Microfinance institutions are more problematic in achieving an optimal credit allocation than large commercial banks from an asymmetric information perspective. Having a long term bank-client relationships is believed to overcome asymmetric information problem and to create relationship value accrue for both clients and banks. However, in increasing competitive financial market, bank to set defensive strategy to prevent valuable clients switching to rival banks. Managing tacit knowledge will find new ways to succeed in new situations. The studies in this dissertation contribute some degree in viewing value creation between clients and micro-banks through cross fertilization of bank relationship, relationship marketing and organizational learning in achieving higher bank performance.

**Hari Sunarto** is a lecturer of the Faculty of Economics, Satya Wacana Christian University, Salatiga, Indonesia. He earned MBA degree from the Department of Applied Economics, Katholieke Universiteit, Leuven Belgium, before starting his Ph.D Program at the Tinbergen Institute and Vrije Universiteit, Amsterdam, The Netherlands. In addition to his main job as lecturer, he has been involving in some economic researches, in banking and finance consulting, and business practices.