

## Appendix 1

**TABLE 1:** Relationship between items, dimensions and constructs.

Construct	Dimension	Cronbach's alpha	Item number
1. Performing (0.872)	1.1. Performance culture	0.806	1–5
	1.2. Performance management	0.794	6–11
2. Instrumentality (0.799)	2.1. Certainty	0.649	12–16
	2.2. Exclusivity	0.505	17–19
	2.3. Trust	0.702	20–24
	2.4. Risk	0.465	25–27
3. Congruency (0.971)	3.1. External alignment	0.913	28–39
	3.2. Internal alignment	0.902	40–50
	3.3. Understanding and acceptance	0.929	51–67
	3.4. Continuous improvement	0.820	68–71
	3.5. Goal difficulty	0.817	72–78

Source: Data collected by authors during present study

**TABLE 2:** Structure equation modelling results.

Model	Mardia's coefficient	df	$\chi^2$	$\chi^2/df$	S-B $\chi^2$ value	S-B $\chi^2/df$	CFI	SRMR	RMSEA	RMSEA 90% CI
Performance culture (all items)	15.72	5	11.39	2.28	9.23	1.85	ML (0.985)	ML (0.028)	ML (0.066)	0.012: 0.117
							RML (0.985)	–	RML (0.054)	0.000: 0.107
Performance management (all items)	16.90	9	63.53	7.06	36.30	4.03	ML (0.938)	ML (0.047)	ML (0.145)	0.113: 0.178
							RML (0.963)	–	RML (0.103)	0.070: 0.138
Certainty (all items)	5.52	5	6.89	1.38	5.26	1.05	ML (0.993)	ML (0.029)	ML (0.040)	0.000: 0.102
							RML (0.999)	–	RML (0.017)	0.000: 0.090
Certainty (omitted A14)	5.08	2	0.03	0.01	0.02	0.01	ML (1.000)	ML (0.003)	ML (0.000)	–
							RML (1.000)	–	RML (0.000)	–
Exclusivity (all items)	5.67	5	18.53	3.71	12.47	2.49	ML (0.926)	ML (0.056)	ML (0.106)	0.058: 0.157
							RML (0.949)	–	RML (0.079)	0.027: 0.133
Exclusivity (omitted A19 B)	4.42	2	0.42	0.21	0.42	0.21	ML (1.000)	ML (0.009)	ML (0.000)	0.000: 0.079
							RML (1.000)	–	RML (0.000)	0.000: 0.068
Trust (all items)	4.50	5	19.87	3.97	19.87	3.97	ML (0.939)	ML (0.055)	ML (0.111)	0.064: 0.162
							RML (0.939)	–	RML (0.096)	0.048: 0.148
Trust (omitted A22 and A24)	4.30	–	-0.03	–	-0.03	–	–	–	–	–
Risk (all items)	3.97	–	-0.03	–	-0.03	–	–	–	–	–
External alignment (all items)	34.14	54	255.85	4.74	154.13	2.85	ML (0.837)	ML (0.071)	ML (0.129)	0.114: 0.145
							RML (0.891)	–	RML (0.092)	0.075: 0.108
Internal alignment (all items)	39.23	44	182.95	4.16	96.88	2.20	ML (0.904)	ML (0.051)	ML (0.122)	0.105: 0.139
							RML (0.953)	–	RML (0.077)	0.058: 0.095
Understanding and acceptance (all items) recoded A66	46.62	119	549.96	4.62	294.86	2.48	ML (0.834)	ML (0.064)	ML (0.127)	0.116: 0.137
							RML (0.913)	–	RML (0.081)	0.070: 0.092
Understanding and acceptance (omitted rA66 and A67)	48.54	90	459.52	5.11	230.20	2.56	ML (0.850)	ML (0.059)	ML (0.135)	0.123: 0.147
							RML (0.928)	–	RML (0.084)	0.071: 0.096
Continuous improvement (all items)	13.96	2	8.69	4.34	4.08	2.04	ML (0.977)	ML (0.033)	ML (0.126)	0.053: 0.212
							RML (0.989)	–	RML (0.072)	0.000: 0.165
Goal efficacy alignment (all items)	17.80	14	101.62	7.26	64.80	4.63	ML (0.833)	ML (0.106)	ML (0.168)	0.138: 0.198
							RML (0.864)	–	RML (0.128)	0.098: 0.159
Goal efficacy alignment (omitted A72, A73 and A74)	13.46	2	2.68	1.34	1.33	0.66	ML (0.998)	ML (0.014)	ML (0.041)	0.000: 0.143
							RML (1.000)	–	RML (0.000)	0.000: 0.116
Performing (all items)	26.62	43	185.92	4.32	129.84	3.02	ML (0.903)	ML (0.078)	ML (0.107)	0.092: 0.123
							RML (0.923)	–	RML (0.084)	0.068: 0.100
Instrumentality (all items)	25.86	129	536.82	4.16	404.76	3.14	ML (0.730)	ML (0.142)	ML (0.113)	0.104: 0.123
							RML (0.777)	–	RML (0.094)	0.083: 0.103
Instrumentality (omitted A14, A19b, A22 and A24)	23.62	71	149.75	2.11	106.40	1.50	ML (0.928)	ML (0.052)	ML (0.069)	0.055: 0.084
							RML (0.958)	–	RML (0.048)	0.030: 0.064
Congruency (all items)	77.07	1214	3265.60	2.69	2076.53	1.71	ML (0.740)	ML (0.085)	ML (0.088)	0.084: 0.091
							RML (0.853)	–	RML (0.058)	0.054: 0.061

Source: Data collected by authors during present study

df, degrees of freedom;  $\chi^2$ , Chi-squared; S-B $\chi^2$ , normed Chi-squared; CFI, comparative fit index; SRMR, standardised root mean square residual; RMSEA, root mean square error of approximation; CI, confidence index.

Table 2 continues on the next page →

**Note:** This is the Online Appendix of Ncube, S., Bussin, M.H.R., & De Swardt, L. (2013). Confirming theoretical pay constructs of a variable pay scheme. *SA Journal of Human Resource Management/SA Tydskrif vir Menslikehulpbronbestuur*, 11(1), Art. #464, 10 pages. <http://dx.doi.org/10.4102/sajhrm.v11i1.464>

**TABLE 2 (Continues...):** Structure equation modelling results.

Model	Mardia's coefficient	df	$\chi^2$	$\chi^2/df$	S-B $\chi^2$ value	S-B $\chi^2/df$	CFI	SRMR	RMSEA	RMSEA 90% CI
Congruency (omitted rA66, A67, A72, A73 and A74)	77.95	979	2687.62	2.75	1664.75	1.70	ML (0.771) RML (0.878)	ML (0.071) –	ML (0.089) RML (0.057)	0.085: 0.093 0.053: 0.061
Congruency external and internal alignment together (highly correlated)	77.95	983	2777.02	2.83	1720.92	1.75	ML (0.760) RML (0.869)	ML (0.071) –	ML (0.091) RML (0.059)	0.087: 0.095 0.055: 0.063
Congruency external and internal alignment together (omitted A28-A31, A36 and A37)	72.20	734	2115.32	2.88	1297.41	1.77	ML (0.789) RML (0.888)	ML (0.067) –	ML (0.093) RML (0.060)	0.088: 0.097 0.055: 0.065
Alignment (all Items)	65.14	230	863.12	3.75	490.98	2.13	ML (0.804) RML (0.893)	ML (0.067) –	ML (0.111) RML (0.072)	0.103: 0.119 0.063: 0.080
Alignment (omitted A28-A31, A36 and A37)	53.07	119	435.15	3.66	239.69	2.01	ML (0.864) RML (0.932)	ML (0.057) –	ML (0.111) RML (0.070)	0.100: 0.121 0.058: 0.081

Source: Data collected by authors during present study

df, degrees of freedom;  $\chi^2$ , Chi-squared; S-B $\chi^2$ , normed Chi-squared; CFI, comparative fit index; SRMR, standardised root mean square residual; RMSEA, root mean square error of approximation; CI, confidence index.

**TABLE 3:** Synergies between research on variable pay plans.

Revised variable remuneration model (2012)	Mathis and Jackson's (2008) findings		Greene's (2011) findings
	Organisational fit	Align behaviour outcome to incentive plan	
<b>Congruency</b>			
Alignment	Consistency with organisational objectives	-	Plan objective
Efficacy/goal difficulty	-	-	-
Understanding	Clear communication of plan	-	-
Transparency	Updated on the detail of the performance achieve	-	-
Continuous improvement	-	-	-
<b>Instrumentality</b>			
Trust	Clear differentiation with base pay	-	Payment timing
Certainty	-	-	Administration
Exclusivity	-	-	Eligibility
Business continuity	-	-	-
<b>Performing</b>			
Performance management	-	Link performance results with meaningful reward	-
	-	Fair performance measures	-
	-	Plan performance link to desirable behaviour	-
Performance culture	-	Availability of sufficient financial resources (This factor was grouped under the cluster 'Organisational fit')	-
<b>Participant involvement</b>			
Building the pool	-	-	Formula funding
Distribution of incentive	-	-	Formula distribution
	-	-	Plan types

Sources: For more information, please see the full reference list of the article, Ncube, S., Bussin, M.H.R., & De Swardt, L. (2013). Confirming theoretical pay constructs of a variable pay scheme. *SA Journal of Human Resource Management/SA Tydskrif vir Menslikehulpbronbestuur*, 11(1), Art. #464, 10 pages. <http://dx.doi.org/10.4102/sajhrm.v11i1.464>