

## Composite Analysis of Human Resource Change Leadership and Professionalism: A PLS-SEM Application in Vietnamese Sustainable Enterprises

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**ABSTRACT.** Scholars assert that human resource management is essential for organizational sustainability and that human resource professionals are institutional entrepreneurs who lead organizational changes toward sustainability. However, human resource (HR) professionals are currently leading sustainability efforts in a limited, piecemeal, and anecdotal manner, which may be caused by a lack of competencies. Therefore, based on the literature review, a model was built to explore the relationship between HR change leadership role and HR professionalism. Qualitative research (in-depth interviews with five experts) was employed to generate and filter the initial items of the scales. Quantitative research with a sample of 1,058 employees working at 24 sustainable enterprises in Vietnam was used to validate the scale and test the hypothesis through exploratory factor analysis and confirmatory composite analysis using the PLS-SEM method. The results demonstrate that the HR change leadership role positively influences HR professionalism. This result means that HR professionals should be capable of being strategic positioners, credible activists, capability builders, technology proponents, and interpersonal leaders to play their change leadership role in a sustainable context. Therefore, the HRM department should redesign the set of sustainable competencies for recruiting and evaluating HR professionals and plan short- and long-term strategies to train and develop sustainable competencies for HR professionals.

### 1. Introduction

Human resource management (HRM) is increasingly recognized as crucial for achieving organizational sustainability [1]. HR professionals, who act as architects of organizational agility

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and responsiveness [2], play a critical role in implementing HRM strategies and policies. The evolving nature of HR's change leadership role, from innovator [3] and change marker [4] to change agent [5], has culminated in the concept of institutional entrepreneurship [6]. Through this lens, derived from institutional theory [7], HR professionals challenge existing practices, introduce novel approaches, and foster their widespread adoption within and beyond the organization. HRM institutional entrepreneurs leverage organizational resources, including HRM systems, knowledge, skills, and social capital to embed sustainability values and transform organizational norms.

However, while focusing on establishing new sustainable practices, the existing conceptualization of HRM institutional entrepreneurship lacks a mechanism for ensuring long-term adherence and preventing detrimental social and environmental impacts [1]. Furthermore, this role requires empirical validation in future studies. Effective transformation towards sustainable institutional logic necessitates specific competencies in HR professionals, encompassing specialized knowledge applicable to business contexts [8], and collaborating with stakeholders on environmental issues traditionally outside the HRM domain [6]. Unfortunately, current HR practices often reveal competency gaps, including a limited understanding of core business models, weak relationships with senior leadership, and an inability to develop optimal HR practices [9]. Existing research on HR competencies has primarily focused on functional [2, 10] and soft competencies [6, 11] or a combination of strategic and functional competencies [12], lacking a comprehensive approach.

This study addresses these gaps by investigating the extent to which HR professionals possess the expertise and specialized skills, or HR professionalism, necessary for effective change leadership in sustainable organizations. Firstly, it expands and empirically tests Ren and Jackson [6] conceptualization of HRM institutional entrepreneurship, incorporating a crucial dimension of "controlling change" to address the concerns raised by Stahl, Brewster, Collings and Hajro [1] regarding the mitigation of harmful activities. This expanded framework encompasses identifying opportunities, creating a vision, leveraging resources, re-institutionalizing, and controlling the change. Second, this study identifies the essential HR competencies for enacting these roles within a sustainability context. Finally, it examines the relationship between HR change leadership and HR professionalism. Employing a mixed-methods approach that combines qualitative and quantitative research, this study utilizes a literature review to develop the study model and PLS-SEM to test the relationships between the identified variables. The findings will contribute to a deeper theoretical and empirical understanding of HR's change leadership role and the required competencies for fostering sustainability within organizations.

## 2. Literature review

### Human resource change leadership role

HR change leadership for sustainability involves driving organizational shifts towards environmentally and socially responsible practices [1, 6]. This encompasses identifying opportunities for sustainable HRM, creating a compelling vision, leveraging resources, embedding sustainability into organizational systems (re-institutionalizing), and ensuring ongoing adherence to sustainable practices (controlling the change). These dimensions involve recognizing the gaps between current practices and sustainability goals, mobilizing resources, building stakeholder alliances, and establishing new systems that normalize sustainable logic [13].

Although valuable, existing research on HR competencies for sustainability remains limited. The framework by Panayotopoulou, Bourantas and Papalexandris [14] focused on change agents and strategic partner competencies, respectively, but relied on self-perception. Ulrich, Younger, Brockbank and Ulrich [15] offers a broader perspective with six HR competency domains—strategic positioner, credible activist, capability builder, change champion, HR innovator and integrator, and technology proponent—assessed through self and other perspectives. However, these frameworks do not fully address sustainability complexities. Ulrich, Younger, Brockbank and Ulrich [2] emphasize internal change, while Ren and Jackson [6] prioritize stakeholder engagement for HRM institutional entrepreneurship, potentially overlooking core functional competencies.

This study defines HR professionalism for sustainability, drawing on Gilmore and Williams [16], as applying expertise, knowledge, and specialized skills. Expertise encompasses the six competencies of Ulrich, Younger, Brockbank and Ulrich [15], enabling an outside-in perspective and strengthening organizational capacity. Specialized skills, as derived from Ren and Jackson [6], focus on stakeholder engagement, which is crucial for addressing environmental issues that are often external to traditional HRM. Key competencies such as strategic contribution, credibility, business knowledge, and HR technology are essential for effective change agency and are linked to culture management [17, 18]. Therefore, HR professionalism for sustainability in this study comprises the six competencies from Ulrich, Younger, Brockbank and Ulrich [15] and the added dimension of interpersonal leadership, reflecting the critical role of stakeholder engagement.

**Strategic Positioner:** A strategic positioner can position a business for success in its market [15]. This competency enables HR professionals to understand the market conditions affecting their industry and co-create strategic responses to external trends [19]. Within a sustainability context, this extends beyond economic considerations to integrating sustainability into an organization's strategy, structure, processes, and culture [13]. HR professionals must

demonstrate competency in HR and business domains to contribute strategically [20] and effectively support strategy implementation [21]. Yong and Mohd-Yusoff [19] demonstrated that Yong and Mohd-Yusoff [19] strategic positioning is crucial for adopting green HRM practices. Therefore, this competency is essential for identifying sustainability-related opportunities and threats, creating sustainable visions and strategies, leveraging resources for change, realigning organizational tasks, and maintaining sustainability.

**Credible Activist:** Credible activists build trust through proactive engagement [15]. Credibility is earned by building relationships, communicating transparently and consistently, and maintaining a clear perspective on HR and business needs. Effective communication, particularly during change initiatives, is vital for establishing and maintaining credibility [22]. Given the multifaceted nature of leading organizational change towards sustainability—identifying opportunities, leveraging resources, and transforming organizational norms [6]—credibility is paramount. It underpins interpersonal effectiveness, relationship building, stress tolerance, creativity, and problem-solving [23], and is essential for HR professionals to contribute strategically [22]. Credibility with internal and external stakeholders is crucial for navigating resistance to change and building support for sustainability initiatives [24].

**Capability Builder:** Capability builders develop critical organizational capabilities, including culture, processes, and identity, fostering a meaningful work environment [15]. This involves translating individual abilities into organizational strengths, such as customer service, operational speed, quality, efficiency, innovation, and collaboration. In the context of sustainability, HR professionals must cultivate a supportive environment for enacting new sustainable logic and develop a culture that aligns with sustainable business practices [6]. This requires establishing systems that facilitate changes in the internal structure, adopting sustainable processes and technologies, and attracting a committed workforce. As Yong and Mohd-Yusoff [19] highlighted, capability building is crucial for developing green culture and establishing green employer brands.

**Change Champion:** Change champions drive change through disciplined processes, ensuring integration and sustainability [15]. They build internal capacity for sustainable change and lead external change processes, facilitating change at the individual, team, and organizational levels. This involves building a case for change, overcoming resistance, engaging stakeholders, and institutionalizing changes through resource allocation, structural design, and communication and continuous learning. Effective communication is critical to ensuring employee understanding and accelerating the adoption of GHRM practices [19]. Therefore, initiating and maintaining

**HR Innovator and Integrator:** HR innovators and integrators develop and integrate HR practices aligned with critical business issues, including sustainability [15]. They possess

expertise in sustainable organizational design, performance accountability, human capital management, and communication. By innovating and integrating HR practices, they enhance organizational impact and bolster HR's credibility and strategic position within and outside the organization. This strengthens their ability to overcome resistance and build support for sustainable changes.

**Technology Proponent:** Technology proponents leverage technology to enhance HR service delivery and facilitate communication [15]. The increasing use of e-HR is a crucial trend [25]. HR professionals must utilize technology effectively to deliver value, improve communication, enhance administrative efficiency, and connect internal and external stakeholders [24]. Proficiency in HR information systems is essential, along with the ability to transform data into strategic insights [21]. Technological competency strengthens organizational identity, improves internal and external relationships, enhances credibility, and facilitates various dimensions of change leadership, including identifying opportunities, building vision, mobilizing resources, and controlling change. As Yong and Mohd-Yusoff [19] noted, incorporating technology is essential for implementing green HR practices.

**Interpersonal Leader:** Sustainability inherently involves multiple stakeholders [6], requiring HR professionals to engage effectively with internal and external stakeholders to drive change. This includes senior executives, line managers, employees, suppliers, consumers, activists and NGOs. Strong interpersonal skills are crucial for institutional entrepreneurship and change agency Long, Wan Ismail and Amin [22], particularly for building trust and fostering collaboration [26, 27]. Effective interpersonal relations are essential for HR directors to engage with other board members [24] and leverage resources and build alliances for organizational change [28, 29].

### **The degree of adopting HR change leadership role**

The degree of adoption of the HR change leadership role is the extent to which HR professionals apply the five dimensions in leading organizational change toward sustainability.

**Identifying Opportunities:** Discovering and evaluating inconsistencies between the organization's current approach to managing human resources and the objective of sustainability, facilitating new logic legitimizing sustainability, and enabling them to mobilize resources for change [6]. It involves seeing an opportunity to realize an interest they value highly [30], discovering and evaluating existing opportunities, and facilitating the diagnosis of future opportunities [31]. For internal assessment, HR professionals should assess the likelihood and level of current institutional paradoxes, such as belonging, learning, organizing, and performing paradoxes, as well as institutional barriers. For example, the organizational goal is sustainable development through environmental and philanthropic activities. Employees' perceptions are contrary because they attribute that these do not directly benefit them but waste their time or

cause exhaustion. *For the external dimension*, HR professionals should diagnose the opinions of their organization's partners (in the value chain) and themselves on social and environmental issues. For example, suppliers may think that pursuing sustainable development is not their goal, so they may unfairly treat employees, use underage labor, or release waste into the environment.

**Creating a New Vision:** Developing a sustainability vision that frames a sustainability-oriented change project based on the terms of the sustainable problem that HR professionals help to resolve, as preferred to current arrangements, and motivated by convincing reasons; and sharing the sustainability vision of the changing necessity with followers to make the case for change [6]. *From an inside dimension*, HR professionals are responsible for pushing related top managers to create a sustainable vision that is valuable, attractive, and compelling. For example, HR professionals should help top leaders and management teams have a change-culture outlook to transform the organization from a target-driven culture to a value-driven culture that can sustain CSR [32] through education or make explicit the failing of the existing organization caused by unsustainable performance or propose/suppose organizations to participate in competitions on sustainable development. *Externally*, HR professionals should collaborate with recognized sustainability leaders in the value chain or industry to establish and promote sustainable activities [33, 34].

**Leveraging Resources:** Forming alliances and gaining support from involved actors via substantial resources in cognitive, social, and material support to expand the available resources for sustainability-oriented change and improve communication effectiveness when persuading others of the need for sustainability-oriented changes and creating and nurturing relationships to foster organizations' engagement in community activities and multi-organizational collaboration [6]. Resources referring to cognitive, social, and material support are indispensable to institutional change [30] and are mobilized to induce endorsement and support for implementing divergent changes [35]. In this process, financial resources and other resources referring to social position (e.g., formal authority) as well as social capital (e.g., informal network positions) are used as tools to bring other players into a coalition [30] and encourage important stakeholders to favor a project [36]. *Inside the organization*, solving organizational paradoxes or appraising the performance of policies, processes, and practices aims to minimize the risks and resistances that come from the change of existing business practices [6]—managing the necessary resources to support the desired changes and sharing the responsibility with line managers and employees in sustainable activities [37]—mobilizing the full support of the management team through good communication or encouraging policies/programs or managers' implementation through incentive policies [1]. *Outside the organization*, HR professionals can create and nurture relationships to advance organizations' involvement in community activities and multi-

organizational collaborations [6]. Nurturing two-way conversations between employees and the community encourages environmental morals and follower persuasion [38].

**Re-institutionalization:** Establishing new systems to ensure that the institutional logic of sustainability is taken for granted [6]. Using new performance metrics reflects the tripartite nature of sustainable development and shapes organizational culture to facilitate internal structural changes and adopt appropriate business processes and technologies. They also engage a committed workforce and build enthusiastic devotion and excitement for sustainability efforts beyond their organizations' boundaries. Developing a complex set of values, beliefs, assumptions, and symbols that define how a firm conducts its sustainable business can create value and reduce the risk of conflict between subgroups. *Inside the organization*, reconfiguring the resource portfolio to enhance interdependencies [13] and engaging or coordinating the redesign/realignment of the HRM system, management method, and technology application [34] are necessary. Attracting top talent improves sustainability, fosters spillover between green behaviors at home and work [1], sets long-term sustainability objectives, adds sustainable evaluation criteria to the performance appraisal system, and establishes supervision-feedback processes [34]. *HR professionals transfer learning to and among supply chain partners outside the organization* to foster sustainability and assist in their change efforts [33].

**Controlling Changes:** Regularly auditing, reviewing, and institutionalizing to maintain sustainable institutional logic [13] and setting up a mechanism to control harmful activities to society and the environment. They review policies and procedures to determine whether sustainable activities are aligned with the organization's goals or whether the sustainable outcomes meet the desired plans (in terms of cost savings, better safety environment, labor policies, equal opportunities, human rights, etc.). The identified weaknesses or strengths from the auditing and reviewing process are the basis for identifying opportunities, creating a new vision, leveraging and re-institutionalizing, and setting a controlling mechanism that prevents or minimizes the negative impacts on society and the environment in the changing process. *The information can be obtained within the organization by surveying the involved and affected employees, contracting with outside auditing organizations, or participating in annual sustainable competitions* for their assessment. Harmful issues need to be prevented, such as the lack of a labor voice, which is a significant societal challenge that results from employers' negative attitudes toward trade unions [39]; an increase in low-paid, insecure, and atypical work contracts, which are combined with the challenge of worker migration [40]; and human rights violations (forced labor, unhealthy and dangerous working conditions) [41]. *Outside organizations*, HR professionals should give a constructive voice to outside stakeholders for any human rights violations, such as child labor, forced labor, and unhealthy and dangerous working conditions.

In sum, when HR professionals adopt the change leadership role, they develop and demonstrate valuable knowledge and skills in managing sustainable HRM practices; therefore, the HR change leadership role enhances HR professionalism in two ways. First, in leading change toward sustainable development, HR professionals must develop competencies such as strategic positioners, credible activists, capability builders, change champions, human resource innovators and integrators, technology, and interpersonal leadership skills. Second, HR professionals in this role are more likely to pursue continuous learning and adaptation by staying informed about the latest trends and best sustainable HRM practices, which are features of HR professionalism. Professionalism requires HR professionals to possess the necessary skills, undergo ongoing training, develop professional knowledge standards, and regularly update their expertise to remain relevant [16]. Therefore, the following hypothesis is proposed (Figure 1):

**Hypothesis:** HR change leadership role positively relates to HR professionalism

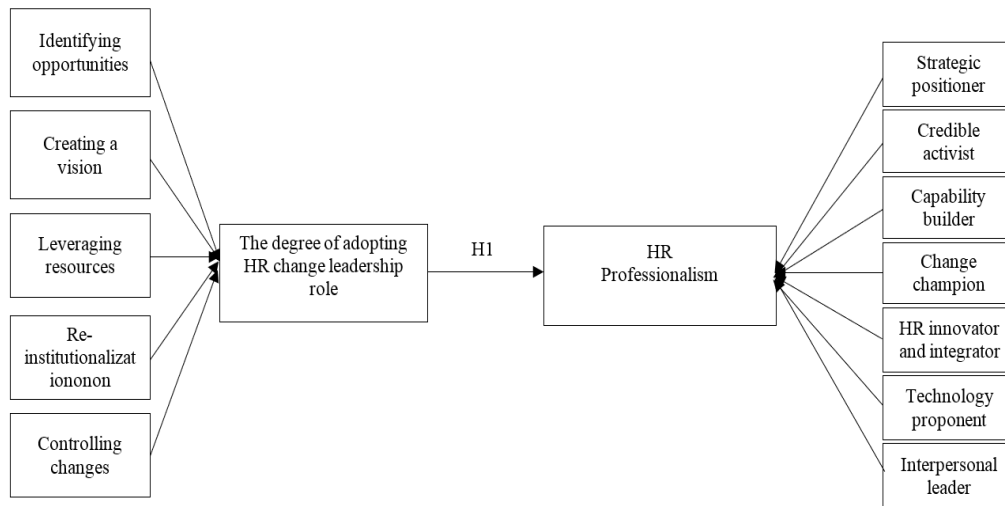


Figure 1: Research model.

### 3. Research method

This study employed a mixed-methods approach. Qualitative data gathered through in-depth interviews with five experts were used to refine the measurement scales. Quantitative data collected from 1,058 employees across 24 Vietnamese sustainability enterprises were used to assess scale validity, confirm variables, and test the hypotheses and models. Reliability and validity were assessed using Cronbach's alpha and exploratory factor analysis (EFA) with principal axis factoring extraction and Promax rotation, chosen for its accuracy in reflecting data structure [42]. Partial least squares structural equation modeling (PLS-SEM) was employed to analyze composite reliability, extracted variance, and test the hypothesized model, given its suitability for formative constructs, small sample sizes, and complex models [43]. Data were analyzed using SPSS 20 and PLS-SEM 4.0.



The sample size of 1,058 ensured reliable estimates for the 82 observed items, exceeding the recommended ratios [44]. Purposeful sampling was used to select employees from 24 enterprises. Data collection from December 2023 to February 2024 involved two strategies: self-administered questionnaires (n=385) and interviews conducted by a trained survey team (n=673). Questionnaires were distributed to diverse employee categories to mitigate common method bias [45]. Participants rated their agreement with items measuring HR change leadership (five indicators: identifying opportunities [IO], creating vision [CV], leveraging resources [LR], re-institutionalizing [RI], and controlling change [CC]; 38 items adapted from Ren & Jackson, 2019; Stahl et al., 2019; and qualitative research) and HR professionalism (seven indicators: strategic positioner [SP]; credible activist [CA], capability builder [CB], change champion [CM], HR innovator and integrator [HI], technology proponent [TP], interpersonal leader [IL]; 44 items adapted from Ren and Jackson [6], Ulrich, Younger, Brockbank and Ulrich [15]; and qualitative research) on a five-point Likert scale.

The sample features are with a ratio of 52.8 female and 47.2% male; young (25 to 40 age, 65.2%); married (71.9 %); highly qualified (64.4% of degree and postgraduate; 31.5% of college; only 4.2% of other levels); and at least one year of working experience in sustainable enterprises (over ten years of experience, 66%). The ratio of 8% is HR staff, 65.4% is office staff, 16.8% is technical staff, and 8.7% is management positions.

#### 4. Result

The results in Table 1 show that the EFA of CLR ( $0.5 \leq \text{KMO} = 0.972 \leq 1$ ; Bartlett's Test with sig of  $0.000 < 0.05$ ) and HRP ( $0.5 \leq \text{KMO} = 0.970 \leq 1$ ; Bartlett's Test with sig of  $0.000 < 0.05$ ) fit to analyze the exploratory factor. There are five extracted factors for CLR with an eigenvalue of 1.552 ( $>1$ ), a variance of 62.761% ( $>50\%$ ), and items with high loading ( $>0.5$ ). Similarly, there are seven extracted factors for HRP with an eigenvalue of 1.317 ( $>1$ ), a variance of 67.037% ( $>50\%$ ), and items with high loading ( $>0.5$ ). Finally, CLR consists of five factors with 38 items (IO, 9 items; CV, 5 items; LR, 7 items; RI, 9 items; CC, 8 items) and HRP consists of seven factors with 44 items (SP, 6 items; CA, 5 items; CB, 5 items; CM, 7 items; HI, 10 items; TP, 5; IL, 6), meeting thresholds of factor analysis and scale reliability and used for executing CCA process.

Assessing the validity of CLR and HRP involves assessing the reflective lower-order and formative higher-order constructs. The results in Table 1 show that CLR achieved item reliability (outer loadings of IO, CV, LR, RI, and CV  $>0.708$ ); satisfied the composite reliability (CR of IO, CV, LR, RI, and CC fall in the range of 0.920 to 0.947  $<0.95$ ); and had high convergence (AVE values of IO=0.665; CV=0.763; LR=0.623; RI=0.643; CC=0.678  $>0.5$ ) (Hair et al., 2018). Similarly, HRP achieved item reliability (outer loadings of SP, CA, CB, CM, TP, and IL  $>0.708$ ), except for the outer loading of HI01, which was 0.703. However, the value of 0.70 is close enough to the value of 0.708, thus, it is acceptable (Hair et al., 2014). It also satisfied the composite reliability

(CR of SP, CA, CB, CM, HI, TP, and IL fall in the range of 0.937 to 0.947 <0.95); had high convergence (AVE values of SP=0.714; CA=0.759; CB=0.776; CM=0.688; HI=0.642; TP=0.769; and IL=0.716 > 0.5).

Table 1. Summary of EFA and CCA results of CLR and HRP

| Constructs   | Cronbach's alpha  | Outer loadings | Composite reliability (CR) | Average variance extracted (AVE) |
|--|---|----------------|----------------------------|----------------------------------|
| HR change leadership role (CLR)  | EFA (KMO=0.972; BTS, Sig=0.000; Cumulative %=62.761; Eigenvalues=1.552) |                |                            |                                  |
| IO   | 0.937   | 0.752 -0.860   | 0.947                      | 0.665                            |
| CV   | 0.922   | 0.851-0.900    | 0.942                      | 0.763                            |
| LR   | 0.899   | 0.758-0.825    | 0.920                      | 0.623                            |
| RI   | 0.934   | 0.757-0.867    | 0.945                      | 0.657                            |
| CC   | 0.932   | 0.759-0.888    | 0.944                      | 0.678                            |
| HR professionalism (HRP)   | EFA (KMO=0.970; BTS, Sig=0.000; Cumulative %=67.037; Eigenvalues=1.317) |                |                            |                                  |
| CA   | 0.920   | 0.841-0.890    | 0.940                      | 0.759                            |
| CB   | 0.928   | 0.865-0.904    | 0.945                      | 0.776                            |
| CM   | 0.924   | 0.738-0.899    | 0.939                      | 0.688                            |
| HI   | 0.937   | 0.703-0.866    | 0.947                      | 0.642                            |
| IL   | 0.920   | 0.744-0.905    | 0.938                      | 0.716                            |
| SP   | 0.920   | 0.824-0.867    | 0.937                      | 0.714                            |
| TP   | 0.925   | 0.842-0.902    | 0.943                      | 0.769                            |
| Notes: EFA: Explore Factor Analysis; KMO: Kaiser-Meyer-Olkin Measure of Sampling Adequacy; BTS: Bartlett's Test of Sphericity. |   |                |                            |                                  |

Finally, the results in Table 2 show that CLR and HRP gains are discriminatory because the HTMT values of HTMT < 0.85 [46].

Table 2. The correlation matrix of CLR and HRP

| Construct | CA    | CB    | CC    | CM    | CV    | HI    | IL    | IO    | LR    | RI    | SP    | TP |
|-----------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|----|
| CA        | 1     |       |       |       |       |       |       |       |       |       |       |    |
| CB        | 0.646 | 1     |       |       |       |       |       |       |       |       |       |    |
| CC        | 0.487 | 0.490 | 1     |       |       |       |       |       |       |       |       |    |
| CM        | 0.627 | 0.616 | 0.433 | 1     |       |       |       |       |       |       |       |    |
| CV        | 0.448 | 0.394 | 0.642 | 0.413 | 1     |       |       |       |       |       |       |    |
| HI        | 0.597 | 0.548 | 0.398 | 0.655 | 0.401 | 1     |       |       |       |       |       |    |
| IL        | 0.591 | 0.513 | 0.389 | 0.571 | 0.438 | 0.589 | 1     |       |       |       |       |    |
| IO        | 0.467 | 0.432 | 0.647 | 0.393 | 0.691 | 0.414 | 0.393 | 1     |       |       |       |    |
| LR        | 0.408 | 0.369 | 0.641 | 0.408 | 0.651 | 0.378 | 0.364 | 0.670 | 1     |       |       |    |
| RI        | 0.512 | 0.448 | 0.618 | 0.444 | 0.679 | 0.446 | 0.432 | 0.676 | 0.655 | 1     |       |    |
| SP        | 0.649 | 0.559 | 0.474 | 0.642 | 0.452 | 0.63  | 0.564 | 0.458 | 0.455 | 0.465 | 1     |    |
| TP        | 0.672 | 0.564 | 0.428 | 0.547 | 0.409 | 0.666 | 0.624 | 0.422 | 0.361 | 0.449 | 0.537 | 1  |

The results in Tables 3 and 4 show that there is no collinearity among the five formative indicators (VIF of IO, CV, LR, RI, CC < 3) and the outer weight of four formative indicators of CLR are loaded significantly (IO=0.212,  $p<0.05$ ; CV=0.153,  $p<0.05$ ; RI=0.383,  $p<0.05$ ; CC=0.384,  $p<0.05$ ). LR is not significantly loaded with  $\beta=0.055$ ,  $p>0.05$ ; therefore, it is deleted from CLR. Similarly, there was no collinearity among the seven formative indicators of HRP (VIF of SP, CA, CB, CM, HI, TP, and IL < 3). The outer weight of four formative indicators of CLR is loaded significantly (SP=0.286,  $p<0.05$ ; CA=0.272,  $p<0.05$ ; CB=0.255,  $p<0.05$ ; TP=0.157,  $p<0.05$ ; IL=0.120,  $p<0.05$ ). CM ( $\beta=0.092$ ,  $p>0.05$ ) and HI ( $\beta=0.070$ ,  $p>0.05$ ) were not significantly loaded; therefore, they were deleted from the HRP.

Table 3. VIF of CLR and HRP

| Construct | VIF   | Construct | VIF   |
|-----------|-------|-----------|-------|
| CA        | 2.295 | IL        | 1.870 |
| CB        | 1.861 | IO        | 2.273 |
| CC        | 1.994 | LR        | 2.031 |
| CM        | 2.118 | RI        | 2.144 |
| CV        | 2.206 | SP        | 2.019 |
| HI        | 2.226 | TP        | 2.209 |

Table 4. Outer weight of CLR and HRP

| Relationship | Original sample (O) | Sample mean (M) | Standard deviation (STDEV) | T statistics ( O/STDEV ) | P values |
|--------------|---------------------|-----------------|----------------------------|--------------------------|----------|
| CC -> CLR    | 0.384               | 0.382           | 0.069                      | 5.532                    | 0.000    |
| CV -> CLR    | 0.153               | 0.152           | 0.072                      | 2.134                    | 0.033    |
| IO -> CLR    | 0.212               | 0.213           | 0.062                      | 3.406                    | 0.001    |
| LR -> CLR    | 0.055               | 0.053           | 0.061                      | 0.908                    | 0.364    |
| RI -> CLR    | 0.383               | 0.380           | 0.074                      | 5.157                    | 0.000    |
| CA -> HRP    | 0.272               | 0.272           | 0.056                      | 4.893                    | 0.000    |
| CB -> HRP    | 0.255               | 0.254           | 0.051                      | 4.988                    | 0.000    |
| CM -> HRP    | 0.092               | 0.091           | 0.056                      | 1.643                    | 0.100    |
| HI -> HRP    | 0.070               | 0.069           | 0.060                      | 1.179                    | 0.239    |
| IL -> HRP    | 0.120               | 0.120           | 0.055                      | 2.197                    | 0.028    |
| SP -> HRP    | 0.286               | 0.285           | 0.059                      | 4.880                    | 0.000    |
| TP -> HRP    | 0.157               | 0.158           | 0.050                      | 3.170                    | 0.002    |

For the assessment of the structural model, the study used four criteria: (1) VIF values of lower than three are used to assess the multicollinearity among the explanatory variables of the component model; (2) coefficient of determination ( $R^2$ ) and adjusted R-squared ( $R^2_{adj}$ ) of 0.75, 0.50, or 0.25 that are respectively substantial, moderate, and weak to assess the predictive degree of the independent variable on the dependent variable; (3)  $Q^2$  value to assess the forecasting efficiency; and (4) the path coefficients of structure models within the range of -1 and +1 and p-value of less than 0.05 to assess their significance.

The VIF value (CLR → HRP) was 1.000, which is less than 3, indicating that there was no collinearity among the predictive variables in the research model. Table 5 reveals the  $R^2$  and  $R^2_{adj}$  HRP (0. 0.383/0.382) with a statistically significant range of [25%-50%] at a moderate level. In addition, the  $Q^2$  values of HRP (0.241) were higher than 0, indicating the predictive accuracy of the path model for this variable. Finally, the HR change leadership role positively influences HR professionalism with  $\beta = 0.619$  and 99% confidence ( $p$ -value = 0.000); therefore, hypothesis H1 is accepted.

Table 5. Hypotheses testing

| Relationships | $\beta$ | P values | $R^2$ | $R^2_{adj}$ | $Q^2$ | Conclusion |
|---------------|---------|----------|-------|-------------|-------|------------|
| H1: CLR → HRP | 0.619   | 0.000    | 0.383 | 0.382       | 0.241 | Support    |

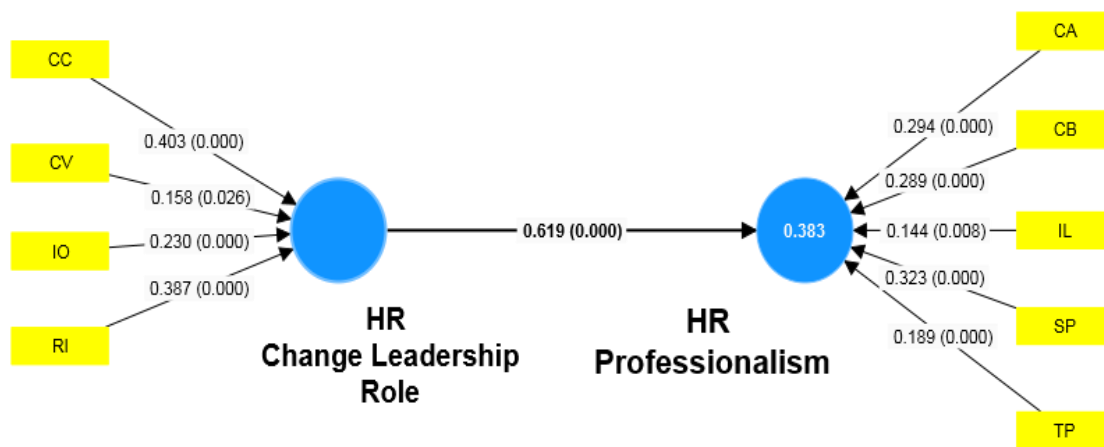


Figure 2. PLS-SEM model.

## 5. Conclusion

### Discussion

This study hypothesizes a positive relationship between HR change leadership and HR professionalism. The results confirmed this, indicating that effective HR change leadership requires strategic positioning, credible activism, capability building, technology proficiency, and interpersonal leadership. This aligns with existing research emphasizing the importance of strategic contribution, credibility, business knowledge, and HR technology for effective change agency and culture management [15, 18]. Furthermore, interpersonal leadership and credible activism, which reflect the political and social skills crucial for navigating stakeholder engagement and driving organizational change, are highlighted [6, 28, 29]. This study uniquely conceptualizes HR professionalism by combining these competencies for sustainable change leadership, diverging from previous research that has focused on functional competencies in strategic contexts [10].

While the study confirmed the importance of the institutional entrepreneurship role [6], particularly the newly emphasized domain of change control focused on mitigating socio-environmental harms, the resource leveraging domain was non-significant. This suggests a potential area for development in Vietnamese sustainable enterprises. Additionally, some theoretically and qualitatively supported items related to internal and external aspects of HR change leadership were removed during the analysis to achieve reliability, potentially reflecting the nascent stage of sustainability integration in Vietnam, particularly since the introduction of the Corporate Sustainable Development Index (CSI) in 2015.

Despite these limitations, the findings suggest that HR professionals partially enact HR change leadership roles, although their effectiveness and professionalism are not yet fully realized. These roles can serve as benchmarks for future development, guiding HR professionals in refining their practices and supporting sustainable objectives in the industry. The identified competencies can also inform educational and organizational training programs and recruitment criteria in the future. Specifically, identifying opportunities and creating a vision requires solid strategic positioning, credible activism, and interpersonal leadership skills. Reinstitutionalizing and controlling change necessitate technological proficiency, interpersonal leadership, and credible activism for effective stakeholder engagement and systems realignment. HR professionalism fosters credibility and trust, enabling HR professionals to align leadership, communicate the importance of change, and collaborate with diverse stakeholders, including suppliers and environmental activists to achieve sustainability goals.

## Conclusion

In conclusion, the findings demonstrate a positive relationship between HR change leadership role and HR professionalism in a sustainable context in Vietnam. This study makes distinct contributions to the literature on HR roles and professionalism. First, it identified five competencies required to enact the HR change leadership role: strategic positioner, credible activist, capability builder, technology proponent, and interpersonal leader in a sustainable context. Second, the study confirms and expands the HRM institutional entrepreneurship role of Ren and Jackson (2019) into the HR change leadership role in a sustainable context in Vietnam using a quantitative method instead of only explaining it through literature. Moreover, it makes a meaningful contribution in practice, suggesting that HR professionals are required to fully perform four roles: identifying opportunities, creating a vision, restructuring the organization, and controlling change in a sustainable context. In this role, they must master the application of knowledge and skills within a sustainable context.

While the current study provides valuable insights into the theory and practice of HR change leadership roles and professionalism, several areas require further research. First, the role of leveraging resources and the two competencies of change champions and HR innovators and

integrators do not work in this study. Therefore, the leadership role and professionalism of HR change should be tested experimentally in countries where sustainable development programs have been launched sooner than in Vietnam. Second, future research should use probability sampling to ensure accuracy and overall representation.

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