Research Paper

The Nexus of Knowledge Management and Partnership Network in Nurturing the Business Continuity of Agro-Industry

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Abstract

This study aims to find the best model for coffee agribusiness development in Indonesia that acquires the construct of knowledge management. Knowledge Management helps businesses effectively collect, store, and use relevant information. The effectiveness of such information management is becoming increasingly important despite complex challenges such as intense competition and changing economic conditions. The main problem is that contradictions result in the relevance relevance between Knowledge Management and Business Continuity. From these problems, this research offers the Partnership Network as a mediating variable. This study aims to empirically examine the effect of knowledge management on business continuity. This research offers the Partnership Network variable as a mediator from the perspective of Resource-Based View Theory and Knowledge-Based View Theory. This study employs a quantitative approach with a positivism paradigm. The number of samples in this study was 179 with data testing using Structural Equation Modeling (SEM) with the SmartPLS analysis tool. This study found the effect of Partnership Network (PN) mediating variables that bridged Knowledge Management (KM) to Business Continuity (BC), namely Internalization (IN) to Business Continuity (BC), by 0.130. The perspective of this study uses the Resource Based View Theory and Knowledge-Based View Theory. Coffee farm owners need to join a trusted certified community to receive active knowledge transfer. The knowledge gained from training must be immediately applied to managing coffee farm challenges, such as lack of fertilizer and changing soil characteristics.

Keywords: *Knowledge Management; Partnership Network; Business Continuity; Coffee Farmers*

INTRODUCTION

Managing the coffee industry today does not entail acquiring infrastructure or resources. Many things are changing in the industry, such as market tastes, a variety of growing segments, as well as from the cultivation side, the emergence of challenges due to changing soil characteristics, and on the other hand the existing fertilizer supply cannot meet the entire existing agricultural land. This condition requires coffee agro-business players to solve problems innovatively. The knowledge of coffee farmers from the perspective of human capital must play a greater role in dealing with this growing phenomenon. Knowledge Management and Partnership Networks are also crucial aspects that cannot be ignored in an increasingly competitive business world, especially in the agro-industrial sector (de Castro, 2019; Kountios et al., 2024; Silva et al., 2023). In the context of the agro-industrial sector, these two elements serve as the foundation that supports the company's ability to survive and thrive. Knowledge management is required because the agro-industry is closely related to the unpredictable growth of crop commodities, which requires modification of the latest knowledge (Gardeazabal et al., 2023). Good Knowledge Management helps organizations make the most of the information (Abbas et al., 2020), while the Partnership Network is closely related to the business ecosystem. Businesses that are not connected to the market ecosystem are vulnerable to bankruptcy and discontinuation. To avoid this, new knowledge is needed for supply and receiving zones in the form of partnership (market) networks for agro-industrial commodities. One of the popular commodities of the Agro-Industry is coffee, which is the

flagship commodity of the Agro-Industry because it is an important sector in the national economy. (Wahyudi et al., 2020) so it has bright future prospects. The bright future prospects make the sustainability of the coffee business largely determined by the company's ability to adapt to market changes.

These market changes are not only influenced by changing consumer demands but also by technological developments (Singh et al., 2024) and innovation in Knowledge Management. Good Knowledge Management helps businesses effectively collect, store, and use relevant information. The effectiveness of information management is becoming increasingly important despite complex challenges such as intense competition and changing economic conditions. Unstable global economic conditions require companies to continuously learn and innovate to remain competitive.

The global coffee industry's fierce competition differs from the competitive market, depending on geographical and social conditions. Indonesia's geographical and social conditions provide its own uniqueness in the application of Knowledge Management and Partnership Network among coffee farmers. Farmers in Indonesia often rely on traditional practices, such as in Java, calculating the planting coffee period with *'Mongso'* in Sumatra with *'Siti Kawa'* (Nazaruddin et al., 2020). This local knowledge is passed down from generation to generation. This local knowledge differs from the approach used in other coffee-producing countries, such as Brazil and Vietnam, which are technology-based (Nguyen & Sarker, 2018). Local wisdom elaborated with technology will create breakthrough innovations to build iconic products (Hermawan et al., 2021). Modern technology used in these countries increases production efficiency (Rijwani et al., 2024), while in Indonesia, the geotourism potential in coffee plantations also makes a significant economic contribution (Hasan et al., 2020). This study has a problem that departs from the research gap regarding Knowledge Management in business sustainability, which shows contradictory results, where research shows that knowledge management is a key component of business sustainability (Farnese et al., 2019; Urbancová & Venclová, 2013; Wipawayangkool & Teng, 2016) showed a positive effect, while in other studies no significant effect was found. A significant effect was found in the study of Urbancová & Venclová (2013) which states that Knowledge Management strengthens business sustainability. However, research of İrkey & Tüfekci (2021) shows the opposite: Knowledge Management does not directly guarantee business sustainability; business sustainability is often more focused on optimizing resource management and mitigating risks (Santhose & Lawrence, 2023). Furthermore, although knowledge management can improve performance, its success is highly dependent on technology and organizational adaptability.

This research will build a practical model for identifying the best pathway for farmers to manage their knowledge to meet the challenges of an evolving coffee business. Sustainable coffee business development depends not only on technological innovation but also on Knowledge Management and strong partnerships (Silva et al., 2023). This study highlights the following research question: Is the partnership network able to fully mediate the Human Capital variable with the Business Continuity variable? The purpose of this research is to offer Knowledge Management and Partnership Network variables that are used to fill in knowledge in the domain of business sustainability in the agro industry that has not been quantitatively researched through the perspective of Resource Based View Theory and Knowledge Based View Theory.

LITERATURE REVIEW
Resource- and Knowledge-Based View

This Resource-Based View (RBV) theory emphasizes the use of assets, skills, capabilities, and knowledge within a firm. The focus is on internal resources owned and developed within the company rather than those acquired externally to increase the company's competitive advantage. (Coates & Mcdermott 2002). This competitive advantage allows organizations to be perceived as

dynamic entities that continually evolve through the production and use of knowledge (Coates & Mcdermott, 2002). The dynamism of an organization is influenced by knowledge that is difficult to replicate and helps a company compete in a dynamic environment (Osobajo & Bjeirmi, 2021). This dynamic later evolved into the Knowledge-Based View (KBV), which emphasizes that knowledge is a unique and important strategic resource for creating a competitive advantage (Singh et al., 2021). Competitive advantage ensures that organizations remain dynamic entities that evolve using knowledge. This hard-to-imitate knowledge again helps organizations to compete in a dynamic environment (Osobajo & Bjeirmi, 2021). Such dynamics can be applied to Agro-Industries to strategically manage their resources and use knowledge to improve product quality, open wider market access, and provide a sustainable competitive advantage.

Knowledge Management (Combination and Internalization)

Knowledge Management is the process of obtaining knowledge at the right time and place with the aim of facilitating the organization's creation, sharing, and utilization of knowledge (Oktari et al., 2020). This knowledge can be obtained in two ways: personal (tacit) knowledge and codified (explicit) knowledge (Natek & Lesjak, 2021). This research focuses on how knowledge is obtained through personal tacit knowledge. Tacit knowledge, which is internal and difficult to express, must be identified, extracted and disseminated creatively to be effectively used by the organization. As described by Harlow (2008), This knowledge needs to be developed to strengthen the company's knowledge management base. One of the models used in knowledge management is the Nonaka and Takeuchi (N&T) Model (Nonaka et al., 2006), which explains the process of knowledge conversion between tacit and explicit knowledge through four modes: socialization, externalization, combination, and internalization. Socialization is the process of sharing tacit knowledge through social interaction; externalization turns tacit knowledge into explicit knowledge; combination incorporates explicit knowledge; and internalization is the process of turning explicit knowledge back into tacit knowledge through hands-on practice (Karim et al., 2012). These processes help organizations to effectively manage and disseminate knowledge, which ultimately contributes to improved performance and competitive advantage of the company. With effective knowledge management, companies can minimize the risk of losing critical information because of staff turnover, accelerate decision-making, spur innovation, and improve operational efficiency. In addition, knowledge management strengthens relationships with stakeholders and ensures the company remains competitive in a dynamic marketplace (Osobajo & Bjeirmi, 2021), thus supporting the long-term sustainability of the business. The following indicators are contained in the combination, and Internalization according to Karim et al. (2012). Combination encourages information to be shared among the coffee farming community (CO1); Combination encourages farmers to use technology to promote fresh ideas in coffee farming (CO2); combination encourages farmers to be actively involved in community activities (CO3); Internalization encourages farmers to get enough training to run coffee farming (IN1); Internalization makes farmers have a handbook (IN2); Internalization encourages farmers to do self-development through coffee farming courses (IN3); Internalization makes farmers get information related to coffee farming through the internet (IN4).

Human Capital

Human capital plays an important role in sustainable business, especially in the agribusiness sector. Human capital, which includes knowledge, skills, and experience gained through education and training, can improve farmers' ability to manage production, adapt cultivation techniques, and optimize yields (van den Berg et al., 2020). By having strong human capital, coffee farmers can improve their operational efficiency and effectiveness and innovate despite changing climate and

market challenges. Therefore, investment in farmer education and training is critical for ensuring the sustainability and competitiveness of future coffee farming businesses in the future (Wahyudi et al., 2020). According to Suárez et al. (2022), Human Capital encourages farmers to have sufficient skills in coffee cultivation (HC1); Human Capital makes workers loyal to work (H2); Farmers have sufficient education related to coffee cultivation (H3).

Partnership Network

A good partnership network is essential for the sustainability of coffee farmers' businesses because an effective partnership network with various parties, such as suppliers, processors, and buyers, can create a mutually beneficial relationship (Pech et al., 2021). Through partnership networks, coffee farmers can build trust and commitment with their business partners, enabling them to share propositional knowledge where knowledge can be transferred or shared among individuals through communication or action (Mustapha et al., 2023), as well as resources, and increase understanding of each other's capabilities (Ireland et al., 2002). This not only helps coffee farmers improve the quality and productivity of their crops but also enables them to better respond to market needs, adapt to changing environmental conditions and technologies, and attract external networks without large investments (Jahan, 2024). Thus, a strong partnership network not only contributes to the improvement of coffee farmers' business performance, but also to the sustainability of their business amidst the challenges of an ever-evolving industry (Jahan, 2024). According to Partnership network has indicators of being able to access coffee product companies as product markets (PN1); Partnership Network encourages farmers to collaborate with other farmers (PN2); Partnership Network makes farmers have partners with government agencies (PN3).

Business Continuity

Business Continuity (BC) has a history that dates back to research on disaster recovery plans in the 1970s (Niemimaa et al., 2019). Initially, BC only focused on how to restore information technology (IT) systems when problems occurred. However, over time, this approach was considered too narrow because it did not consider how a company could continue its entire business process after a crisis. Today, Business Continuity focuses more on preparing and adding backup measures in business processes to make them more resilient to various emergency situations. The aim is to allow the company to continue operating despite disruptions. This holistic approach to business continuity management is also crucial for coffee farmers, who often face challenges such as weather changes and market fluctuations. By implementing a Business Continuity strategy, coffee farmers can be better prepared for risks and keep their production and distribution running smoothly (Niemimaa et al., 2019). According to Kazakova et al. (2020) Business Continuity has indicators, including being able to adapt to business changes (BC1); ensures producing the best quality coffee for the market (BC2); has work standards that must be met in cooperation (BC3); and has products with superior quality (BC4).

Knowledge Management (Combination and Internalization) and Partnership Network

The relationship between knowledge management and partnership networks is crucial for driving innovation and improving the performance of coffee farmers. Knowledge Management plays a role in the systematic collection, storage, and distribution of knowledge within the organization, which is an important element for maintaining competitiveness in a changing market. With a partnership network, organizations can share knowledge and expertise with their partners, thus accelerating the learning process and the development of new ideas (De Wit-de Vries et al., 2019). This partnership network allows for effective knowledge transfer between stakeholders,

strengthening collaboration and the ability to adapt to new challenges. Research shows that the stronger the collaboration network that is formed, the more effective the knowledge-sharing process that occurs, which in turn strengthens the innovation capabilities and performance of the organization. so that Knowledge Management has a significant influence on the Partnership Network. The proposed hypothesis is as follows:

H1: Combination has a significant effect on Partnership Network
H2: Internalization has a significant effect on Partnership Network

Human Capital and Partnership Network

The relationship between human capital and partnership networks is critical in creating productive collaboration and competitive advantage for organizations (Huo et al., 2016). Human capital, which includes the knowledge, skills, and abilities of individuals within the organization, plays a key role in strengthening the partnership network (Hitka et al., 2019). When companies have qualified human resources, they can better build mutually beneficial strategic alliances. On the other hand, partnerships with external entities, such as other companies and educational institutions allow organizations to share knowledge and resources, which in turn enriches their human capital. This knowledge-sharing process within the partnership network helps employees develop their skills and broaden their horizons, which in turn improves the overall performance of the organization. In addition, good human capital development also increases the company's ability to maintain long-term collaborations that provide sustainable benefits; therefore, Human Capital has a significant influence on the Partnership Network. The proposed hypothesis is as follows:

H3: Human Capital has a significant effect on Partnership Network

Knowledge Management and Business Continuity

The relationship between Knowledge Management (KM) and Business Continuity is crucial because KM plays a vital role in ensuring business continuity amid disruptions or crises. With effective knowledge management, organizations can identify, document, and disseminate critical information that enables operational continuity, even during emergencies. This allows organizations to operate steadily and prevents operational risks. Organizations with good KM systems are better equipped to plan for the future, as they can learn from past experiences and implement appropriate risk mitigation measures (Cu et al., 2021; Zieba et al., 2022) , so that KM has a significant influence on Business Continuity. The proposed hypothesis is as follows:

H4: Combination has a significant effect on Business Continuity
H5: Internalization has a significant effect on Business Continuity

Human Capital and Business Continuity

The relationship between human capital and business continuity is very close, as competent and skilled human resources play a key role in maintaining the company's operational continuity in the midst of a crisis or business challenge (Obrenovic et al., 2020; Zhong et al., 2021). Quality human capital encompasses the knowledge, skills, and experience that enable organizations to adapt, respond to market changes, and overcome potential disruptions (Hitka et al., 2019). Business sustainability relies on an organization's ability to leverage existing talent to ensure operations continue to run smoothly, even in unforeseen situations (Corrales-Estrada et al., 2021; Vishkaei & De Giovanni, 2024). Research shows that companies that invest in human capital development tend to be more resilient and able to maintain stable business performance in the long term (Matei et al.,

2024; Blanco & Montes-Botella, 2017). Therefore, Human Capital has a significant influence on Business Continuity. The proposed hypothesis is as follows:

H6: Human Capital has a significant effect on Business Continuity

Partnership Network and Business Continuity

The relationship between partnership network and business continuity is very close, as a strong partnership network can help companies maintain operations even in the midst of major challenges (Nunes et al., 2022; Pech et al., 2021). Partnership networks provide access to external resources, including knowledge, technology, and logistical support, which can be critical when dealing with crises or market changes (Shin et al., 2019; Yang et al., 2022). Collaboration with partners with diverse expertise and infrastructure helps companies overcome disruptions, adapt faster, and remain competitive in the marketplace. Research shows that companies with strong partnership networks are better able to survive and recover from business disruptions, such as natural disasters, economic crises, and pandemics. With partnership networks, companies can share risks, expand market opportunities, and increase their operational resilience, so the Partnership Network has a significant influence on Business Continuity. The proposed hypothesis is as follows:

H7: Partnership Network has a significant effect on Business Continuity
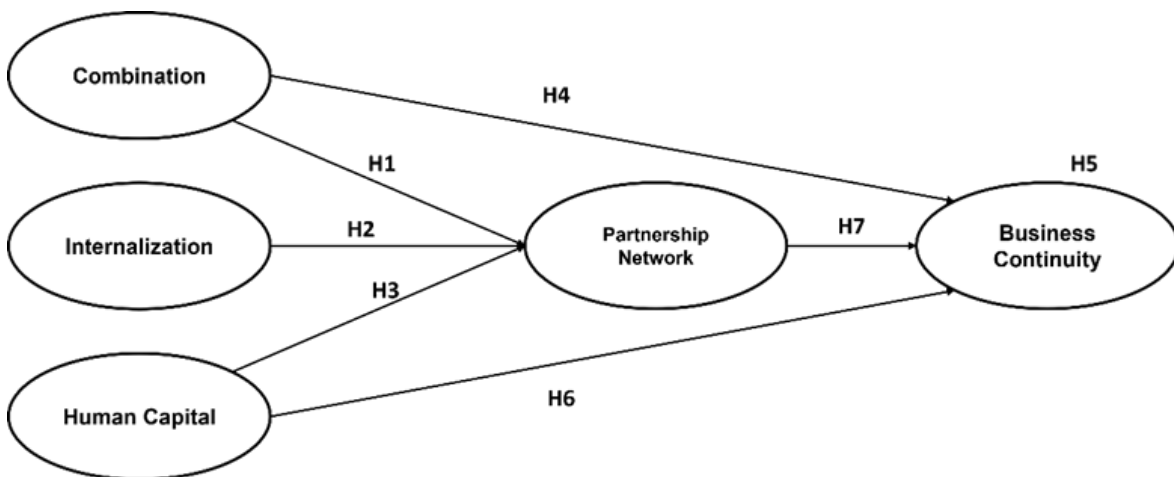
Figure 1. Research Model

RESEARCH METHOD

The primary data were obtained directly from the field and analyzed in this study. The respondents in this study were Coffee Farmers who owned land on coffee farms located in Temanggung Regency. The number of respondents was sufficient sample adequacy calculated based on the indicators of the Combination variable according to Karim et al. (2012) There are five indicators but in this study only three indicators are used because they are adjusted to field conditions. Indicators of Internalization variables according to Karim et al. (2012), there are four indicators. Indicators of the Human Capital variable according to Suárez et al. (2022) as many as three indicators. The indicators of the Partnership Network variable according to are 4 indicators, and the indicators of Business Continuity according to Kazakova et al. (2020) are four indicators, so the sample adequacy in this study is 125 (18 * 7). The data collected were from 211 respondents. Data were obtained using the purposive sampling technique with self-assessment filling. Purposive

sampling is a sampling technique based on the researcher's determination of the most appropriate sample that is representative of the population (Berndt, 2020). In this study, questionnaires were distributed; however, after analyzing outlier data, the data processed in this study were 179 of the total data collected. The approach used in this study is a positivism approach, which is a real study based on data and can be logicalise by the mind (Chih, 1998). The analytical tool used is Structural Equation Modeling (SEM), which was analyzed using SMART-PLS software. The SEM is a multivariate analysis method that can be used to describe linear relationships between indicators and variables that cannot be measured directly or latent variables (Collier, 2020). The use of SMART-PLS is based on processed samples included in the small category (Hair et al., 2014)

FINDINGS

This study was conducted by distributing questionnaires to coffee farmers in Temanggung, Indonesia. Based on Table 1, the number of respondents was 179, dominated by male respondents (60.33%) and females (39.67%. Data on the last education of coffee farmers were also obtained, with no education level at 4.47%; Elementary school at 49.72%; Junior High School at 13.40%; Senior High School at 24.02%; and University Graduate level at 8.39%. Then for the type of coffee produced in the form of robusta coffee with a percentage of 95% and arabica coffee by 5%.

Table 1. Demographic Characteristics of Respondents

Characteristics	Value	Frequency
Gender		
Male	108	60.33%
Female	71	39.67%
Education Attainment		
Not Going to School	8	4.47%
Elementary School	89	49.72%
Junior High School	24	13.40%
Senior High School	43	24.02%
University Graduate	15	8.39%
Type of Agriculture		
Robusta Coffee	170	95 %
Arabica Coffee	9	5%

The following table shows the indicator and loading factor values used to measure validity refer to table 2.

Table 2. Loading Factor

		BC	CO	HC	IN	PN
BC1	I am able to adapt to business changes	0,891				
BC2	I ensure to produce the best quality coffee for the market	0,854				
BC3	I have work standards that must be met in co-operation	0,904				
BC4	I have superior quality products	0,881				
CO1	I have enough information shared among the coffee farmer community		0,758			
CO2	I use technology that encourages knowledge to be shared easily (e.g. WA group among farmers)		0,863			
CO3	I am actively involved in community activities		0,850			
HC1	Each employee/worker has sufficient skills in coffee cultivation			0,920		

		BC	CO	HC	IN	PN
HC2	My workers have been in my business for a long time			0,914		
HC3	I have sufficient education related to coffee cultivation			0,852		
IN1	I have received sufficient training to run a coffee farm				0,872	
IN2	I have a coffee farming handbook that improves the way I farm				0,856	
IN3	I do self-development through coffee farming courses				0,879	
IN4	I get information related to coffee farming through the internet, especially social media				0,886	
PN1	I am able to access partner coffee product companies as product markets					0,898
PN2	I collaborate with other farmers					0,889
PN3	I have partners with government agencies (example: development of iconic city products, government events local farmers can join)					0,892

To test whether the indicators in the variables have good reliability or not using Loading Factors. The indicator can be said to have good reliability by fulfilling the conditions, namely having a value greater than 0.70 (>0.70) (Hair et al., 2014; Hussain et al., 2021). Each indicator in each variable has met the requirements with the indicator value of the BC variable, namely 0.854-0.904; for the value of the CO indicator is 0.758-0.863; then for the indicator value of HC, namely 0.852-0.920, the IN indicator has an indicator value of 0.856-0.879, while for the PN indicator itself has a value of 0.889-0.898. Based on the above results, we conclude that each indicator has reached a specified cut-off.

Table 3. Testing Value Fornell-Lecker Criterion

	BC	CO	HC	IN	PN
BC	0.882				
CO	0.718	0.825			
HC	0.754	0.728	0.896		
IN	0.693	0.784	0.741	0.873	
PN	0.818	0.691	0.783	0.725	0.893

Discriminant validity is also tested based on the Fornell-Lacker Criterion value which is seen from the correlation value between latent variables and their variables, which must be greater than the correlation with other variables (Garson, 2016). The HTMT ratio should be below 1.0 for an ideal model, where the heterotrait correlation is smaller than the monorail correlation. Thus, the table above satisfies the ideal HTMT ratio requirement. Based on the table, all variables met the heterotrait-monotrait ratio (HTMT) cut-off value.

Table 4. Model Fit

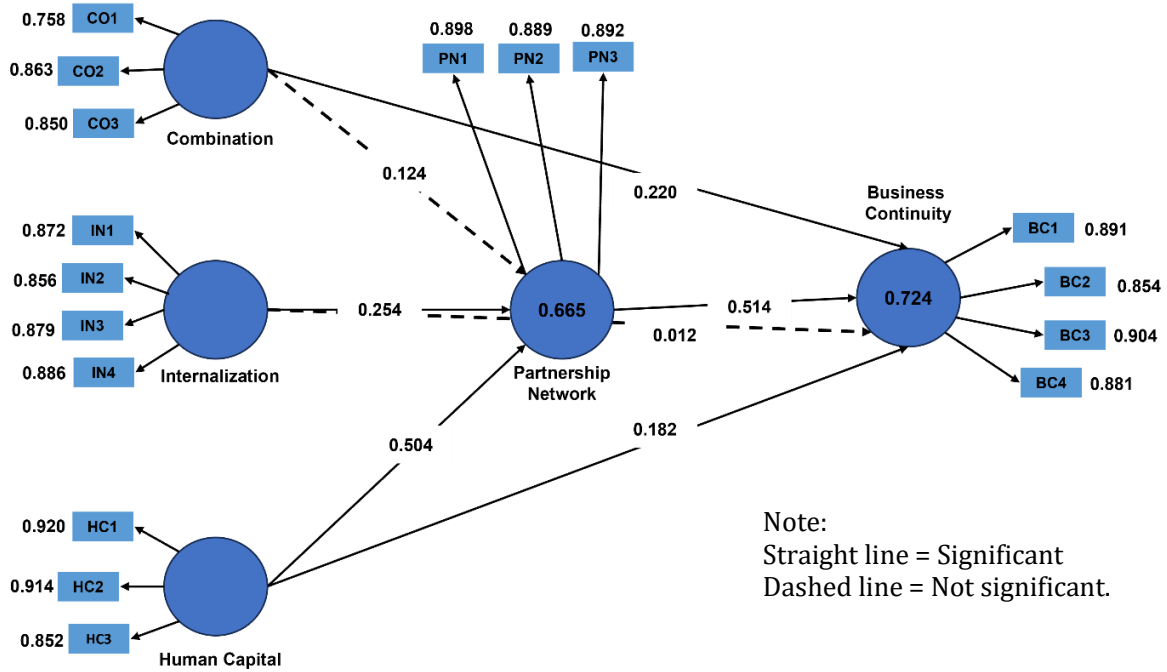|	Saturated Model	Estimated Model
SRMR	0.066	0.066
d_ULS	0.661	0.661
d_G	0.502	0.502
Chi-Square	531.005	531.005
NFI	0.802	0.802

Figure 2. Empirical Model

There are Standardized Root Mean Square Residual (SRMR), Chi-Square and NFI are used in model fit testing. SRMR is a measure of the absolute value of fit with a perfect fit value of 0 and a good fit value is if SRMR is less than 0.80 (Hu & Bentler, 1999). Based on the above table, the SRMR value is 0.066, so it can be considered good because it is less than 0.80. Then, the overall fit of the model was measured using the chi-square value (Hu & Bentler, 1999). The chi-squared value is used to measure the overall model. The chi-square value is 531.005. For the Normed Fit Index (NFI), according to Hooper et al. (2008), the NFI value can be said to be fit if it is more than 0.95 (>0.95). However, according to Khalil et al. (2024) and Khan et al. (2019), if the value is still in the range of 0-1 and close to 1, then the NFI value is still acceptable. When processing the data, the NFI value was 0.802, which is acceptable.

Table 5. Hypothesis Testing

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T-Statistic ($\lvert O/STDEV\rvert$)	P Values
CO -> BC	0.220	0.221	0.080	2.750	0.006
CO -> PN	0.124	0.134	0.087	1.435	0.152
HC -> BC	0.182	0.184	0.084	2.158	0.031
HC -> PN	0.504	0.496	0.080	6.335	0.000
IN -> BC	0.012	0.019	0.083	0.142	0.887
IN -> PN	0.254	0.257	0.097	2.611	0.009
PN -> BC	0.514	0.507	0.076	6.764	0.000

The hypothesis testing is carried out through original sample (O), namely, testing the relationship between the dependent and independent variables. If the value between the two is positive, then the effect is also positive. The results of the original sample (O) are shown as positive values. the value of the T statistic can be set if it is greater than 1.96 (>1.96) (Girma, 2023). According to the data above, not all hypotheses are accepted; there are two hypotheses that are rejected, namely CO on PN and IN on BC. Furthermore, to test the direct effect of the independent variable on the dependent variable, it can be seen through the P-Values with a cut-off of less than 0.05 (<0.05) (Ghozali & Latan, 2015). The results indicate that the following five hypotheses have

significant effects: the relationship between CO and BC (coefficient: 0.221, significance: 0.003), the relationship between HC and BC (coefficient: 0.184, significance 0.031), the relationship between HC and PN (coefficient: 0.496, significance 0.000), the relationship between IN and PN (coefficient:0.257, significance: 0.009), and the relationship between PN and BC (coefficient: 0.507, significance: 0.000).

DISCUSSION

This study examines the relationship between CO and BC to determine whether CO has an effect or no effect on BC. The results of the study show that CO has a significant effect on BC, so **hypothesis 1 in this study is accepted.** The results of this study provide a view of the knowledge-based view theory. This is in accordance with the theory of Koutouleas et al. (2022) that coffee farmers who take the initiative to improve coffee yields by actively involving themselves in a community that can access facilities in the form of knowledge sources and infrastructure have a high chance of improving the quality of coffee beans. In addition, according to research of Santana et al. (2021), farmers who keep up with developments in coffee management better understand technical procedures better, minimizing the risk of failure. This agrees with the BC indicator that coffee farmers who are often involved in communities, such as training organized by the government, will have new knowledge transferred, thus being able to sustainably manage their businesses. The practical implication for farmers is to join the right community, one that is certified and legally recognized, to add new opportunities to access knowledge to improve productivity, and to collaborate so that they can sustain their business against environmental changes. The combination of representation has a direct impact on business continuity, in which the role of technology inherent in daily life in the context of information sharing plays a strategic role in creating knowledge building.

Furthermore, this study also examined the relationship between CO and PN and whether CO affects PN or not. The results showed that there was no significant relationship between CO and PN, so **hypothesis 2 in this study was rejected**. This can be seen from one of the indicators of the Combination Indicator is that farmers have enough information shared among the coffee farming community; the indicator of PN is that farmers have partnerships with government agencies. Therefore, when farmers do not have social capital, infrastructure, organizational support, and knowledge sharing, these factors are not sufficient to build external partnerships. This is in line with research conducted by Candelo et al. (2018) which mentions that when looking to build a strong partnership network with external organizational support, access to infrastructure, and financial resources, rather than just sharing knowledge.

This study also examined the relationship between HC and BC, both of which had a significant effect, thus **accepting hypothesis 3**. These results provide an interesting perspective on the resource-based view, in which farmers develop their knowledge and skills through training. This is in line with research of Schmidt & Bunn (2021) that coffee farmers who have a good problem-solving approach will have fewer adverse impacts because they have knowledge capital that is adopted more holistically. This is supported by the HC indicator, which indicates that farmers have attended training related to coffee cultivation, which can help develop the BC indicator in which farmers are able to adapt to business changes. The practical implication of this approach is to directly apply the knowledge gained from the training results to coffee cultivation so that farmers obtain benefits in the form of direct knowledge transfer to assist in adapting to business changes.

The study also found that there is a significant effect between Human Capital and Partnership Network, so **hypothesis 4 is accepted**. Where one of the indicators in HC is that each employee or worker has sufficient skills in coffee cultivation, then the indicator in PN is that farmers are able to access company partners. With good farming skills, it produces superior products to attract various

company partners to work together. This is in line with the resource-based view theory, where when farmers have good capabilities and quality of human resources, they will have good abilities in terms of negotiation (Qorri et al., 2024). Therefore, they will be able to attract outside partners to work together to expand the market and understand market needs. The practical implication is to continue to improve knowledge so that communication and negotiation skills can be increased through workshops, communities, and certified training so that farmers can increase partnership networks to expand markets.

Then, this study tested IN and BC. This study showed an insignificant effect, so **hypothesis 5 was not accepted**. This study shows that the tacit skills inherent in coffee farmers are not sufficient to support the KBV theory. This is corroborated by research of Santana et al. (2021). This can be established by the IN indicator that self-development in terms of coffee farming is not enough to influence one of the BC indicators, that is, remaining able to adapt to business changes. This can be built by the IN indicator that self-development in terms of coffee farming is not enough to influence one of the BC indicators, that is, remaining able to adapt to business changes. This can be demonstrated by research of Tavares et al. (2019), who stated that the machine is a technological tool that supports efficiency and ensures that the quality of the coffee harvest is maintained.

Furthermore, this study also examines the influence between Internalization and Partnership Network, where both have a significant effect so that **hypothesis 6 is accepted**. An indicator of Internalization is that farmers have received sufficient training to run a coffee farm, while an indicator of PN is that farmers collaborate with other farmers. By getting enough training, farmers can share knowledge with farmers groups to support collaboration and increase production capacity (Molina et al., 2021). The practical implication is that farmers can share their knowledge with local farmer groups to support collaboration and increase production through offline means such as training or online through WA clubs or other media channels.

Finally, this study shows that the relationship between PN and BC is significant, so **hypothesis 7 is accepted**. This hypothesis reinforces the KBV theory that relationships owned by farmers in the form of partners can build stronger business continuity. This can be strengthened by research of Wright et al. (2024), the fact that various parties involved in the coffee farming business value chain from upstream to downstream will create ecosystem access that helps coffee farmers distribute their products properly. Product distribution can be conducted with various partners, such as government and non-government agencies, where the distribution of coffee products can be marketed on a national to international scale. This situation can be built with one of the PN indicators that farmers who have partners with government agencies can strengthen the BC indicator relationship, that is, coffee farmers are able to produce good quality coffee in the market. Practical implications are that farmers must maintain good relationships with partners to achieve business resilience in a changing market environment. By maintaining good relationships with partners, it is certain that the business network will strengthen and provide benefits to each party.

The contradictions of the study of İrkey & Tüfekci (2021) shows that KM does not directly guarantee business sustainability, business continuity is often more focused on optimizing resource management and mitigating risks, so this study offers a mediating variable partner network that bridges KM, namely CO and IN, to BC, with the results obtained are PN able to partially mediate IN to BC. This is analyzed through interrelated indicators, namely when farmers are able to create knowledge of growing coffee; use technology that encourages knowledge; conduct self-development through coffee farming courses; farmers will be able to access partners of coffee product companies as product markets and collaborate with government institutions. Finally, these farmers are able to adapt to business changes and produce the best quality coffee for the market.

CONCLUSIONS

From this study, the conclusion shows that of the seven hypotheses tested, five are accepted: CO and BC, HC and BC, HC and PN, IN and PN, and PN and BC. Meanwhile, the other two hypotheses, namely, CO with PN and IN with BC, are not significant, so they are rejected. In addition, the partnership network variable used as a mediating variable between KM (CO and IN) and BC yields different results. PN can partially mediate the IN variable to BC but cannot mediate the CO variable to BC. The findings of this study have answered the research question that PN is able to mediate HC to BC because the presence of a network of farmers will be able to optimize their intellectual potential, as elaborated with the opening of potential market access. The practical implication of this study for farmers is that to maintain business stability in the future, coffee farmers need to do several things, including actively joining the community to gain knowledge transfer, such as participating in discussions, training, or other collaborative activities that can increase productivity and competitiveness. The knowledge gained from training should then be immediately applied in the field, such as in the use of new cultivation techniques for growing coffee, while checking and monitoring the results to ensure its success. Farmers also need to develop their resources— whether in the form of crops, experience, or simple technology—to expand partnership networks with external parties such as companies, governments, or other organizations. Furthermore, farmers must maintain good relationships with partners through communication and commitment. Through these practical implications, farmers will be able to adapt to market changes and ensure sustainable business.

LIMITATION & FURTHER RESEARCH

The current research focuses on one region, Temanggung Regency, which is known as a major coffee-producing center. The selection of this location is based on Temanggung's reputation as a region with the highest quality and quantity. However, for future research, further exploration can be conducted in other regions where coffee production is less common. This study aims to compare the quality and quantity of yields from major coffee-producing areas with those from smaller coffee-producing areas to provide deeper insights into the factors that influence the quality and quantity of coffee from various locations. Partnership is not able to mediate to elevate CO to BC, so in the future, an issue of learning organization is offered.

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