory framework have a direct and significant relationship with MFIs set products for new ventures which ensure their growth. The study recommends that MFIs should design product packages that support new ventures engagement in more profitable, but nontraditional economic activities by bundling credit with additional services or by helping new ventures connect with agencies or groups where they can obtain support that will foster new venture growth.

Keywords: Credit facilities, Levels of income, Collateral, Interest rates, Economic growth and development, Micro and small enterprises.