



Exploring the influence of remuneration attitudes and financial scarcity on employee engagement and job satisfaction

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Abstract

This study explores the influence of remuneration attitudes and perceived financial scarcity (PFS) on employee engagement and job satisfaction within the South African second-hand automotive industry. This study is guided by the Job Demands-Resources (JD-R) model, where remuneration attitudes (i.e., perceived fairness and performance pay linkage) is a job resource, and PFS as a personal demand influencing employee outcomes.

The study adopted a quantitative, cross-sectional design, where data was collected via validated instruments including the Utrecht Work Engagement Scale (UWES), Job Satisfaction Scale (JSS), Procedural and Distributive Justice Scales and Psychological Inventory of Financial Scarcity (PIFS).

The findings show that perceived fairness significantly influenced engagement and satisfaction in relation to other variables. The results highlight the importance of transparency, and equitable remuneration systems buffering effects of financial strain, especially in commission-based roles characterised by fluctuating income and high pressure environments. The study contributes to theory by including perceived financial scarcity into the JD-R framework.

Keywords:

Remuneration attitudes; Perceived financial scarcity, Employee engagement; Job Demand-Resource Model; Job Satisfaction

Plagiarism declaration

I declare that this research project is my own work. It is submitted in partial fulfilment of the requirements for the degree of Master of Business Administration at the Gordon Institute of Business Science, University of Pretoria.

It has not been submitted before for any degree or examination in any other University. I further declare that I have obtained the necessary authorisation and consent to carry out this research.

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Table of contents

Chapter One: Introduction to research problem.....	1
1. Introduction.....	1
1.1. Research background	2
1.1.1. Employee engagement and job satisfaction.....	3
1.1.2. The Job Demands- Resources (JD-R) Model	3
1.1.3. Remuneration as fairness	4
1.1.4. Performance-based pay and attitudes to remuneration	4
1.1.5. Perceived financial scarcity and employee outcomes.....	4
1.2. Research problem	5
1.3. Research purpose	6
1.4. Conclusion: Theoretical and business relevance of the research	6
Chapter Two: Literature Review	7
2. Introduction	7
2.1. Theoretical framework.....	8
2.2. Remuneration attitudes in the workplace	11
2.3. Remuneration attitudes and job satisfaction	14
2.4. Remuneration fairness and employee engagement	16
2.5. Perceived financial scarcity (PFS)	19
2.6. Employee engagement and job satisfaction	20
2.7. Conceptual model	21
2.8. Conclusion	23
Chapter Three: Research Question.....	24
3. Introduction.....	24
3.1.1 Research Sub-questions One: Remuneration attitudes and employee engagement	24
3.1.2. Research Sub-questions Two: Remuneration attitudes and job satisfaction	25
3.1.3. Research Sub-questions Three: Perceived financial scarcity and employee engagement and job satisfaction.....	25

3.2. Conclusion	26
Chapter Four: Research Methodology.....	27
4. Introduction	27
4.1. Research design and methodology	27
4.1.1. Research design	27
4.1.2. Research philosophy	28
4.1.3. Research approach	28
4.1.4. Strategy	29
4.2. Population.....	30
4.3. Unit of analysis	31
4.4. Sampling method.....	31
4.5. Sample size	32
4.6. Measurement instrument.....	33
4.6.2. Demographic information	35
4.6.3. Employee engagement measure	35
4.6.4. Job satisfaction measure.....	35
4.6.5. Remuneration attitudes of perceived fairness and performance pay	36
4.6.6. Psychological inventory of financial scarcity(PIFS) measure	36
4.7. Pilot testing	36
4.8. Data gathering process	37
4.9. Data preparation	37
4.9.2. Data editing	38
4.9.3. Data coding	38
4.9.4. Data storage.....	39
4.10. Analysis approach.....	39
4.10.2. Sample: Descriptive analysis	40
4.10.3. Test for reliability.....	40
4.10.4. Test for validity.....	41
4.10.5. Factor analysis	41
4.10.6. Descriptive analysis of constructs	44
4.10.7. Correlation analysis	44

4.11.	Quality control	45
4.12.	Limitations	46
Chapter Five: Results and Findings.....		47
5.	Introduction	47
5.1.	Research sample	47
5.2.	Demographical descriptive analysis	49
5.2.1.	Descriptive analysis.....	53
5.3.	Construct validity analysis	59
5.4.	Scale reliability	62
5.5.	Exploratory factor analysis	65
5.5.1.	Variance explained per a factor	66
5.5.2.	Factor loading per construct.....	67
5.6.	Confirmatory factor analysis (CFA)	71
5.6.1.	Employee engagement (EE)	72
5.6.2.	Job satisfaction (OS)	73
5.6.3.	Perceived fairness (PROCJ)	74
5.6.3.	Perceived performance-pay link (DISTJ)	76
5.6.4.	Perceived financial scarcity (PIFS).....	77
5.7.	SEM Estimation.....	80
5.7.1.	SEM constructs relationship estimates	80
5.7.2.	Structural Segment (Latent-latent Relationship)	89
5.7.3.	Measurement segment (Latent-Indicator Relationship)	90
5.7.4.	Model fit evaluation (Goodness of Fit).....	91
5.8.	Conclusion	92
Chapter Six: Discussion of Results		94
6.	Introduction	94
6.1.	Instrument validity and reliability	94
6.2.	Remuneration attitudes and employee engagement	95
6.3.	Remuneration attitudes and job satisfaction	98
6.4.	Integration of findings with the JD-R framework	101

6.5. Conclusion	105
Chapter Seven: Conclusion and Recommendations	107
7. Principal findings	107
7.1. Updated conceptual model	108
7.2. Validated hypothesised models.....	109
7.3. Principal conclusions.....	110
7.4. Recommendations	112
7.5. Limitations	114
7.6. Suggestions for future research	116
7.7. Conclusion	118
Reference List	119
Appendices.....	128

Table of Figures

Figure 1: Conceptual model.....	22
Figure 2: Six sampling steps.....	32
Figure 3:SEM Path Diagram - Employee Engagement	84
Figure 4: SEM Path Diagram- Job Satisfaction	88
Figure 5: JD-R Framework: Remuneration attitudes, financial scarcity, and employee outcomes.	105

Table of Tables

Table 1: Yamane's (1967) formula to calculate the sample.....	33
Table 2: Measurement instrument	34
Table 3: Coding of the Likert Scale.....	38
Table 4: Variable coding	39
Table 5: General acceptable fit thresholds of SEM indices	43
Table 6: Sample size used in the study	48
Table 7: Gender analysis of the respondents	49
Table 8: Respondents age.....	50

Table 9: Number of dependents	50
Table 10: Tenure analysis.....	51
Table 11: Education level analysis.....	52
Table 12: Basic salary and distribution of respondents by average monthly commission analysis	52
Table 13: Descriptive stats per variable summary	54
Table 14: Descriptive stats - Employee engagement (UWES)	54
Table 15: Descriptive stats- Job satisfaction (OS).....	55
Table 16: Descriptive stats- Perceived fairness (PROCJ)	56
Table 17: Descriptive stats- Perceived performance-pay link (DISTJ)	57
Table 18: Descriptive stats- Perceived financial scarcity (PIFS).....	58
Table 19: KMO, Factor Solution and Communalities.....	60
Table 20: Barlett's test , KMO and sig value per variable	62
Table 21: Cronbach's Alpha analysis.....	63
Table 22: Variance explained	66
Table 23: Employee engagement, job satisfaction and perceived fairness & performance-pay link: single factor	68
Table 24: PIFS- Factor loading	70
Table 25: Employee engagement - CFA Standardised Estimates.....	72
Table 26: CFA model Goodness of Fit – Employee engagement.....	73
Table 27: Job Satisfaction -CFA Standardised Estimates	74
Table 28: Model fit indices for job satisfaction	74
Table 29: Perceived fairness- CFA Standardised Estimates	75
Table 30: Model fit indices for perceived fairness.....	76
Table 31: <i>Performance-pay link-CFA Standardised Estimates</i>	76
Table 32: Model fit indices performance-pay link.....	77
Table 33: Perceived financial scarcity -CFA Standardised Estimates	78
Table 34: Model fit indices for perceived financial scarcity	79
Table 35: SEM for employee engagement	81
Table 36: Measurement model	81
Table 37: Structural model.....	83
Table 38: SEM for job satisfaction (OS).....	85
Table 39: Measurement model	85
Table 40: Structural model.....	86

Chapter One: Introduction to research problem

1. Introduction

In a time of shifting workforce expectations and competitive talent markets, it is advisable for employers to remain aware of the value of engagement and satisfaction strategies in driving sustained performance. This has been particularly evident in the South African automotive industry (Cornelio & Mahusay, 2024). Recent data from the Motus group indicate that high-performing, commission-driven sales personnel have experienced an increase in turnover of 23% (Motus, 2023), and it has also been noted that 'mental health' had contributed to the increase (Motus, 2023). While numerous factors could account for the company's unusually positive performance, it is claimed that how employees perceive remuneration fairness and the link between remuneration and performance played a major role (Ismail et al., 2020). It seems clear that remuneration attitudes, while often overlooked in strategic human resource planning, shape an employee's psychological connection to their role, and to their overall workplace satisfaction (Ismail et al., 2020).

In conjunction with remuneration attitudes, perceived financial scarcity (PFS) is also an important factor. PFS is defined by Van Dijk et al. (2022) as an individual's particular experience of financial insufficiency, characterised by stress, rumination and a short-term focus, is likely to influence job satisfaction and employee engagement. When employees are engaged and satisfied, they display higher productivity, stronger affective commitment and lower turnover (González-Cánovas, 2024; Mohrenweiser & Pfeifer, 2023). In contrast, emotional disengagement remains a persistent challenge; for example, in the U.S., engagement reached a decade low of 31% in 2024, echoing the economic and human costs of detachment at work (Gallup, 2025).

This reality has increased the interest in job satisfaction and employee engagement, influencing attitudes towards remuneration, including performance-based remuneration and fairness while personally experiencing financial strain. Factors such as economic decline and income inequality correlates with morale, retention and motivation (Bae & Kim, 2023; Wei et al., 2024). This finding is supported by the Job Demands-Resources (JD-R) model, which describes how personal and job demands influence employee strain and engagement (Bakker et al., 2023).

Recent work by Chen and Fellenz (2020) on the JD-R theory has shown the need for the inclusion of personal demands and personal resources in the JD-R model. The study conceptualises PFS as a personal demand, since it is not just the amount of compensation that matters, but how employees perceive the compensation process according to whether it is sufficient or performance-related (Ismail et al., 2020; Acheampong et al., 2024; Ardian et al., 2023). It can also be stated that fairness in compensation processes impacts engagement positively and increases agility and performance outcomes (Ardian et al., 2023). Studies by Acheampong et al. (2024) have confirmed the association between employee engagement and remuneration. Moreover, the study by Cornelio and Mahusay (2024) argued that compensation practices act as a channel that drives employee involvement, particularly when it is moderated by organisational support mechanisms.

The objective of this study is to explore how remuneration attitudes (the perceived fairness and performance pay linkage) and perceived financial scarcity influence employee engagement and job satisfaction.

1.1. Research background

The evolution of work, the automotive industry and workforce expectations has redefined engagement and job satisfaction. Employees are no longer content with traditional pay structures (Fulmer & Gerhart 2023); they want to evaluate how fairly they are being remunerated and how closely performance is associated with reward (Fulmer & Gerhart 2023).

The automotive industry is broadly categorised into new vehicle sales and the second-hand (used) vehicle market (Zondo, 2020). Each of these segments comes with its unique operational models and customer dynamics. The new vehicle segment is typically dominated by franchised dealerships and original equipment manufacturers (OEMs) with specific sales strategies (Cornelio & Mahusay, 2024). While the second-hand vehicle market is known to be competitive and characterised by high customer traffic, flexible pricing models and strong dependence on commission-based performance incentives (Cornelio & Mahusay, 2024). In such an environment, performance pressures and remuneration variability are often higher in the used vehicle context, which makes

employee engagement and job satisfaction critical factors (Fulmer & Gerhart, 2023; Ismail et al., 2020).

To elaborate, in recent years increasing attention has been paid to the psychological experience of financial strain, commonly known as financial scarcity, which reflects individuals' subjective experience of financial insufficiency and is characterised by stress, rumination and a focus on the short term (Van Dijk et al., 2022). Further, studies by Fulmer and Gerhart (2023) indicate that remuneration strategies that neglect to meet expectations, such as fair pay for work rendered, performance incentives and benefits, can have negative effects because of increased disengagement and lowered levels of satisfaction. Even though there have been mixed results in performance-based pay studies, Bae and Kim's (2023) study strongly suggested that employees respond positively when they perceive a clear and realistic link between performance and reward.

Nordgren (2022) also indicated a psychological burden of performance-pay linkage, particularly in high performance and commission-based roles, where correlations between efforts and output is evident. This has led to a more nuanced understanding of how remuneration is perceived, not just in terms of the amount, but from a perspective of fairness, performance and financial scarcity. When attitudes towards remuneration are positive, greater levels of job satisfaction are attained, with increased levels of engagement and performance (Nordgren, 2022).

1.1.1. Employee engagement and job satisfaction

Engagement is a positive, work-related state characterised by vigour, dedication and absorption in what one is hired to do, while job satisfaction comprises evaluative judgements about one's job and environment (Schaufeli et al., 2006; Maalouf & Maalouf, 2024). Recent work links both outcomes to core contextual features that include fair compensation, supportive leadership and transparent reward systems which drive motivation and reduce emotional withdrawal (González-Cánovas, 2024; Mohrenweiser & Pfeifer, 2023).

1.1.2. The Job Demands- Resources (JD-R) Model

According to Ueno et al. (2025), the JD- R Model distinguishes between demands (aspects of work that require sustained efforts and incur costs) and resources (aspects that aid goal attainment, growth and buffering of demands). Contemporary JD-R research

has identified dual processes, the first being the motivational processes by which resources drive engagement and the second being the health-impairment processes by which demands exhaust energy and increase strain and burnout (Bakker et al., 2023). This framing extends to an employee's personal life when their financial context acts as a demand or resource that spills over into work outcomes. Within the JD-R model, remuneration is conceptualised as fairness, performance-linked pay as job resources, and perceived financial scarcity as a personal demand (Bakker et al., 2023; Wei et al., 2024).

1.1.3. Remuneration as fairness

Perceived remuneration fairness involves distributive and procedural justice in pay, which consistently predicts morale, satisfaction and engagement (Chung et al., 2021). Using linked employer-employee data, Mohrenweiser and Pfeifer (2023) showed that wage structures and fairness perceptions craft job satisfaction to a significant extent. When compensation practices are transparent and equitable, employees report positive attitudes; in comparison, when compensation is perceived as inequitable, disengagement occurs (González-Cánovas, 2024; Mohrenweiser & Pfeifer, 2023). Within the JD-R Model, fair remuneration functions as a motivational resource that can decrease strain and increase engagement.

1.1.4. Performance-based pay and attitudes to remuneration

Performance-based pay can improve satisfaction and engagement when employees perceive clear, attainable links between performance and rewards. However, design distinctions matter, especially when it comes to mismatches between scheme types and employee expectations; for example, group-based incentives, in which individual rewards are valued, can decrease satisfaction (Bae & Kim, 2023). Performance contingency therefore operates as a resource only when employees see the system as fair and credible (Bae & Kim, 2023; González-Cánovas, 2024).

1.1.5. Perceived financial scarcity and employee outcomes

PFS provides a subjective sense that financial resources are insufficient, as it narrows cognitive bandwidth and increases stress, with a downstream effect on work attitudes and performance. The Psychological Inventory of Financial Scarcity (PIFS) offers validated measurements of this construct (Van Dijk et al., 2022).

Recent studies have shown that financial stress decreases work outcomes, with work engagement often mediating its effects (Wei et al., 2024). Complementary research links financial scarcity to avoidance tendencies and altered intemporal choices, mechanisms that can erode focus and motivation at work (Hilbert et al., 2024). In JD-R terms, PFS is a personal demand that may counteract the motivational effect of job resources unless adequately buffered (Bakker et al., 2023; Wei et al., 2024; van Dijk et al., 2022).

1.2. Research problem

The second-hand vehicle sales segment plays an important role in the national economy. Regardless of this, the industry continues to face ongoing challenges associated with employee retention, engagement and job satisfaction, particularly among commission-based employees (Macpherson et al., 2023; Zondo, 2020). The conventional remuneration strategies, while known to be performance-driven, have often failed to account for employee's perceptions of fairness and of the link between pay and performance (Macpherson et al., 2023; Zondo, 2020).

These psychological and perceptual dimensions are increasingly recognised as important factors that influence work attitudes (Zondo, 2020; Mothema et al., 2025). Remuneration in recent studies has been seen as a transactional input that failed to consider the intricate ways in which remuneration is perceived in shaping engagement and job satisfaction (Zondo, 2020; Harshitha & Almeida, 2025; Mothema et al., 2025). Although remuneration fairness and performance-linked pay are established predictors of engagement and satisfaction, and perceived financial scarcity is linked to diminished engagement and performance, their combined influence remains under-explored.

Existing studies examine internal organisational resources (e.g. pay fairness) or external personal demands (e.g. financial stress) in isolation (Bae & Kim, 2023; Mohrenweiser & Pfeifer, 2023; Wei et al., 2024). Consequently, there is a lack of an integrated understanding of how workplace pay systems and personal financial pressures jointly influence engagement and satisfaction within a single JD-R framework (Wei et al., 2024). This gap is significant in situations where incentive schemes fail if they are perceived as unfair, or if employees are too financially strained to respond, while financial wellness efforts may underperform amid perceived pay inequities (Wei et al., 2024).

1.3. Research purpose

Further studies have investigated how perceived financial scarcity and remuneration attitudes regarding fairness and the perceived link between remuneration and performance affects levels of engagement and job satisfaction among employees (Ismail et al., 2020; Macpherson et al., 2023). This research focused on commission-based employees in a single organisation within the South African second-hand vehicle sales sector. This study contributes both to academic literature and to practical HR practices and strategies by showing how perceptions of pay influence psychological and behavioural work outcomes. These insights are particularly relevant to organisations seeking to improve performance and reduce turnover in competitive, sales-driven environments (Harshitha & Almeida, 2025; Zondo, 2020).

1.4. Conclusion: Theoretical and business relevance of the research

Although previous studies have investigated remuneration attitudes, the gap in studies lies in understanding how PFS is linked to remuneration attitudes, and its influence on engagement and satisfaction, specifically in commission-based, high-pressure environments such as the South African second-hand automotive sector (Ismail et al., 2020; Acheampong et al., 2024). This study was intended to allow insights into addressing the theoretical gap and the pressing business challenges of high turnover and disengagement by investigating the relationship between these constructs using the JD-R model. This is because the second-hand automotive sales environment is known for high pressure, as variable pay structures create unique psychological pressures (Macpherson et al., 2023; Zondo, 2020).

Chapter Two: Literature Review

2. Introduction

Employee engagement and job satisfaction have been identified as important priorities in organisational development, particularly in industries where performance-based remuneration is prevalent (Fuchs et al., 2024; Rudolph et al., 2020). While these two constructs have been widely studied, there is a need to investigate how they are influenced by remuneration attitudes and perceived financial scarcity in a highly competitive sector such as the South African second-hand automotive industry (Mashusay, 2024; Rudolph et al., 2020).

Variable pay schemes are often used within this sector, resulting in a higher demand for intended engagement strategies (Koroglu & Ozmen, 2022). Workers in commission-based environments such as vehicle sales are more vulnerable to burnout and disengagement, which occur when employees perceive an imbalance between their efforts and the compensation they earn (Cornelio & Mahusay, 2024). A recent study by Hong et al. (2024) suggests that variability in pay-performance linkage is highly influenced by disengagement and turnover intentions in sales-based roles.

Macroeconomic instability, ever-changing consumer demands and challenging work environments lead to higher turnover and reduced job satisfaction (Cornelio & Mahusay, 2024). In addition, inflation and a higher cost of living have increased employees awareness regarding pay sufficiency and equity. Wei et al. (2024) discovered that financial strain alters the relationship between perceptions of remuneration and attitudes towards work. This strengthens the ability to predict pay fairness and employees attitudes towards work during economic hardship (Wei et al., 2024).

Recent studies show that the COVID-19 pandemic has changed employees' perception of rewards and engagement, as emphasis on equality, transparency and financial sufficiency is high among compensation systems (Zhong et al., 2021). This highlights how important it is to design compensation systems that meet economic and psychological demands in uncertain environments. Studies have shown that 'Millennials' and 'Generation Z' are attracted to remuneration which is market-related, fair, transparent and competitive, and which creates financial stability, long-term security and recognition in the

position (Dawson, 2021; Fuchs et al., 2024). The sales force working in the automotive industry consists of a range of generations. Furthermore, Inceoglu et al. (2018) have shown that pay benefits relate to employee well-being and other factors; these include aspects of mental health, resilience and the ability to balance work and personal life.

The danger associated with organisations that fail to grow and develop their workforce, is that they face the possibility of disengagement and overall decline in performance (Fuchs et al., 2024). These components influence employees' outputs to a considerable degree, as perceived financial scarcity (PFS) transforms into personal demand, which affects their attitudes and behaviours towards their work environment (Xanthopoulou et al., 2007; Mazzetti et al., 2023; Van Dijk et al., 2022). This study therefore seeks to address the need for PFS to act alongside remuneration attitudes as a personal resource that motivates engagement and job satisfaction.

2.1. Theoretical framework

Multiple theories have been developed over the years to clarify variables pertaining to employee engagement, remuneration attitudes, perceived financial scarcity and job satisfaction (Mazzetti et al., 2023; Koroglu & Ozmen, 2022). This study utilised the Job Demand-Resource model (JD-R) as the basic theory, given its substantial descriptive capabilities in highly competitive and challenging settings such as the South African second-hand motor industry (Mazzetti et al., 2023; Koroglu & Ozmen, 2022).

The JD-R is a widely utilised theoretical framework that divides job-related component into two main sections: job demands and job resources (Mazzetti et al., 2023). Job demands imply the physical, behavioural or organisational facets of the position; they entail ongoing dedication and thus incur certain physiological and psychological expenditures, including the volume of work, sales demands and the achievement of performance standards (Koroglu & Ozmen, 2022). In contrast, job resources are factors that enable employees to accomplish their goals by decreasing job difficulties and providing flexibility and recognition, with a focus on equitable and performance-based pay structures (Koroglu & Ozmen, 2022).

The JD-R continues to be an important basis for grasping employee engagement and job satisfaction in very competitive contexts. The theory maintains that all aspects of work-

related responsibilities can be grouped as demands, all of which require long-term efforts. On the other hand, resources aid in the achievements of objectives by reducing demands while still supporting advancements (Bakker et al., 2023). Therefore, within this context, fair and performance-oriented compensation schemes operate as a job resource that decreases sales pressures, whereas performance feedback systems offer a personal demand that lowers employees' intellectual qualities.

Earlier researchers (Xanthopoulou et al., 2007; Ueno et al., 2025) have argued that personal resources should be added as a personal demand within the paradigm of the JD-R framework. Personal resources indicate the psychological choices and characteristics of an individual which may influence and control their immediate environment. In addition, Ueno et al. (2025), have explored the expansion of the JD-R model extensively, including personal resources such as competency, interdependence and relatedness. These internal variables function as mediators and moderators between the relationship of job demands and resources, employee engagement and job satisfaction. This revised model recognises the value of financial adequacy as an asset that determines attitudes towards employment and compensation (Ueno et al. (2025).

Recent studies have broadened the JD-R model outside of the regular interactions, recognising that the accessibility of resources does not necessarily reduce the need. Ueno et al. (2025) claim that when demands surpass a particular level, resources such as fair remuneration might provoke a negative response, leading to disengagement. This distinction is important in commission-based vehicle sales because the target and the actual outcome differ widely, and this can increase perceptions of fairness. According to Demerouti et al. (2022), a multi-domain crisis such as COVID-19 imposed demands and resources, including personal financial pressures on employees. This aligns with this study's position: that PFS is a personal demand that interacts with remuneration attitudes to mould engagement and satisfaction.

Within the context of this research, attitudes to remuneration are conceptualised explicitly as job resources (Mazzetti et al., 2023). Perceived fairness and a clear performance-reward link provides the psychological and financial support that helps to enhance the effects of high job demands and increases engagement and job satisfaction (Mazzetti et al., 2023). To elaborate on this, for commission-based employees working under constant pressure to meet fluctuating sales targets, such perceptions are not merely matters of

preference – they are fundamental to sustaining both performance and well-being (Zondo, 2020).

There is evidence to support this alignment: for example, a study by Zondo (2020) on automotive retail sales employees showed that employee engagement was considerably lower among younger salespeople, who felt that the reward systems did not align with their performance or their aspirations. The characteristics of employee engagement, such as vigour, dedication and absorption, are affected by challenging job demands, especially when the latter become excessive (Pandzic & Hadziahmetovic, 2022). Harshitha and Almeida (2025) also noted that when commission structures are perceived as unclear or inequitable, they become a demotivating factor rather than a resource.

Beyond the JD-R model, fairness theory provides a perspective for interpreting remuneration attitudes. Fairness perceptions encompass distributive justice (fairness of outcomes), procedural justice (fairness of processes) and informational justice (clarity in communication) (Mensah et al., 2024). A study by Maciejovsky et al. (2025) stressed that transparency is now the main criterion by which fairness of remuneration is judged. However, although transparent salary structures encourage high performing employees, those in the lesser ranks might feel discouraged, no matter how competitive their salaries are. For those employed on a commission basis, the clarity and credibility of the payment structure are as important as the level of reward.

The application of the JD-R model allows more nuanced interpretations of attitudes towards remuneration as a job resource. Research by Mensah et al. (2024) discovered that remuneration based on performance only heightens engagement when employees consider it fair and attainable. When a remuneration structure is perceived as biased or obscure, the rewards become demands, which add to employment stress rather than reducing it. This discovery pertains to jobs in second-hand vehicle sales, in which commission structures are usually linked to adequate income and levels of satisfaction that are consistently high.

In addition, Clausen et al. (2022) demonstrated that JD-R job resources such as autonomy and performance clarity have a positive effect on psychological well-being and reduce negative attitudes, suggesting that the perception of fairness and control in jobs based on performance is necessary for maintaining job satisfaction and emotional commitment. Thus, in demanding environments like the second-hand vehicle sector, employees' views

of remuneration are important job resources that counter the negative effects of stress (Mazzetti et al., 2023). This theoretical framing therefore strengthens the conceptual link between remuneration attitudes and employee outcomes of engagement and job satisfaction.

Galanakis et al. (2022) showed that resources such as resilience, optimism and financial literacy influence how employees perceive and respond to demands and organisational support. In the context of this study, employees with stronger personal resources cope better with financial strain, while those with fewer buffers may experience more declines in engagement when remuneration fairness is questioned. This underscores the importance of accounting for variety in employee responses, which enriches the interpretation of the results reported in subsequent chapters.

Overall, these theoretical approaches create a basis for modelling remuneration fairness and performance-pay as a job resource, while perceived financial scarcity is seen as a personal demand of the model's paradigm.

2.2. Remuneration attitudes in the workplace

Remuneration attitudes are viewed as an employee's perception and assessment of their salary. It includes factors of fairness, adequacy, and transparency as it correlates directly with performance. These perceptions influence how employees' attitudes affect job-related behaviours and outcomes, such as motivation, satisfaction and overall engagement. This is particularly evident in commission-based organisations (Ombanda, 2022), within which compensation is seen as more than a transaction: it is viewed as a measure of organisational equality and emphasises the quality and worth of employees' contributions (González-Cánovas, 2024; Mohrenweiser & Pfeifer, 2023).

Remuneration attitudes are complex as they involve employee beliefs of fairness as well as performance-based associations. These views act as a distinct resource within the JD-R model, directly influencing employees' experiences and their responses to stressful, work-related roles that are commission-based (Ombanda, 2022). Recent research demonstrates the complexity of compensation, which includes distributive justice, procedural justice and information justice (Hartmann & Slapničar, 2012; Zayed et al., 2022). In commission-based roles, employees are not only concerned with how much they

are paid, but also with whether the processes by which their pay is calculated and communicated are transparent and credible. A lack of clarity may decrease trust in management, while transparent procedures strengthen perceptions of equity and increase engagement.

Other elements are strongly associated with fairness of compensation are employee motivation and engagement. Productivity and the alignment between organisational and individual goals are often achieved when there is perceived fairness in the performance pay structures, which ultimately increases loyalty and effort (Mohrenweiser & Pfeifer, 2023). Applying the JD-R model shows that perceptions of fairness can function as enablers that alleviate the stress of demanding job roles. Transparency is also a crucial factor in attitudes towards remuneration. Klindžić (2025) found that open commission structures contribute to employees' emotional engagement and dedication to their roles. Organisational justice is also strengthened when employees understand the reasoning behind compensation scheme decisions.

Pay is seen as a job resource within the JD-R model and can alleviate high job demands and stimulate engagement. When pay is fair and related to performance, employees report a sense of acknowledgement and support which drives commitment (Bakker et al., 2023; Mazzetti et al., 2023). In contrast, when compensation is experienced as unjust and insufficient, the employees attitude towards remuneration transitions from a resource to a demand, which results in a decline in satisfaction and an increase in disengagement.

When employees are appropriately compensated for their efforts, their belief in their worth increases, which leads to higher engagement. This is highlighted in the study by Zayed et al. (2022), who reiterated the significance of perceived performance and reward. It has therefore been confirmed that transparent performance-reward frameworks functions as motivational job resource as theoretically hypothesised within the JD-R model.

Furthermore, adequacy of remuneration has also emerged as a key dimension of perceptions of pay. Employees are more concerned about whether pay is sufficient to meet personal and household needs than simply considering fairness of distribution. When remuneration is perceived as inadequate, financial stress increases, increasing the feeling of scarcity and reducing engagement and satisfaction (Wei et al., 2024; Van Dijk et al., 2022). This is particularly important in the South African context, where inflationary

pressures and socioeconomic inequality has an impact on pay adequacy and employee well-being.

Moreover, performance-linked pay such as commission can serve as a motivator when goals are viewed as achievable and efforts linked to rewards are perceived as credible. Studies by Bae & Kim (2023) and González-Cánovas (2024) indicate that systems linked to performance can increase satisfaction, as they clearly associate remuneration with the personal efforts made by each employee. On the other hand, it should be noted that it is also possible for such systems to cause tension when the designated targets are viewed as impossible to achieve, when assessment criteria are not open, or when the awarding of remuneration is inconsistent. In situations like this, commission structures can cause disengagement rather than providing incentives.

When compensation structures are viewed as fair and transparent, turnover intentions are reduced and morale is improved. However, discrepancies in the system can cause increased stress and a lesser degree of trust (González-Cánovas, 2024; Mohrenweiser & Pfeifer, 2023). Research in this area shows clearly that attitudes towards remuneration have a profound effect on job outcomes, as well as on an employee's overall quality of life.

Positive attitudes towards remuneration are felt when remuneration practices are seen as open and honest. This occurs in situations where procedures for allocating commission and evaluating performance are clearly communicated (Klindžić, 2025; Harshitha & Almeida, 2025). Conversely, when compensation processes are inadequately articulated and lead to reduced confidence in compensation practices, distrust and criticism can result. To maintain the engagement and morale of employees who earn commissions, transparency and morale must be maintained.

Furthermore, employee retention and organisational commitment are affected by the perceptions of employees regarding compensation (Harshitha & Almeida, 2025). Disengagement and turnover are experienced when remuneration practices are unclear or unjust. Therefore, it is necessary for compensation schemes to incorporate economic adequacy and psychological fairness, since views regarding compensation in the workplace are influenced by employees' perception of equity, sufficiency, transparency and performance base. These attitudes influence whether remuneration serves as a

beneficial resource that enhances engagement and satisfaction, or as a demand that leads to strain and disengagement. In a commission-based environment like the South African automotive sector, these dynamics are recognised due to income uncertainty and reliance on performance results.

2.3. Remuneration attitudes and job satisfaction

Employees evaluate their work and its benefits subjectively, including both emotional and intellectual aspects. Their opinions of fairness, adequacy, transparency and the link between performance and remuneration are important indicators of job satisfaction. In variable pay environments, such as commission-based automotive sales roles, these attitudes are particularly relevant because income levels fluctuate continually, shaping employees' sense of stability, recognition and fairness (Mohrenweiser & Pfeifer, 2023; Wei et al., 2024). Attitudes towards remuneration attitudes are recognised as predictors of satisfaction. This contradicts the accepted opinion that more generous remuneration alone leads to job satisfaction. Recent research points to the emotional and perceptual aspects of remuneration, especially the link between equity and performance linkage, stressing that they are fundamental components of a contemporary payment structure (Zayed et al., 2022; Aishatu et al., 2024).

Lind and Tyler (1988) have pointed out that opinions about fairness influence trust in employers and readiness to accept outcomes, including negative ones. . Zayed et al. (2022) have shown, convincingly, that distributive and procedural fairness in remuneration is an indicator of employee satisfaction, especially in organisations where there are considerable discrepancies in payment. If payment is seen to be fair, and when employees regard the payment system as fair and openly administered, they are likely to perceive pay as fairly allocated, through transparent processes, and they are more satisfied and committed to their role, while the reverse applies and negative perceptions of the prevailing system decreases satisfaction and increases turnover intentions.

Bae and Kim (2023) also demonstrated that when job satisfaction is increased by employees' opinion of performance pay as equitable and achievable, satisfaction is increased, as efforts and achievements are rewarded. However, when employees perceive that efforts for pay are weak or inconsistent, performance-linked pay systems

can frustrate employees and reduce satisfaction. This dual effect is relevant in a sales-driven context where employees' primary income is derived from commission earnings.

Aishatu et al. (2024) disputed the notion that job satisfaction is the main determinant of job satisfaction. Noting that employees evaluate their earnings from a personal perspective, they suggested a change of paradigm. Employees view incorporate alignment between their own work and the value placed on fairness and organisational justice over basic monetary rewards. This change represents a move from transactional compensation structures to strategic compensation practices, which encompass both economic and psychological requirements; an approach that the JD-R model supports. These principles serve as job resources, as they ameliorate burnout and create a positive work environment.

Zayed et al. (2022) confirmed that when compensation schemes are viewed as organised and transparent, increased levels of job satisfaction are increased. Favourable perceptions of the correlation between performance and reward on the part of employees cause them to perceive recognition and value favourably: this is consistent with the JD-R model, which also suggests that meaningful rewards supports long-term performance amidst rising job demands (Zayed et al., 2022).

Bakker et al. (2023) agreed that resources act as buffers against high demands and also fulfil employees' needs for recognition and security, thus playing a motivational role. In commission-based positions, remuneration that is fair and adequate enables employees to deal with demanding performance targets, and supports higher levels of satisfaction. On the other hand, in situations where remuneration is regarded as inadequate, it does not function as a resource but as an additional demand and a source of dissatisfaction (Mazzetti et al., 2023). In the same way, income fairness, both within the organisation (internally) and across market benchmarks (externally) are regarded as important determinants of job satisfaction (Mohrenweiser & Pfeifer, 2023). In addition, employees evaluate their pay, not only by the amount, but by how it supports their perceived contribution and how it compares with that of their peers. The paradigm therefore becomes more as it adds complexity by extending it from individual well-being to comparative and contextual fairness.

The findings of Chung et al. (2021) supported this, emphasising that satisfaction is not just enhanced by the amount earned, but by the perceived fairness of the structure on which the remuneration is based. These results provide pragmatic support for this hypothesis of this study: that fair remuneration leads to greater job satisfaction, and in addition, employees are more likely to be loyal and productive and display positive morale when they view their payment as adequate. This means that personal and professional needs are fulfilled and positive job satisfaction is achieved (Magai & Ardianto, 2024). In combination, these studies present a broader view of compensation: as a resource that transforms into a basic facilitator of contentment rather than a catalyst for discontent.

Harshitha and Almeida (2025) confirmed that employees demonstrate satisfaction with their employment when structures for remuneration are fair and transparent, and that this also promotes overall morale, well-being and loyalty. Conversely, Mohrenweiser and Pfeifer (2023) emphasised that dissatisfaction with performance-pay systems are more likely to raise levels of dissatisfaction. Thus, perceptions of remuneration encompass more than just compensation, but influence employees' entire experience of their working role.

Compensation perspectives are therefore essential for job satisfaction. Fairness, transparency, sufficiency and performance-based compensation determine whether salary serves as a job resource that enhances satisfaction or as a demand that detracts from it (Klindžić, 2025). In commission-based settings, these dynamics are especially prevalent, rendering remuneration attitudes a significant factor affecting job satisfaction (Bae & Kim, 2023). The study enhances the understanding of how compensation schemes influence results in the South African automotive industry by incorporating remuneration attitudes into the analysis of job satisfaction.

2.4. Remuneration fairness and employee engagement

Employee engagement goes further than job satisfaction by measuring the extent to which individuals dedicate energy, passion and commitment to their work. Engagement, as defined by Schaufeli et al. (2006), are characteristics of vigour, dedication and absorption, and is regarded as a dynamic variable illustrating how individuals invest their own resources into work responsibilities. Job satisfaction is indicated when an employee shows contentment with their role, whereas engagement implies their active participation and motivation to excel (Bae & Kim, 2023).

Fairness of remuneration is a crucial aspect of overall compensation perceptions, as it is fundamental to assess how much value employees derive from their employers in accordance with their efforts, so the concept encompasses distributive and procedural justice (Ardian et al., 2023). 'Distributive justice' refers to the perceived fairness of outcome distribution, while 'procedural justice' pertains to the perceived fairness of the process that resulted in these outcomes (Ardian et al., 2023). An employee's willingness to invest in their roles and remain emotionally and cognitively engaged in their work makes these two perceptions vital to an employee (Yaqub et al., 2021).

Ardian et al. (2023) conducted a quantitative study into procedural fairness in compensation systems and found a strong relationship between fairness perceptions and employee engagement. Fairness is how compensation is allocated and communicated: it increases employee agility and performance, both of which are central attributes to engagement (Ardian et al., 2023). The study also found that employees reported higher levels of discretionary efforts and workforce agility when they perceived their compensation process as transparent and performance-based, which is central to engagement (Ardian et al., 2023).

Triningsih et al. (2024) expanded on fairness of compensation, stating that compensation not only increases engagement, but reduces intention of turnover. Also, employee engagement is not achieved by means of financial rewards alone. It is necessary for employees to perceive these rewards as equitable and performance-based (Bakker et al., 2021).

Within the framework of the JD-R model, attitudes towards remuneration function as a key resource that can encourage or hinder engagement in a job. According to Bakker et al. (2023), job resources increase motivation by providing employees with the energy and resilience essential for meeting job demands. In commission-based settings, the pressure of the work and the financial expectations are intense, so that fair and adequate remuneration signals support and recognition on the part of the organisation. This makes the employees willing to engage in sustained effort that requires vigour and dedication. Furthermore, perceived fairness in remuneration functions as a psychological job resource that improves employee engagement within the JD-R model, according to Mazzetti et al. (2023), who also stated that job resources such as fair treatment and recognition buffer the negative effects of job demand, thereby improving employee engagement. Therefore,

in high-pressure, performance-driven jobs such as commission-based sales, it is important to ensure remuneration fairness, which may serve as a protective factor against disengagement.

In addition to fairness, when employees perceive their remuneration as fair and linked to performance, they are likely to feel valued and secure, which supports their psychological investment to the organisation (Magai & Ardianto, 2024). The sense of remuneration being enough, especially in high pressure roles, is crucial, particularly where job demands are high and consistent efforts are always required. Furthermore, the perceived link between performance and pay is the belief that rewards are tied to ones contributions. Zayed et al. (2022) concluded that remuneration systems based on performance build the trust of employees in the fairness and credibility of the processes within the organisation. These researchers also maintain that perceptions of performance-related remuneration functions as a vital job resource in the JD-R model, alleviating the strain of job roles while increasing work motivation and commitment.

Moreover, fairness and transparency in pay systems affect the amount of energy employees are willing to invest in their jobs. Zayed et al. (2022), emphasised that views regarding fairness in procedures and outcomes, and contribute to trust in the organisation. This, in turn, encourages employees to commit more intensely to their roles. Transparent communication regarding commission structures thus reduces ambiguity and promotes psychological safety; employees are enabled to expend their energy on performing the necessary tasks, instead of questioning the legitimacy of pay practices (Klindžić, 2025; Harshitha & Almeida, 2025). Job satisfaction gradually declines under financial strain but is depleted quickly when remuneration is seen as inadequate. Financial stress has a negative effect on an employee's cognitive ability, reducing the personal resources available to them at work (Wei et al., 2024; Van Dijk et al., 2022). In contexts based on commission, motivation and retention are impacted; therefore, in demanding sales settings, adequate compensation is crucial for maintaining engagement (Bae & Kim, 2023).

Attitudes towards remuneration therefore affect participation, determining whether compensation is regarded as a motivating resource or a draining obligation. Fairness and equity encourage confidence, which enhances vigour and commitment (Chung et al., 2021). Adequacy is a buffer against the depletion of resources due to financial pressure,

and reliable performance frameworks support continuous motivation. These dynamics highlight the importance of attitudes to remuneration in comprehending engagement patterns among commission-based employees (Chung et al., 2021).

2.5. Perceived financial scarcity (PFS)

PFS is now recognised as a crucial element in understanding employee well-being and workplace outcomes (Van Dijk et al., 2022). An individual's view of inadequate financial resources constricts cognitive capacity, causes anxiety and prioritises immediate concerns over long-term planning (Van Dijk et al., 2022). This is because, from a psychological viewpoint, scarcity acts as a demand that depletes personal cognitive and emotional resources, reducing an employee's capacity to sustain motivation and concentration, and engage with their duties effectively (De Bruijn & Antonides, 2022).

Commission-based roles involve high-income variability, frequently making PFS a defining factor. Variable incomes often cause employees to experience elevated levels of stress and reduced control over their finances combined with elevated concerns about their imminent financial responsibilities (Harshitha & Almeida, 2025). The dynamics of such situations hinder decision-making ability and deplete one's ability to invest effort in work tasks. The result is decreased levels job satisfaction and engagement. The impact of perceived PFS on employees attitudes and behaviours in the workplace have been highlighted in recent studies. As explained by Van Dijk et al. (2022), PFS describes an employee's feelings of not having enough money, which causes stress and places focus on short-term financial issues.

Employees in commission-based roles displayed high levels of stress due to unpredictable earnings, which increased the impact of PFS on engagement and satisfaction (Harshitha & Almeida, 2025). The JD-R Model provides a useful theoretical anchor for placing PFS within employee outcomes. Conceptualised as a personal demand, PFS interacts with job resources such as fair and performance linked pay. When employees perceive adequate resources (fair pay, transparent performance-pay systems), the negative effect of PFS may be buffered. In contrast, when remuneration systems are seen as unfair or inadequate, the effects of scarcity are increased, which reduces motivation and depletes energy (Bakker et al., 2023; Wei et al., 2024).

Recent studies engage this perspective by displaying that financial stress reduces engagement through cognitive overload and worry (Chung et al., 2021). Wei et al. (2024) demonstrated that employees who are under financial strain reported lower work engagement, as much of their mental capacity was absorbed by ruminating about their financial situations. Hilbert et al. (2024) also argued that scarcity-induced short-termism has a detrimental effect on resilience and forward-thinking behaviour, both of which are essential in environments that are driven by commission, where effort and adaptability are required.

In conclusion, an important gap in the literature is addressed by the inclusion of PFS in this study. Previous research has examined organisational resources such as remuneration fairness or external stressors in isolation; however, integrating the effects of PFS indicates how personal financial demands intersect with pay systems in the workplace to create engagement and satisfaction (Hilbert et al., 2024; Wei et al., 2024). PFS is seen as a key factor that interacts with remuneration attitudes, and not just a background condition, since it influences how employees perceive, experience and respond to their work settings.

2.6. Employee engagement and job satisfaction

Employee engagement and job satisfaction are acknowledged as critical constructs in organisational behaviour, and their influence on performance, retention and well-being are frequently investigated (Bakker et al. 2023; Ahmeti, 2023). Engagement represents the emotional and cognitive investment in work and satisfaction, reflecting overall contentment with the job. Their interaction is dynamic and mutually reinforcing (Sjahrudin et al., 2024).

In the context of this study, these constructs are influenced by attitudes towards remuneration, in particular, perceptions of fairness and performance. Theoretically, this relationship is anchored in the JD-R model: this indicates that when employees perceive these elements as present and supportive, they act as job resources, buffering job demands and enhancing engagement and satisfaction (Magai & Ardhianto, 2024). Pragmatic evidence supports this link. For instance, Bakker et al. (2023) found that perceived fairness in pay structures boosts engagement to a significant extent, particularly in roles where there is intense pressure to perform. On the contrary, when fairness is experienced in both distributive (outcome) and procedural (process) terms, it produces

trust and psychological safety – both key aspects of sustained engagement (Ahmeti, 2023).

Adaptive leadership requires engagement-driven strategies that enhance job satisfaction and engagement (Sjahrudin et al., 2024). Employee performance improves when there is job satisfaction, but only when there is heightened engagement (Ahmeti, 2023). This also emphasises, that engagement is central in the translation of attitudes into outcomes. Well-being programmes for employees, as well as retention plans, are contributing factors; if they are viewed as genuine and linked to employees' values, they can result in higher levels of job satisfaction (Sypniewska et al., 2023). These findings support the hypothesis that employee satisfaction is not only affected by compensation, but also by the perceived fairness of rewards in relation to efforts.

A transparent and consistent relationship between outputs and rewards is observed by employees, they are more likely to remain engaged and satisfied (Zayed et al., 2022). This perception confirms the value of their contributions, reinforcing a worthy cycle of motivation, productivity and loyalty.

To summarise, job satisfaction and employee engagement are distinct but interrelated constructs crafted by remuneration attitudes (Ardian et al., 2023). Satisfaction shows evaluative judgements of fairness and adequacy, while engagement shows the energy employees are willing to invest when those conditions are met. Engagement may link remuneration attitudes to satisfaction, where both constructs reinforce one another (Chen & Fellenz, 2020). Also, while studies have reported job satisfaction as a strong positive predictor of engagement, this relationship falls outside the scope of this study.

2.7. Conceptual model

The preceding sections reviewed the theoretical foundations and empirical evidence linking remuneration attitudes, PFS, job satisfaction and employee engagement. Building on this review, this study adopted a conceptual model that integrated these constructs within the JD-R framework. This framework, which is illustrated in Figure 1 (below), outlines the hypothesised relationship between remuneration attitudes and two key employee outcomes namely, employee engagement and job satisfaction.

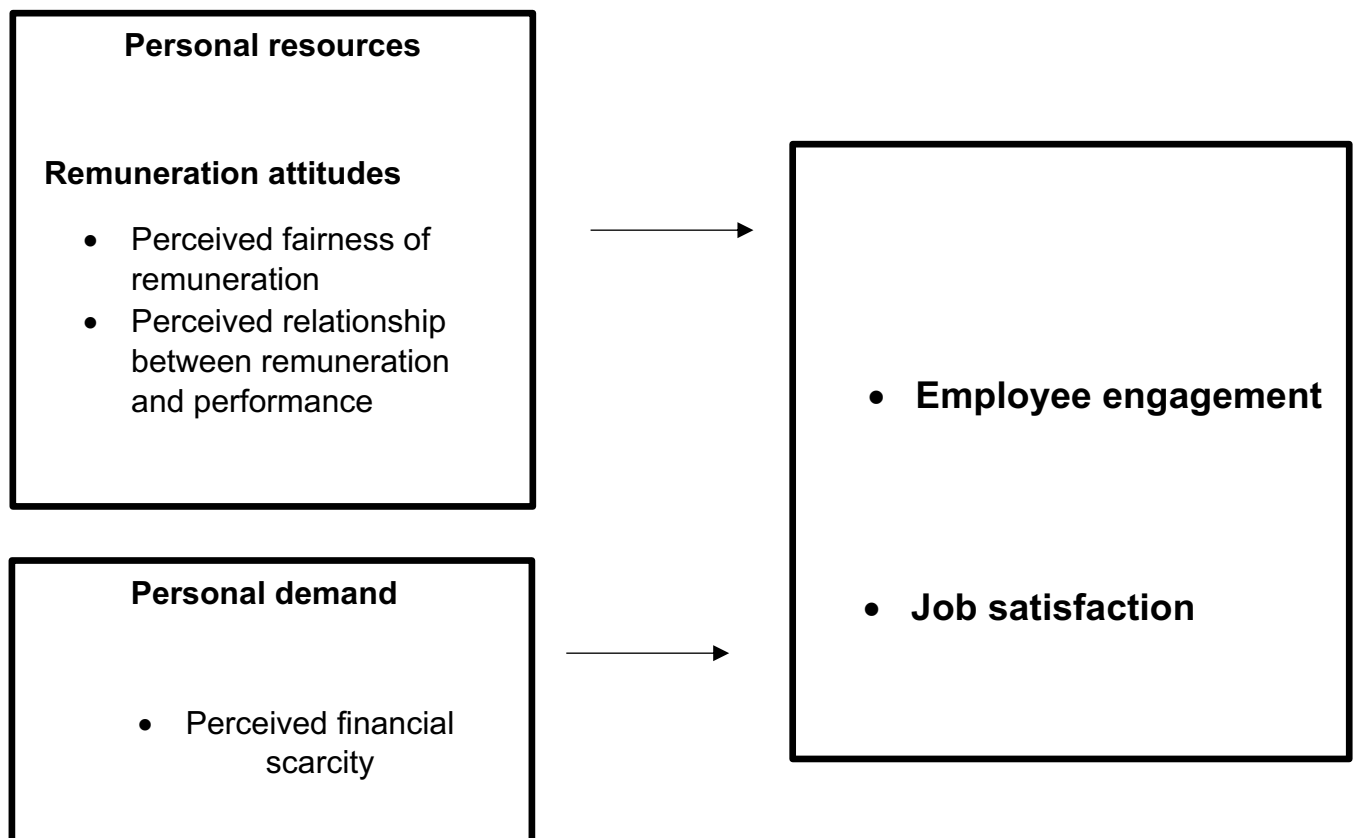


Figure 1: Conceptual model

Source: (Compiled by the Researcher).

This framework suggests that employees' perceptions of remuneration are viewed through three dimensions which play an important role in shaping engagement and satisfaction. Remuneration attitudes are personal resources. The three dimensions are perceived fairness, perceived performance-pay linkage and perceived financial scarcity (Hartmann & Slapničar, 2012). Lastly, perceived financial scarcity is conceptualised as a personal demand within the conceptual framework (Xanthopoulou et al., 2007).

The first dimension is the perceived fairness of remuneration. This dimension relates to whether employees believe that compensation practices are equitable and just in comparison to their colleagues and the work they perform (Hartmann & Slapničar, 2012). The second dimension is the perceived relationship between remuneration and performance; this captures the extent to which employees perceive a clear and justifiable link between efforts/performance they put into their job and the reward they receive (Hartmann & Slapničar, 2012).

Lastly, perceived financial scarcity captures an individual's perception of the inadequacy of their financial needs, may influence employee engagement and job (Harshitha & Almeida,2025).

2.8. Conclusion

This chapter provided a review of the theoretical and empirical literature supporting the study. It began by situating remuneration attitudes as a central construct, showing how perceptions of fairness and performance-pay linkage influence workplace experiences. These attitudes demonstrate a dual purpose, in that it may operate as a job resource when viewed favourable but may operate as a job demand when regarded unfavourably.

The chapter also outlined research relating to the relationship between remuneration attitudes, job satisfaction and employee engagement. Job satisfaction was described as employees' evaluative assessment of their work and compensation, whereas engagement was characterised as a condition of vigour, dedication and absorption. This review demonstrated that remuneration attitudes shape both concepts in different ways. The notion of PFS was incorporated into the review as an individual requirement that interacts with organisational resources. The incorporation of PFS into the study extends current applications of the JD-R model by referring to personal financial stress as a factor that influences employees' professional results, especially in commission-based positions marked by income fluctuation.

Chapter Three: Research Question

3. Introduction

The purpose of the research explores the influence of remuneration attitudes and perceived financial scarcity on employee engagement and job satisfaction. To accomplish the purpose of this study, the conceptual model was developed (refer to figure 1 page 22). Furthermore, the purpose of this chapter is to unpack the research questions for this study.

3.1. Research question

Do remuneration attitudes, which are perceived fairness and performance-pay linkage, and PFS influence employee engagement and job satisfaction in commission-based roles within the second-hand automotive sector?

3.1.1 Research Sub-questions One: Remuneration attitudes and employee engagement

Research Sub-question One: What is the relationship between remuneration attitudes (i.e., perceived fairness of remuneration and perceived link between remuneration and performance) and employee engagement?

The purpose of this sub-question was to discover the extent to which remuneration attitudes influence employee engagement. It is particularly intended to determine whether perceptions of fairness in remuneration and the perceived relationships between remuneration and performance influence employee engagement levels (Ardian et al.,2023).

H0: Remuneration attitudes (i.e., perceived fairness) does not influence employee engagement.

H1: Remuneration attitudes (i.e., perceived fairness) positively influences employee engagement.

H2: Perceived link between remuneration and performance influences employee engagement.

H0: Perceived link between remuneration and performance does not influence employee engagement.

3.1.2. Research Sub-questions Two: Remuneration attitudes and job satisfaction

Research sub-question Two: What is the relationship between remuneration attitudes (i.e., perceived fairness of remuneration and perceived link between remuneration and performance) and job satisfaction?

The aim of this sub-question was to investigate how remuneration attitudes influence job satisfaction. It explores whether perceptions of fairness in remuneration and the perceived link between remuneration and performance adds to employees' overall satisfaction with their jobs (Zayed et al., 2022; Aishatu et al., 2024).

H3: Remuneration attitudes (i.e., perceived fairness) positively influences job satisfaction.

H0: Remuneration attitudes (i.e., perceived fairness) does not influence job satisfaction.

H4: Perceived link between remuneration and performance influences job satisfaction.

H0: Perceived link between remuneration and performance does not influence job satisfaction.

3.1.3. Research Sub-questions Three: Perceived financial scarcity and employee engagement and job satisfaction

Research Sub-Question Three: What is the relationship between Perceived Financial Scarcity (PFS) and employee engagement and job satisfaction.

The reason for this sub-question was to explore the influence of PFS on employee engagement and job satisfaction. It was intended to show whether higher levels of perceived financial scarcity are linked with reduced engagement and satisfaction, shedding light into how financial constraints influence employees' workplace attitudes (Van Dijk et al., 2022).

H5: Perceived Financial Scarcity (PFS) negatively influences employee engagement and job satisfaction.

H0: There is no significant relationship between perceived financial scarcity and employee engagement and job satisfaction.

3.2. Conclusion

This chapter sets the scene for the investigation into how remuneration attitudes and perceived financial scarcity relate to employee engagement and job satisfaction. Together, the research sub-questions and hypotheses provided clear objectives that guided the analysis. By directing focus on perceived fairness of pay, the link between pay and performance, and the experience of financial scarcity, created a clear process for this study, which also explored how these aspects influence how employees feel about and engage with their work.

Chapter Four: Research Methodology

4. Introduction

This chapter reviews all methods and procedures employed to gather data that address the relevant research questions and objectives. This chapter outlines the research design, the population and sample, the data collection methods and the measurement techniques employed to analyse each variable.

4.1. Research design and methodology

This study deployed a research design that was quantitative and cross-sectional in nature. Furthermore, the study explored the influence between remuneration attitudes, perceived financial scarcity and employee engagement and job satisfaction. This design explored the influence of the constructs at a specific point in time, which drew upon correlations and identified potential predictors. To add, quantitative research is inherently objective and uses statistical data to help answer the research question and/or test the hypotheses (Saunders & Lewis, 2018).

4.1.1. Research design

An explanatory research design was used to examine the correlations between variables (Saunders & Lewis, 2018). A deductive approach was employed, which involved testing existing theories and hypotheses through the analysis of data collected from the targeted population (Saunders & Lewis, 2018; Rahi, 2017). Given the nature of the research questions, the research design was quantitative where statistical methods were applied to explore patterns, associations and possible links between the variables (Rahi, 2017). The investigation ascertained the existence of connections between the variables (Magai & Ardianto, 2024; Ardian et al., 2023). Furthermore, to enable the researcher to gather large volumes of responses, a survey strategy was used for data collection (Rahi, 2017; Saunders & Lewis, 2018).

The insights from this research design contributes to both theoretical and practical aspects of the study. Theoretically, it has provided a greater understanding of remuneration attitudes and perceived financial scarcity and its influence on employee engagement and

job satisfaction (Ardian et al., 2023; remuneration attitudes, which are personal resources Van Dijk et al., 2022). Practically, it has provided organisations with evidence-based recommendations for improving remuneration processes and structures that are perceived to be fair and linked to performance and drive employee engagement and job satisfaction (Cornelio & Mahusay, 2024; Mazzetti et al., 2023).

4.1.2. Research philosophy

This study's research philosophy was supported in positivism. This paradigm is centred on scientific methods of extracting knowledge (Saunders & Lewis, 2018). Positivism is often used in quantitative research as the reality is objective and can be measured through observable behaviours (Creswell, 2017). Positivism is important as it emphasised neutrality in the research, which prompted credibility due to consistency when collecting data (Ombanda, 2022). Furthermore, a positivist philosophy also ensured that clear and accurate knowledge was developed and that the data is not influenced by bias or human interpretation (Rahi, 2017).

4.1.3. Research approach

The research approach encompassed strategies that will interpret and implement the data. This included the data that was sampled, collected, analysed and interpreted (Creswell, 2017). The research was deductive in nature: a deductive approach can be described as one that involves the testing of theoretical propositions by means of a strategy that is designed to collect information for purposes of the actual testing (Saunders & Lewis, 2018). Therefore, this study utilised a deductive approach that was supported by positivist philosophy as it explored the influence of remuneration attitudes and financial scarcity on job satisfaction and employee engagement within an organisation (Ombanda, 2022).

One of the key aspects of using this approach is that the research referred to theories and frameworks that already exist (Rahi, 2017). For the purpose of this research, a quantitative mono method was used (Maalouf, & Maalouf, 2024). A mono method is one that uses a single technique such as questionnaires to collect data (Saunders & Lewis, 2018). This approach tied up well with the positivist philosophy, as it was a single methodology to collect and analyse data that is numerical (Pandey & Pandey, 2015).

In this instance Structured surveys were used as the principal tool for collecting data (Creswell, 2017). Within this instrument lies the objectivity and consistency ensured by extracting data gathered on remuneration attitudes, perceived financial scarcity, employee engagement and satisfaction. This choice was appropriate as it assisted in drawing out trends that can be quantified (Pandey & Pandey, 2015). The mono-approach provided data that was considered clear and simple, which aligned well with the purpose of the study and ensured the data collected were valid and reliable (Creswell, 2017).

4.1.4. Strategy

A survey strategy was used for this research; a structured questionnaire was designed to collect data. Information was gathered regarding remuneration attitudes, perceived financial scarcity, employee engagement and job satisfaction was gathered by collecting data from employees within the organisation (Rudolph et al., 2020). This survey strategy was linked directly with a quantitative research approach, as it allowed for information to be collected on a large scale from a broader population within a shorter period, covering all the base points of this study (Rahi, 2017).

Through the use of surveys, statistical data that was descriptive and inferential in nature was collected (Saunders & Lewis, 2018). The descriptive statistics summarised the data and described the key features, whereas inferential statistics, on the other hand, was used to identify relationships that existed between variables. In this case, they existed between remuneration attitudes, financial scarcity, employee engagement and job satisfaction across different positions within the organisation (Rahi, 2017). The survey was structured using close-ended questions, which ensured standardisation as well as ease of analysis through the use of Likert scale items.

Furthermore, to improve the reliability of the findings and reduce sampling bias, the researcher strove to ensure that all the roles within the selected population, namely sales executives, buyers, contact centre agents and finance and Insurance consultants were proportionally represented in the sample, thereby enhancing its adequacy and representativeness (Noor & Golzar, 2022). An online platform (email) was used to send out the survey, thus increasing accessibility and response rates, especially because of the geographical locations of employees (Pandey & Pandey, 2015). To ensure compliance

and ethical clearance, consent forms, maintaining confidentiality and voluntary participation, were included in the design and the implementation stages of the survey.

A cross-sectional time horizon was applied, as it collected data at a single point in time (Creswell, 2017). Based on this research type, this approach was best suited as it assisted in providing insights into remuneration attitudes, employee engagement and job satisfaction. This further allowed for a comparison to be made regarding the workplace dynamics at the relevant point in time. In addition, this time horizon approach was considered to be more efficient and cost effective, especially as there was a timeline to this research in comparison to a longitudinal approach (Pandey & Pandey, 2015). Lastly, the nature of this approach allowed for data to be collected at a single period of measurement, meaning that it was ideal for capturing data from the remuneration attitudes and financial scarcity perspective on employee engagement and satisfaction within a single used vehicle dealership in the South African automotive industry. This approach was both practical and feasible (Creswell, 2017).

4.2. Population

A population is defined as a group of individuals who share similarities and are the target participants of the researcher (Pandey & Pandey, 2015). The target population for this study was employees working in commission-based roles in a second-hand vehicle dealership in a single organisation in South Africa. These roles include sales executives, customer care agents, finance and insurance consultants (F&I) and vehicle buyers, as these functions were linked to performance-based remuneration structures (Cornelio & Mahusay, 2024). The selected individuals were employed in positions that provided valuable insights into how remuneration attitudes, specifically perceived fairness, performance linkage and perceived financial scarcity, affects job satisfaction and employee engagement, as they are reliant on commission incentives and have exposure to fluctuating income conditions (Kadiresan et al., 2019; Cornelio & Mahusay, 2024).

The used vehicle sector is known for its dynamic and competitive environment, with high sales targets and fluctuating income levels (Magai & Ardianto, 2024). These factors increase the psychological impact of remuneration systems. Focusing on performance-based roles allowed the researcher to capture aspects of employee perceptions about fairness and performance-pay alignment, which are vital determinants of workplace attitudes in such environments (Magai & Ardianto, 2024). Furthermore, employees within

these roles are under constant pressure to bring in results in return for variable compensation, making their remuneration attitudes and perceived financial scarcity more sensitive to how pay structures are perceived and experienced (Cornelio & Mahusay, 2024). Lastly, by including a diverse cross-section of employees from sales, buying, finance and insurance consultants and other customer-facing roles across the organisation, it has ensured a representative result in understanding remuneration related perceptions and their implications for workplace attitudes.

4.3. Unit of analysis

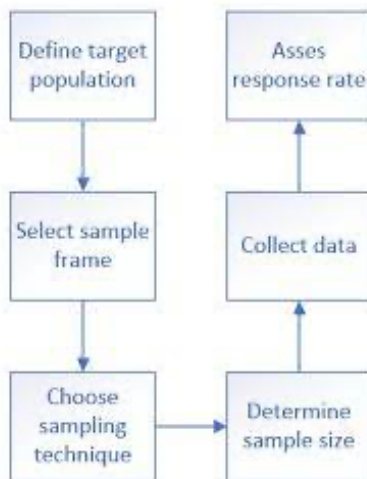
A unit of analysis can be explained as a collection of data from the individual or organisation that is being measured. This can also be defined based on what or whom the researcher seeks to collect and analyse information from (Kumar, 2018). The unit of analysis provided the base to interpreting and analysing data that assisted in answering the research question effectively (Hossan et al., 2023).

The unit of analysis for this study was individuals employed in the second-hand (used) vehicle organisation (Cornelio & Mahusay, 2024). The approach allowed for a granular examination of how personal perceptions of remuneration and PFS influence behavioural and attitudinal outcomes such as engagement and satisfaction. The focus is on individuals' alignment with the JD-R model, which emphasised how employee-level experiences of job demands and resources affect outcomes like performance and engagement (Koroglu & Ozmen, 2022).

4.4. Sampling method

Sampling is performed when a subset is selected from an entire population or sampling frame (Taherdoost, 2016). In the section of sampling method and size, it is important to clearly identify who the sampling population will be (Rahi, 2017). There are six steps within the sampling process (see figure 2, below)

Figure 2: Six sampling steps



Source: (Nanjundeswaraswamy & Divakar, 2021).

Step one in the process of identifying the target population was outlined above. The second step was the selection of a sampling frame consisting of a list of the actual cases from which the sample had been extracted (Taherdoost, 2016). It was important for the sampling framework to be representative of the population (Nanjundeswaraswamy & Divakar, 2021). The third step of the process was determining a sampling technique.

To ensure representativeness, the study used a convenience sampling method with purposive sampling strategy. This was an ideal sampling strategy, as it involved selecting participants based on their accessibility and availability to the researcher (Nguyen et al., 2021; Sauders & Lewis, 2018). The population included employees who were employed in four key roles: sales executives, buyers, customer care advisors and F&I consultants. Furthermore, based on the research, a non- probability method was adopted with a convenience sampling method (Nguyen et al., 2021).

4.5. Sample size

There are several methods for calculating sample size. For this study, the Yamane's formula was used as a guide (Rahi, 2017). To determine the minimum sample required the Yamane's (1967) formula was applied with a 95% confidence level and a 5% margin of error (Ahmed, 2024). This is shown in Table 1, below.

Table 1: Yamane's (1967) formula to calculate the sample

Role	Population(Ni)	No. of Surveys per Role
Sales Executives	833	170
Buyers	542	110
Customer Care Advisors	61	12
F&I	130	27
Total(N)	1566	319

Yamane Formula: $n = N / (1 + N(e)^2)$

With a known population of $N = 1566$ and $e = 0.05$

Accordingly, a minimum of 319 respondents was targeted. To keep the statistical power high while remaining practical in the field, the achieved target was 323 respondents.

Given the commission-based structure of the organisation, participation rates were expected to vary across departments. Sales executive, who earn the highest proportion of variable income through commission, typically face greater performance pressures and were anticipated to show lower rates due to workload and time constraints. Conversely, roles with smaller commission components (e.g. customer care, buyers and F&I) were expected to be more accessible and available to complete surveys. These anticipated differences were reflected in the final sample distribution.

4.6. Measurement instrument

A measuring instrument is a tool used in research to collect data and measure the variables (Garg et al., 2018). In this study, the five constructs that were measured were employee engagement, job satisfaction remuneration attitudes (i.e. perceived fairness and performance-pay linkage) and financial scarcity. For this research, the Utrecht Work Engagement instrument was used to measure employee engagement (Schaufeli et al., 2006). The Job Satisfaction Scale was used to measure Job Satisfaction (Fast et al., 2014). The Procedural Justice (PROCJ) scale was used to measure perceived fairness and the Distributive Justice (DISTJ) scale was used to measure performance-pay linkage

(Hartmann & Slapničar, 2012). Finally, the Psychological Inventory of Financial Scarcity (PIFS) was employed to measure perceived financial scarcity (Van Dijk et al., 2022).

The use of the UWES, JSS, PROCJ, DISTJ and PIFS instruments was justified by their prior validation in either a local or an international context (Schaufeli et al., 2006; Hartmann & Slapničar, 2012; Van Dijk et al., 2022). These scales are particularly suited for this study as they measure intricate perceptions of remuneration attitudes (perceived fairness and performance-pay linkage) and perceived financial scarcity in high-pressure work environments. All multi-item scales were evaluated for internal consistency using the Cronbach alpha (see Table 2).

Table 2: Measurement instrument

Construct	Name of Measurement Instrument	Author/Developers	Number of Items	Reported Cronbach Alpha
Remuneration Attitude (i.e., Perceived Fairness)	Procedural Justice (PROCJ)	Hartmann & Slapničar, 2012	5-items	$\alpha=0.78$
Remuneration Attitude (i.e., Performance-Pay Linkage)	Distributive Justice (DISTJ)	Hartmann & Slapničar, 2012	5-items	$\alpha=0.92$
Perceived Financial Scarcity	Psychological Inventory of Financial Scarcity (PIFS)	Van Dijk et al., 2022	12-items	$\alpha= 0.92$
Employee Engagement	Utrecht Work Engagement instrument (UWES)	Schaufeli et al., 2006	9-items	$\alpha=0.82$

Job Satisfaction	Job Satisfaction Scale(JSS)	Fast et al., 2014	3 items	$\alpha=0.90$
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Data were collected via self-administrated online surveys distributed through Google Forms. Participants were contacted through internal communication channels (email) and were provided with informed consent forms. The survey consisted of six sections: a consent declaration, biographical information, employee engagement (UWES-9 items), job satisfaction (JSS-3 items), remuneration attitude on perceived fairness and performance pay (PROCJ-5 items and DISTJ- 5 items), and the perceived financial scarcity (PIFS-12 items).

4.6.2. Demographic information

Demographic information were obtained regarding gender, age, position held, number of dependents, years in role, educational level, monthly basic salary and monthly average commission were obtained. This information was utilised to better understand the characteristics of the sample.

4.6.3. Employee engagement measure

The UWES measuring instrument was developed by Schaufeli, Bakker and Salanova (2006). Storm & Rothmann (2003), validated this scale in South Africa. This tool originated in a study within the occupational health sector to measure employee engagement (Schaufeli et al., 2006). The Utrecht Work Engagement (UWES) is a 9-item scale (Schaufeli et al., 2006). There are three dimensions that the UWES measures, namely; Vigour, Dedication and Absorption (Schaufeli et al., 2006). Furthermore, a 7-item Likert scale was utilised to gather quantitative data with 1 (strongly disagree) to 7 (strongly agree). This study used the rating-scale and items as it was in the article.

4.6.4. Job satisfaction measure

The 3-item job satisfaction scale used in this study originated from the work of Withey and Cooper (1989) and was later validated and used by Fast et al. (2014). Additionally a 5-item Likert scale was used to gather the quantitative data, with 1 (strongly disagree) to 5 (strongly agree). The estimated reliability on the Cronbach Alpha was 0.90 (Fast et al.,

2014). This measurement instrument was used in studies in the United States however there have been limited validated studies in a South African context. Furthermore, these three items were not modified for this study.

4.6.5. Remuneration attitudes of perceived fairness and performance pay

To measure remuneration attitudes of perceived fairness and performance pay linkage, the distributive justice (DISTJ) and procedural justice (PROCJ) tool was used (Hartmann & Slapničar, 2012). These scales have not been validated in the South African context. This scale measures perceived fairness on a 5-item scale (PROCJ) and performance pay on a 5-items scale (DISTJ) (Hartmann & Slapničar, 2012). These questionnaires used a 5-point Likert scales with 1 (I completely disagree) to 5 (I completely agree). These items were not modified for this study.

4.6.6. Psychological inventory of financial scarcity (PIFS) measure

Van Dijk et al. (2022), developed the Psychological Inventory of Financial Scarcity (PIFS), a measuring instrument that was used to measure Perceived Financial Scarcity (PFS). This validated scale had 12 items which were used to assess perceived financial strain across four dimensions. A 5-point Likert scale was used with 1 (strongly disagree) to 5 (strongly agree). Furthermore, even though this measurement instrument had been validated in other studies, it had not yet been validated within the South African context. These items assess cognitive and emotional responses to financial constraints. The items were not modified for this study.

4.7. Pilot testing

After receiving ethical clearance and before commencing with data gathering, a pilot test was conducted to ensure that the questions on Google Forms were free of any ambiguous in wording, to test survey logic, and to assess whether the research objective was met, resulting in content validity (Sauders & Lewis, 2018).

The pilot test surveys were sent to 30 respondents. A total of 19 respondents completed it, all of whom were representatives of the target population. The survey was sent via email, with a link provided to complete the survey. After that, the pilot study data was

downloaded from Google Forms and uploaded to R (R Core Team, 2025) statistical software for analysis. The pilot study results indicated that no modifications to the questionnaire were necessary.

4.8. Data gathering process

Data was collected by sending out self-administered, structured surveys. The data was gathered after the pilot test was concluded, using a non-probability method with convenience sampling, using the purposive sampling strategy. For these reasons, emails with the link were sent to all the participants, excluding those randomly selected for the pilot from the target population.

The questionnaire was opened from 16 July 2025 and closed on 30 July 2025, so the survey was available for three weeks, during which weekly reminders to complete the survey were sent out. A total of 349 responses were received, exceeding the 319 target.

The survey comprised six sections, namely:

Section A: Consent Information

Section B: Demographical information

Section C: Employee engagement (UWES Scale)

Section D: Job satisfaction (JSS Scale)

Section E: Remuneration attitudes (Perceived fairness - PROCJ, Perceived performance-pay link - DISJ Scale)

Section F: Perceived financial scarcity (Dimension 1, Dimension 2, Dimension 3, Dimension 4)

4.9. Data preparation

After all the data were collected, they were exported from Google Forms. The data that were drawn needed to be edited and coded to build a comprehensive data file (Zikmund et al., 2000). Once this process was completed, the file was used to run the analysis.

4.9.2. Data editing

To ensure clear representation of the data, the dataset needed to be corrected for any items that needed to be omitted or that provided inconsistent data. The data were cleaned using the deletion method (Zikmund et al., 2000). Through the use of this method, the sample size was reduced to 323.

Furthermore, the design on Google Forms was profiled in such a way that to move to the next question, the previous one needed to be completed. Through this process, respondents who did not complete the survey were eliminated from the analysis. Individuals who did not provide consent to use the data were also eliminated. The final sample size was 323.

4.9.3. Data coding

To analyse the data, it needed to be coded into correct format. For this study, a Likert scale was used for each measure. Table 3, below, shows the data coding.

Table 3: Coding of the Likert Scale

Employee engagement (UWES) Scale	1 - Strongly Disagree 2 - Disagree 3 - Slightly Disagree 4 - Neutral 5 - Slightly Agree 6 - Agree 7 - Strongly Agree
Job Satisfaction Survey (JSS) and the Procedural Justice (PROCJ) and Distributive Justice (DISTJ) scale	1 - Strongly Disagree 2 - Disagree 3 - Neutral 4 - Agree 5 - Strongly Agree

Perceived Inventory Financial Scale (PIFS)	1 - I Completely Disagree 2 - I Disagree 3 - Neutral 4 - I Agree 5 - I Completely Agree
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Furthermore, for ease of identifying variables, they were coded to reflect the below (see Table 4):

Table 4: Variable coding

Variable	Code
Employee engagement	EE
Job satisfaction	OS
Perceived fairness (Remuneration Attitudes)	PROCJ
Perceived performance pay link	DISTJ
Perceived financial scarcity	PIFS

4.9.4. Data storage

All participants' personal information and data will be kept private and stored securely on Google Drive for a period of ten years. This will also have an encrypted password to ensure it is securely stored.

4.10. Analysis approach

Upon the data being coded, it was analysed using the R design software. The R design software was selected for its strong and dynamic statistical capabilities, open-source nature and suitability for large-scale data analysis, including Exploratory Factor Analysis (EFA), correlation, and Structural Equation Modelling analyses, which were used to test the hypotheses (Saunders & Lewis, 2018).

The analysis of the data was conducted in four stages:

- The first stage was the descriptive analysis. This was conducted by understanding the characteristics of the sample by using the demographic information. This information was obtained from Section Two of the survey.
- The second stage was to ascertain the reliability and validity of the variables.
- In the third stage of analysis, factor analysis was conducted to grasp which variables could be simplified further.
- The fourth and final stage of the analysis was to test the hypothesis by conducting a Structural Equation Modelling (SEM) to examine the influence of remuneration attitudes and financial scarcity on employee engagement and job satisfaction.

4.10.2. Sample: Descriptive analysis

Descriptive analysis was conducted to understand the characteristics of the sample (Saunders & Lewis, 2018).

This section refers to the demographic information provided by the respondents on their age, gender, tenure in their position, number of dependents, monthly basic and average monthly commissions range. This information provided a better understanding of unpacking the characteristics of the sample relating to how the remuneration attitudes and financial scarcity in relation to their level of engagement and satisfaction in the workplace.

4.10.3. Test for reliability

It is crucial in research to attain consistency in results. To achieve this, reliability of the items under each variable was performed using the R design software. To ensure the internal consistency of all measured constructs, Cronbach's alpha (α) was used for each scale (Garg et al., 2018).

The statistical function below was used to calculate the coefficient of each item under each variables:

$$\alpha = \frac{m}{m-1} \left(1 - \frac{\sum_{i=1}^m \phi_{vi}^2}{\phi_w^2} \right)$$

A threshold of $\alpha \geq 0.70$ was used as the minimum acceptable level of reliability (Saunders & Lewis, 2018). Values above 0.8 were considered good and those above 0.90 considered excellent (Zikmund et al., 2000).

4.10.4. Test for validity

Validity testing is done to determine whether the measurement instruments used in the study actually accurately measures the intended variables. In this study, both content validity and construct validity were used.

Content validity relates to how well the measuring tool actually covers all the relevant aspects of the construct that it is intended to measure (Field, 2018). This test was done to review the contents of the survey to ensure the items within the survey were measuring what it is intended to. The selection of these validated measures provided confidence that the items were relevant and representative of the constructs that were being explored.

On the other hand, construct validity was also used through the application of factor analysis techniques. To attain sampling adequacy and suitability for factor analysis the Kaiser Meyer-Olkin (KMO) index was used alongside Barlett's test of sphericity prior to drawing the data (Kaiser, 1974).

The outcomes of the validity testing supported the appropriateness of the measurement instruments for use in this study.

4.10.5. Factor analysis

Exploratory factor analysis (EFA) was used to identify the primary factor structures, accompanied by the confirmatory factor analysis (CFA) to test whether the hypothesised models are supported by the data. Furthermore, model fit was assessed using recognised goodness-of-fit indices with threshold criteria guided by Hu and Bentler (1999).

4.10.5.1. Exploratory factor analysis(EFA)

EFA was conducted to explore the core factor structures of the measurement instruments and to assess construct validity. The Kaiser-Meyer-Olkin (KMO) measure of sampling adequacy and Barlett's Test of Sphericity were also used to establish the suitability of the data for factor analysis. The threshold for KMO is between 0.8 and 1 for an adequate

sample size (Kaiser, 1974) and the Barlett's Test of Sphericity was used to determine if a factor analysis can be conducted on the data set. Furthermore, the number of variances in each variable was also evaluated using the eigenvalue. The eigenvalue standard is that number of variances is based upon the number of variables that attains an eigenvalue greater than one (Zikmund, et al., 2000). To add, items with factor loadings below 0.3 or with cross loadings were considered for removal to improve the clarity and interpretability of the factors.

4.10.5.2. Confirmatory factor analysis (CFA)

A confirmatory factor analysis (CFA) was conducted to test the hypothesised factor structure of the measurement model to verify the construct validity of the scales used in this study. CFA is a theory-driven approach that assesses how well the observed data fit a predetermined measurement model (Brown, 2015). The CFA was performed using the maximum likelihood estimate methods in R (R Core Team, 2025).

4.10.5.3. Structural equation model

Structural equation modelling (SEM) was used instead of the traditional linear or multiple regression because SEM allows for estimation of multiple dependent relationships while taking measurement error into account.

Unlike the standard regression techniques, which examines only the relationship between observed variables, SEM integrates both the measurement tool (Confirming latent constructs through CFA) and the structural model (testing hypothesised paths between variables) in a single analysis (Ardian et al., 2023). This approach was best suited, based on the complexity of the JD-R theoretical framework used in this study, in which there are multiple interrelated constructs which were measured by several observed indicators that get assessed concurrently. Furthermore, SEM provides a model fit index that provides a better-rounded evaluation of all the theoretical model's adequacy than regression methods, which focus primarily on individual predictive relationships (Ardian et al., 2023). The SEM functions as a specialised form of confirmatory analysis. Through this approach, the relationship among the key variables in study can be statistically evaluated, ensuring

that the overall model shows both the measurement properties of the scales and the structural link between the variables (Ardian et al., 2023).

4.10.5.4. Model of goodness of fit Test

Model fit was evaluated using the combination of absolute and incremental fit indices (Hu & Bentler, 1999). These included the Chi-Square Test (χ^2) and its associated p-value, Comparative Fit Index (CFI), Tucker-Lewis Index (TLI), Root Mean Square Error of Approximation (RMSEA) with 90% confidence intervals, and Standardised Root Mean Square Residual (SRMR). Acceptable thresholds for good model fit were considered as follows: CFI and TLI > 0.90, RMSEA < 0.08, and SRMR < 0.08 (see table 5).

Table 5: General acceptable fit thresholds of SEM indices

Index	Generally Accepted Threshold
Chi-Square/ df	≤ 2 = good fit; ≤ 3 = acceptable fit (sensitive to sample size)
Root Mean Square Error of Approximation (RMSEA)	< 0.05 = close fit; $0.05-0.08$ = reasonable fit; > 0.10 = poor fit
Comparative Fit Index (CFI)	≥ 0.95 = good fit; ≥ 0.90 = acceptable fit
Tucker-Lewis Index (TLI)	≥ 0.95 = good fit; ≥ 0.90 = acceptable fit
Standardised Root Mean Square Residual (SRMR)	≤ 0.08 = good fit

The Comparative Fit Index (CFI), is seen as an advanced version of the Normed Fit Index (NFI) whose value ranges from 0 to 1. Values that are closer to 1 shows a stronger model fit (Hu & Bentler, 1999). Just as the above, the Tuck-Lewis Index (TLI) works in the same way as the NFI, as the higher the value, closer to 1 the better the model fit (Hu & Bentler, 1999).

4.10.6. Descriptive analysis of constructs

All the variables, namely, remuneration attitudes which includes perceived fairness, perceived performance-pay link, perceived financial scarcity, employee engagement and job satisfaction were all analysed, providing data pertaining to the mean, median and standard deviation of each.

The univariate and multivariate normality tests were done to evaluate the assumption of normality. Univariate normality was assessed using Shapiro-Wilk's W test, which is regarded as one of the most powerful tests for detecting departures from normality in small to moderate samples (Sharpio & Wilk, 1965). Multivariate normality was conducted through Mardia's measures of multivariate skewness and kurtosis (Mardia, 1974). The results showed that the measures did not originate from normally distributed univariate or multivariate distributions.

Given the violations of the normality assumption, the Maximum Likelihood Mean (MLM) adjusted estimator was used. This estimator applies a maximum likelihood procedure while providing standard errors and a Satorra-Bentler scale chi-square test statistic, which adjusts from non-normality in the data (Satorra & Bentler, 1994; Yuan & Bentler, 2000). Therefore, it is vital when analysing data that the normality distribution is fully comprehended (Sharpio & Wilk, 1965).

4.10.7. Correlation analysis

Correlation analysis was conducted to explore the direction and strength of the relationship between the study variables (Janse et al., 2021). Given the dataset violated the assumptions of multivariate normality and the variables were measured on ordinal Likert scale, Spearman's rank-order correlation coefficient (ρ) was deemed the most appropriate measure for the study. Spearman's correlation is a non-parametric test that assesses the monotonic relationship between two continuous or ordinal variables without requiring normal distribution data (Janse et al., 2021).

Furthermore, by following the Cohen's (1988) guidelines, correlation coefficients were interpreted as (± 0.10 to ± 0.30), moderate (± 0.40 to ± 0.60), or strong (± 0.70 to ± 0.90). The analysis explored the associations between Employee Engagement (EE), Job satisfaction (JS), Perceived Fairness (PROCJ), Performance-pay like (DISTJ) and the four dimensions of the Psychological Inventory of Financial Scarcity (PIFS).

4.11. Quality control

The main aim of this study was to produce findings that are both reliable and valid, by ensuring that the conclusions drawn are credible and applicable (Zikmund et al., 2000). The methodology section was therefore designed with a few quality control measures to maintain the integrity of the data analysis. A pilot test on the survey was conducted. This was done to build certainty that the questions were unambiguous and aligned well with the research objectives. The instrument showed fit for purpose, as the pilot test highlighted that no changes to the survey questions were required (Saunders & Lewis, 2018).

The second quality control was the use of established scales for all variables, as the scales were validated in previous literature, which ensured content and construct validity. While these scales provide consistency, careful consideration needs to be given to ensure that items were contextually relevant to this study's population (Creswell, 2017).

Furthermore, to verify the reliability of the scales, the Cronbach's alpha coefficients were calculated, with a threshold of 0.70 applied as a minimum acceptable level (Garg et al., 2018). In addition, the Spearman correlations were used to examine the relationships between variables. Another control was adequacy of the sample size, to which the Yamane's (1967) formula was applied to ensure a sufficient statistical power. A total of 349 responses were collected, exceeding the required targets. Follow-ups were sent to participants to maximise the response rate. Lastly, analytical methods were used, based on the data characteristics and research objectives. These included carrying out the statistical analysis using Structural Equation Modelling (SEM). Together, these controls ensured that the data was collected, processed and analysed by upholding rigorous standards of quality, thereby supporting the credibility of the findings.

4.12. Limitations

While every effort was made to design a credible study, several limitations must be acknowledged (Nguyen et al., 2021). Using a single organisation within the second-hand vehicle segment of the South African automotive industry limits the ability to generalise the study's findings. While this may improve contextual relevance and internal validity, it might also constrain the generalisability of findings to other sectors or organisations with different structures, cultures or remuneration systems. Furthermore, since the study has a cross-sectional design, it captured data at a single point in time (Creswell, 2017). Although the cross-sectional design limits causal inference, the use of validated scales, vigorous sampling methods and the JD-R theoretical framework mitigates these limitations (Rahi, 2017). A longitudinal study would have been better suited to determine the direction of these relationships. To add, the data was collected through self-administered surveys which introduced a social desirability bias and a response bias (Rahi, 2017).

Another limitation was that the study focused specifically on three remuneration attitudes dimensions, therefore other potential influential variables, such as benefits or career development, for example, fall outside the scope of this study, and it is possible that they might contribute to engagement and job satisfaction (Saunders and Lewis, 2018).

Chapter Five: Results and Findings

5. Introduction

The aim of this research was to explore the influence of remuneration attitudes (perceptions of fairness and performance pay link) and perceived financial scarcity on employee engagement and job satisfaction within commission based roles in an organisation operating in the second- hand vehicle automotive industry in South Africa.

To achieve this objective, the study adopted a quantitative, explanatory research design grounded in a positivist philosophy and applied a deductive approach. The data was collected through an online survey that was sent out to sales executives, buyers, customer care agents and finance and insurance roles in the organisation. The survey that was used validated measurement scales drawn from existing literature to ensure reliability and validity. Furthermore, the responses were gathered using a purposive sampling strategy. The data collection took place over a three-week period, after which the responses were cleaned, coded and prepared for the statistical analysis.

The purpose of this chapter is to present the results of the study. It begins by detailing the sample size obtained and providing a descriptive profile of the respondents. After that, the reliability and validity statistics were presented for the measurement scales. This chapter also includes reporting on outcomes of the inferential analysis, including correlation results, confirmatory factor analysis (CFA) and hypothesis testing using Structural Equation Modelling (SEM). The findings addressed the proposed research questions and hypotheses, thereby identifying the relationships among remuneration attitudes, perceived financial scarcity, employee engagement and job satisfaction in the context of the second-hand vehicles sector in the South African automotive industry.

5.1. Research sample

The survey was divided into six sections; the first section was the consent form. The second was the demographical information and the remaining sections were the measurement scales used for each variable in the study. The study had a total of 349

respondents from employees in performance linked roles at the organisation who were invited to participate in the study via an anonymous online survey, hosted on Google Forms. Participation was strictly voluntary and no incentives were offered. The survey had an informed consent page detailing the purpose, confidentiality and the right to withdraw at any time without penalty. From the 349 individuals who accessed the link, two declined to provide consent and 24 surveys were removed due to missing data. The final sample size for the analysis was 323 participants which yielded a usable response rate of 92.5%. Refer to Table 6 for the final sample size used in the study.

Table 6: Sample size used in the study

Department	Count of participants	% of sample	Population in company	% in department	% of population
Buyer	145	44.9%	542	26.8%	34.6%
Customer Care	25	7.7%	61	41.0%	3.9%
F&I	30	9.3%	130	23.1%	8.3%
Sales Executive	123	38.1%	833	14.8%	53.2%
Total	323	100%	1566	20.6%	100%

To ensure representativeness of these key roles, the sample was drawn from four operational departments where remuneration is directly tied to individual performance: sales executives, buyers, finance & insurance (F&I) and customer care. These roles involved varying levels of commission-based pay and are central to the company's revenue model. Company-level population data was used to compare the proportions of the participants sampled from each department.

The achieved sample (n=323) represented a 20.6% of the total population (N=1566). While sales executives account for 38.1% of the sample versus 53.2% of the population, other groups were proportionally overrepresented (e.g. buyers 44.9% sample vs 34.6%

population). This over-and-under representation was anticipated based on departmental workload and commission structures. Sales executives, who have the highest proportion of variable pay linked to commission, were expected to be under-represented due to the high-pressure nature of their roles, while employees in buyers, F&I and customer care departments were relatively more available to respond.

Although the sample distribution does not perfectly mirror the population, it remained adequate to draw generalisable inferences for the organisation.

5.2. Demographical descriptive analysis

The demographic information of the respondents can be found in section two of the survey. This information provides details pertaining to the characteristics of the sample (Saunders & Lewis, 2018). Gender was the first descriptive question in the survey.

As indicated below in Table 7, the male respondents were 81.7% in comparison to the female respondents, who were 18.3%.

Table 7: Gender analysis of the respondents

Gender	Count	% of gender in sample	Population in company	% gender in population
Male	264	81.7%	1298	82.9%
Female	59	18.3%	267	17.1%
Total	323	100%	1566	100%

Age was the next descriptive question in the survey that was analysed. From the information provided by the respondents, it can be confirmed that 55.7% of the respondents were aged between 26 and 35 years of age, of which 23.2% were between 36 and 45 years, 16.1 were between 18 and 25, 4.0 % were between 46 and 55 years of age and 1% between 56 and 65 years of age, as shown in Table 8.

Table 8: Respondents age

Age Range	Count	% to age range	Population in company	% age in population
18-25	52	16.1%	298	19.0%
26-35	180	55.7%	859	54.9%
36-45	75	23.2%	331	21.1%
46-55	13	4.0%	64	4.0%
56-65	3	1.0%	14	1%
Total	323	100%	1566	100%

The third descriptive analysis was done based on the number of dependants that the respondents had. The respondents' data on this showed that 33.1% had 0 dependants, 35.0% and 1 dependant, 20.4% had 2 dependents, 8.1% had 3 dependants, 3.1% had 4 dependants and 0.3% had 5 or more dependants. Refer to Table 9 for the number of dependents analysis.

Table 9: Number of dependents

Dependants	Count	% to age range
0	107	33.1%
1	113	35.0%
2	66	20.4%
3	26	8.1%
4	10	3.1%
5+	1	0.3%
Total	323	100%

Years of service (tenure) was another descriptive item that was analysed. The responses to these item showed that 30.7% were employed for <1 year, 47.7% for 1-3 years, 13.3% for 4-6 years, 7.1% for 6-10 years, 0.6% for 10-14 years and 0.6% had 15 years plus tenure. Refer to Table 10 for the tenure analysis. The tenure analysis shows that 78.4% of the employees surveyed had less than 3 years of service with the organisation, despite the firm being in operation for over two decades. This finding highlights a relatively high turnover trend, where employees seldom remain with the company long-term. High turnover is common in commission-based environments such as the automotive sales sector, where income variability and performance pressures can influence retention (Macpherson et al., 2023; Zondo, 2020). The short average tenure shows both competitiveness of the labour markets and potential challenges in sustaining engagement and satisfaction over time. It also echoes the importance of remuneration attitudes and perception of fairness, as employees who do not perceive compensation systems as equitable or sufficiently rewarding are more likely to exit early.

Table 10: Tenure analysis

Dependants	Count	% to age range
<1 year	99	30.7%
1-3 years	154	47.7%
4-6 years	43	13.3%
6-10 years	23	7.1%
10-14 years	2	0.6%
15+ years	2	0.6%
Total	323	100%

Education level was also analysed as a descriptive item. Table11 shows the analysis of the educational levels of the respondents in this sample. The highest percentage of respondents have a matric qualification with 61.0%, followed by diplomas with 25.1%, 8.7% have bachelor degrees, with 2.8% with post-graduate diplomas and 2.1 % who have a grade 11 or lower, and 0.3% who have a masters qualification.

Table 11: Education level analysis

Education Level	Count	% of education level
Masters	1	0.3%
Bachelor's	28	8.7%
Post Graduate	9	2.8%
Diploma	81	25.1%
Matric	197	61.0%
Grade 11 or Low	7	2.1%
Total	323	100%

The last two descriptive analyses are based on monthly basic and average monthly commissions. The salary and commission distribution were right-skewed, with a minority of respondents reporting significantly higher earnings. This distribution echoed the financial heterogeneity within the organisation and supports the relevance of including financial scarcity as a personal demand variable in the model. Table 12, reflects the data analysis that was conducted on basic salary and average monthly commission.

Table 12: Basic salary and distribution of respondents by average monthly commission analysis

Basic salary	Count	% of basic salary
R0-R10000	117	36.2%
R11000-R15000	71	22.0%
R16000-R20000	46	14.2%
R21000-R25000	62	19.2%
R26000-R35000	16	5.0%
R36000+	11	3.4%
Total	323	100%

Ave. Monthly Commission	Count	% of total respondents
R0-R20000	164	50.8%
R21000-R30000	76	23.5%
R31000-R40000	44	13.6%
R41000-R50000	18	5.6%
R51000-R60000	11	3.4%
R61000+	10	3.1%
Total	323	100%

5.2.1. Descriptive analysis

This section summarises the descriptive statistics of the study variables across the measured constructs. The descriptive indicators will provide results on the arithmetic means, standard deviation and medians for each item and construct.

The mean displays the average responses of participants across the different scale, while the standard deviation indicates the extent of variability in responses around these averages. Medians on the other hand, highlights the central tendency of the participants' responses, which is useful given the ordinal nature of the Likert scale data.

Table 13 to Table 18 present the descriptive statistics for the constructs in this study including employee engagement, job satisfaction (OS), perceived fairness (PROCJ), performance pay link (DISTJ) and perceived fairness scarcity (PIFS) and its sub-dimensions. These results provide a preliminary indication of how respondents rated their engagement and satisfaction, perceptions of fairness, performance pay link and experiences of financial scarcity

Table 13: Descriptive stats per variable summary

Scale	Mean	Std. Dev.	Median
EE	5.80	0.90	6
OS	3.97	0.79	4
PROCJ	3.20	0.82	3
DISTJ	3.27	0.97	3
PIFS(overall)	2.92	0.86	3
PIFS D1	2.98	1.09	3
PIFS D2	2.62	0.90	3
PIFS D3	3.23	0.98	3
PIFS D4	2.82	0.98	3

Table 13 shows the mean score for employee engagement items. These items, in general, were high, achieving an overall mean of 5.80 (SD = 0.90; Median = 6). This shows that respondents demonstrated strong levels of engagement with scores leaning more towards “agree” on the scale. The fairly low standard deviation advises limited variability, meaning responses were consistent across the participants. Furthermore, the median value of 6 shows a tendency towards agreement with positive engagement statements see table 14 for detailed breakdown.

Table 14: Descriptive stats - Employee engagement (UWES)

Question	Mean	Std Dev	Median
EE_Q1	5.374613	1.2777015	6
EE_Q2	5.944272	1.2298019	6
EE_Q3	5.882353	1.0625316	6
EE_Q4	5.820433	1.1657444	6

EE_Q5	6.297214	0.9675921	7
EE_Q6	5.969040	1.1658846	6
EE_Q7	5.461300	1.3562213	6
EE_Q8	5.637771	1.2568066	6
EE_Q9	4.879257	1.5960851	5

As shown in Table 13, the mean for job satisfaction was 3.97 (SD = 0.79; Median = 4). This shows moderate to high levels of satisfaction, as responses tended to fall closer to the “agree” point on the scale. The standard deviation shows relatively low variability, proposing that participants responded fairly consistently. The median score of 4 also confirms a pattern of agreement with satisfaction related items (see table 15 for detailed breakdown).

Table 15: Descriptive stats- Job satisfaction (OS)

Question	Mean	Std Dev	Median
OS_Q1	3.928793	0.8657783	4
OS_Q2	4.000000	0.8451543	4
OS_Q3	3.972136	1.0134947	4

Table 13 displays that perceived fairness (PROCJ) had obtained a mean score of 3.20 (SD = 0.82; Median = 3). This suggests that respondents remained neutral in their perceptions of fairness in organisational practices. The standard deviation shows there is some variability in views, but overall the responses were more around the midpoint of the

scale. For this scale the median confirms that neutrality was the central tendency (see table 16 for detailed breakdown).

Table 16: Descriptive stats- Perceived fairness (PROCJ)

Question	Mean	Std. Dev.	Median
PROCJ_Q1	3.263158	1.0315393	3
PROCJ_Q2	3.260062	1.0156459	3
PROCJ_Q3	3.126935	1.0945881	3
PROCJ_Q4	3.315789	0.9903094	3
PROCJ_Q5	3.043344	1.0505739	3

The performance-pay link variable produced a mean score of 3.27 (SD = 0.97; Median = 3) as shown in table 13. These results propose that the respondents were moderately neutral in their perceptions of the link between pay and performance. This construct achieved a higher standard deviation in comparison to the other constructs, showing a more dispersed view, with some responding disagreeing whilst others agreed. The median value are close to 3, showing neutrality as the dominant tendency (see table 17 for detailed breakdown).

Table 17: Descriptive stats- Perceived performance-pay link (DISTJ)

Question	Mean	Std. Dev.	Median
DISTJ_Q1	3.278638	1.135156	3
DISTJ_Q2	3.269350	1.105557	3
DISTJ_Q3	3.229102	1.132587	3
DISTJ_Q4	3.278638	1.034982	3
DISTJ_Q5	3.300310	1.048320	3

The overall PIFS score was 2.92 (SD=0.86; Median= 2.9) (see Table 13), suggesting that respondents leaned slightly below the midpoint of the scale, displaying moderate perceptions of financial scarcity. The analysis of the four sub-dimensions revealed variability as per the below:

- Dimension 1(D1): Mean = 2.98 (SD=1.09;Median =3), showing neutral to moderate experiences of scarcity.
- Dimension 2(D2): Mean=2.62 (SD=0.09;Median =3), proposing lower perceived scarcity in this dimension.
- Dimension 3 (D3): Mean =3.23 (SD=0.98; Median =3) displaying moderate financial scarcity perceptions on this dimension
- Dimension 4 (D4): Mean =2.82 (SD=0.98;Median = 3) indicating slightly below-moderate perceptions.

Table 18, below, reflects the analysis. The responses spread across all the dimensions echoes that while financial scarcity was visible its intensity altered depending on the specific aspects measured.

Table 18: Descriptive stats- Perceived financial scarcity (PIFS)

Question	Mean	Std. Dev.	Median
PIFS_Q1	3.328173	1.0994262	3
PIFS_Q2	2.721362	1.2571814	3
PIFS_Q3	2.897833	1.2255414	3
PIFS_Q4	2.696594	1.1065394	3
PIFS_Q5	2.325077	0.9982389	2
PIFS_Q6	2.851393	1.1780430	3
PIFS_Q7	3.377709	1.0776088	3
PIFS_Q8	2.907121	1.1078680	3
PIFS_Q9	3.411765	1.1064959	3
PIFS_Q10	3.015480	1.1648616	3
PIFS_Q11	2.498452	1.1294329	2

PIFS_Q12	2.953560	1.1667008	3
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5.3. Construct validity analysis

Construct validity was assessed through exploratory factor analysis (EFA) to determine whether the items reliably represented their underlying latent constructs. The adequacy of the sample was confirmed using the Kaiser-Meyer-Olkin (KMO) measure of sampling adequacy and Barlett's Test of Sphericity, both of which show that the data was suitable for factor analysis (Kaiser, 1974).

All variables showed acceptable KMO values, which is above the recommended threshold of 0.70 (Kaiser, 1974), and Barlett's test were significant ($p < 0.001$), which confirms that appropriateness of factor extraction.

For each construct, communalities were computed to reflect the proportion of variance in each observed variable, which is explained by the extracted factors. Items with communalities above 0.30 were retained, which is consistent with the guidelines by Hair et al. (2019). The results of each construct is summaries below.

Employee Engagement (EE): A total of 8 items were analysed on a 7-point Likert Scale. The KMO value was 0.90, with a Barlett's test significant at $p < 0.001$. Factor extraction supports a one-factor solution, explaining 52% of the variance after the removal of one low-loading item. The item that was removed was "I get carried away when I'm working", as it had a factor loading of 0.268, which is below 0.3 (Hair et al., 2019). It also has a Corrected Item-Total Correlation (CITC) of < 0.3 . Thus, we removed the question from the analysis. All the remaining items showed communalities above 0.58, which confirms adequate representation of the construct.

Job Satisfaction (OS): Three items measured job satisfaction using a 5-point Likert scale. The KMO value was 0.72 and the Barlett's test was significant ($p < 0.001$). A single factor solution emerged, which accounted for 63% of the variance. All items loaded strongly (> 0.65) and communalities range from 0.73 to 0.85 showing a good convergent validity.

Perceived Fairness (PROCJ): The construct was measured with 5 items on a 5-point Likert scale. The KMO was 0.85, Barlett's test was $p < 0.001$. A one-factor solution was confirmed explaining 56% of the variance. Communalities ranged from 0.50 to 0.83, which indicates that items consistently capture the fairness dimension.

Performance-Pay Link (DISTJ): This is a 5-item scale that using a 5-point Likert scale. The KMO achieved was 0.89, Barlett's test $p < 0.001$. The factor analysis reveals a one-factor structure, which explains 74% of the variance. All items showed strong communalities (≥ 0.82), which supports the construct's unidimensionality and convergent validity.

Perceived financial scarcity (PIFS): Twelve items were assessed across four dimensions. The KMO was 0.93, Barlett's test was $p < 0.001$. The EFA had suggest a three-factor solution (parallel analysis) and a two-factor solution (scree plot and Eigen's). Although, a CFA did confirm four factor solutions, which is consistent with the theoretical frame, explained 69% of the variance and was confirmed as the best fitting structure in subsequent CFA (CFI-0.961; SRMR=0.046). All items demonstrated adequate communalities (> 0.46), providing evidence of construct validity.

Therefore, the overall combination of high KMO values (0.72-0.93), the significant Barlett's test and acceptable communalities confirmed that the measurement items reliably capture their intended latent constructs. Table 19 shows a summary table of the KMO, Barlett's Test and Communalities.

Table 19: KMO, Factor Solution and Communalities

Construct	KMO Value	Number of items	Variance explained	Factor solution
Employee engagement (EE)	0.90	8	52%	One-factor solution (after 1 item removed)

Job satisfaction (OS)	0.72	3	63%	One-factor solution
Perceived fairness (PROCJ)	0.85	5	56%	One-factor solution
Performance-pay link (DISTJ)	0.89	5	74%	One-factor solution
Financial scarcity (PIFS)	0.93	12	69%	Four-factor solution (best-fitting)

The Barlett's Test of Sphericity was significant ($p < 0.001$) for all constructs, which confirmed that sufficient intercorrelations existed amongst the items. For example, employee engagement ($\chi^2 = 628.39$, $df = 384$, $p < 0.001$) and job satisfaction ($\chi^2 = 425.07$, $df = 254$, $p < 0.001$), both showed highly significant results, supporting the appropriateness of factor extraction. Similar findings were observed for Perceived fairness (PROCJ) and performance pay Link (DISTJ), while the perceived financial scarcity also showed strong suitability with χ^2 ($\chi^2 = 425.07$, $df = 254$, $p < 0.001$) values ranging between 181.67 and 146.79 ($df = 51-48$, $p < 0.001$).

When considered together, these results confirm that the dataset met the statistical requirements for exploratory and confirmatory analyses. High KMO values combined with Barlett's test provides strong evidence of construct validity across all measurement instruments in the study. Refer to Table 20, below, for the Barlett's test, KMO and sig value per variable

Table 20: Barlett's test , KMO and sig value per variable

Construct	KMO value	Number of items	Barlett's Test χ^2 (df)	Sig.
Employee engagement (EE)	0.90	8	$\chi^2 = 628.39$ (df = 384)	$p < 0.001$
Job satisfaction (OS)	0.72	3	$\chi^2 = 425.07$ (df = 254)	$p < 0.001$
Perceived fairness (PROCJ)	0.85	5	$\chi^2 = 512.24$ (df = 210)	$p < 0.001$
Performance-pay link (DISTJ)	0.89	5	$\chi^2 = 547.91$ (df = 231)	$p < 0.001$
Financial scarcity (PIFS)	0.93	12	$\chi^2 = 181.67-146.79$ (df = 51-48)	$p < 0.001$

5.4. Scale reliability

Internal consistencies of the research constructs were explored using Cronbach's alpha (Cronbach 1951). The coefficient assesses the degree to which items within each construct are interrelated, thereby establishing the reliability of the measurement scales. The results of the reliability tests of each construct is presented in Table 19 (page -). All constructs exceeded the acceptable Cronbach's alpha threshold of 0.70 (Garg et al., 2018). This indicates a good to excellent internal consistency. Employee engagement recorded an alpha of 0.894 after removing one weak item, while job satisfaction and perceived fairness achieved alphas of 0.83 and 0,85 respectively. The performance-pay link construct attained an alpha of 0.93, showing high reliability and perceived financial

scarcity reached a result of 0.93 as its alpha. Refer to table 21 for Cronbach's alpha analysis.

Table 21: Cronbach's Alpha analysis

Construct	Observed item	Cronbach's Alpha	Overall Cronbach's Alpha
Employee engagement (EE)	EE_Q1	0.891	0.894
	EE_Q2	0.871	
	EE_Q3	0.887	
	EE_Q4	0.882	
	EE_Q5	0.883	
	EE_Q6	0.880	
	EE_Q7	0.874	
	EE_Q8	0.880	
Job satisfaction (OS)	OS_Q1	0.758	0.830
	OS_Q2	0.730	
	OS_Q3	0.812	
Perceived fairness (PROCJ)	PROCJ_Q1	0.816	0.854
	PROCJ_Q2	0.810	
	PROCJ_Q3	0.812	
	PROCJ_Q4	0.803	

	PROCJ_Q5	0.873	
Performance– pay link (DISTJ)	DISTJ_Q1	0.923	0.934
	DISTJ_Q2	0.909	
	DISTJ_Q3	0.919	
	DISTJ_Q4	0.926	
	DISTJ_Q5	0.918	
Perceived financial scarcity (PIFS)	PIFS_Q1	0.924	0.930
	PIFS_Q2	0.923	
	PIFS_Q3	0.921	
	PIFS_Q4	0.925	
	PIFS_Q5	0.933	
	PIFS_Q6	0.921	
	PIFS_Q7	0.923	
	PIFS_Q8	0.923	
	PIFS_Q9	0.923	
	PIFS_Q10	0.925	
	PIFS_Q11	0.932	
	PIFS_Q12	0.921	

These results confirm that the survey items for each construct consistently measured the intended latent variables, which supports the adequacy scales for further analysis.

5.5. Exploratory factor analysis

Following the initial assessment of statistical validity of constructs and items, an exploratory factor analysis (EFA) was conducted to explore the underlying factor structures of the study measures. The purpose of the EFA was to establish whether the observed survey items congregated appropriately onto their respective latent construct and to detect any problematic or cross loading items.

The adequacy of data for factor analysis was first confirmed using Kaiser-Meyer-Olkin (KMO) test and Barlett's Test of Sphericity. Across all constructs the KMO value exceeded the threshold of 0.70 (Kaiser, 1974). Furthermore, values ranging from 0.72 (overall job satisfaction) to 0.93 (PIFS). Barlett's test of Sphericity was statistically significant ($p < 0.001$) for all constructs, which confirmed the suitability of the data for factor analysis (Barlett, 1954).

Parallel analysis using eigenvalues greater than one and scree plots were employed to determine the number of factors to retain. In most cases, a single dominant factor emerged, which supports the unidimensionality of the construct, for example, employee engagement, job satisfaction, perceived fairness and performance-pay link. For the perceived insufficient financial scarcity (PIFS) scale, the analysis shows a multi-factor solution. While the original theoretical model proposed four factors, the EFA suggested a three-factor structure, which explains 65% of the total variance.

In addition, the direct oblimin rotation with maximum likelihood estimation was applied to allow for correlations between factors. Items with loading below the threshold of 0.30 were reviewed for removal. For instance, within the employee engagement construct, the item, "I get carried away when I'm working", showcased a low loading (0.27) and weak corrected item total correlation, which led to its exclusion. This improved the construct's reliability, raising Cronbach's alpha from 0.867 to 0.894 and increasing the explained variance from 47% & to 52%.

Overall, the EFA results confirmed that the study constructs showed strong psychometric properties. Each retained item loaded substantially on its respective construct, and the extracted factors accounted for a meaningful proportion of variance. The results are detailed in the following subsections, where section 5.5.1 presents the variance explained for each construct and section 5.5.2 presents the factor loading for variables.

5.5.1. Variance explained per a factor

The data suitability for the EFA was confirmed for each construct (all KMO ≥ 0.72 ; Barlett's Test Significant). The final retained factor solutions and variance explained are summarised Table 22 below:

Table 22: Variance explained

Construct	Factors retained	Key retention evidence	First eigenvalue	Total variance explained
Employee engagement (EE)	1	Scree=1; Kaiser>1=1	2.26	0.52 (after removing one weak item)
Job satisfaction (OS)	1	Parallel=1; Scree=1; Kaiser>1=1	3.20	0.63
Perceived fairness (PROCJ)	1	Parallel=1; Scree=1; Kaiser>1=1	3.97	0.56
Performance–pay link (DISTJ)	1	Parallel=1; Scree=1; Kaiser>1=1	3.97	0.74
PIFS (12 items)	3	Parallel=3 (Scree=2; Kaiser>1=2)	6.87	0.69

For EE, removing “I get carried away when I’m working”, (loading < 0.30 ; CITC < 0.30), increased α to 0.894 and a variance explained to 0.52. PIFS retained a 3-factor EFA solution (financial worry, perceived insufficient financial resources, financial planning).

5.5.2. Factor loading per construct

Unless noted, loadings $\geq .50$ indicate salient item–factor relations; asterisks (*) flag cross-loadings/weak items. Refer to table 23 and Table 24 for the factor loading per construct.

5.5.2.1. Employee engagement (EE)

The factor loading results disclosed that all preserved items loaded strongly on employee engagement construct, confirming unidimensionality. The loading band ranged between 0.62 and 0.82, which proposes that each item is a meaningful indicator of engagement. The highest loading was observed for “I am enthusiastic about my job” (0.82), showing that enthusiasm is the most salient predictor of engagement. Other strong contributors included, “When I get up in the morning, I feel like going to work”, (0.79) and “I find the work that I do full of meaning and purpose”, (0.73). The lowest loading was for “At my job, I feel strong and vigorous” (0.62), though it still exceeds the threshold. Notably, the removed item, “I get carried away when I’m working”, (0.27), failed to meet the loading criteria, therefore justifying its exclusion.

5.5.2.2. Job satisfaction (OS)

On the job satisfactory variable, all the items loaded significantly with values extending from 0.73 to 0.85. The strongest loading was, “I find real enjoyment in my job” (0.85), showing that enjoyment is a focal aspect of job satisfaction. This was closely followed by “I am satisfied with my job”, (0.80) and “I would choose the same type of work again” (0.73). These results indicate that employees’ overall satisfaction is driven mostly by enjoyment and general contentment with their work.

5.5.2.3. Perceived fairness (PROCJ)

Factor loading for perceived fairness ranged from 0.50 and 0.83, with most items above 0.70. The strongest contribution was for “I think that the way in which my performance is measured is fair”, (0.83). Other contributions included, “I have full confidence in the system’s fairness in evaluating performance” (0.82) and “I have full confidence in the system’s fairness in determining targets” (0.77). The lowest loading was noted for “With the system in place as it is, there is little chance I will be disappointed in my pay” (0.50), which fell below the acceptable threshold, therefore raising concerns regarding reliability

as an indicator. However, the remaining items collectively confirmed the validity of the construct.

5.5.2.4. Performance-pay link (DISTJ)

All items loaded strongly on performance-pay link construct, with loading between 0.82 and 0.92, displaying exceptional construct clarity. The loading ranged between 0.82 to 0.92, which indicates high reliability. The highest loading came from, “my pay is appropriate for the work I have completed”, (0.92), establishing it as the most influential indicator. This was followed by, “my pay reflects what I have contributed to the organisation” (0.86) and “My pay level reflects the efforts I have put into my work” (0.85). The lowest loading item, “In comparison with my colleagues at the same level, as well as the employees at higher and at lower levels in the organisation, I think my rewards are fair” (0.82), still reflecting strongly as a predictor. Together, these findings confirm that perceptions of pay fairness, and appropriateness strongly explains the performance-pay link.

Table 23: Employee engagement, job satisfaction and perceived fairness & performance-pay link: single factor

Construct	Observed item	Factor loading
Employee engagement (EE)	EE_Q1	0.62
	EE_Q2	0.82
	EE_Q3	0.64
	EE_Q4	0.70
	EE_Q5	0.72
	EE_Q6	0.73
	EE_Q7	0.79
	EE_Q8	0.74

Job satisfaction (OS)	OS_Q1	0.80
	OS_Q2	0.85
	OS_Q3	0.73
Perceived fairness (PROCJ)	PROCJ_Q1	0.77
	PROCJ_Q2	0.82
	PROCJ_Q3	0.76
	PROCJ_Q4	0.83
	PROCJ_Q5	0.50*
Performance–pay link (DISTJ)	DISTJ_Q1	0.85
	DISTJ_Q2	0.92
	DISTJ_Q3	0.86
	DISTJ_Q4	0.82
	DISTJ_Q5	0.86

5.5.2.5. Perceived financial scarcity (PIFS)

The factor loading results showed that perceived financial scarcity construct was multidimensional, with four underlying dimensions: insufficient resources, lack of control, financial rumination and worry and short-term focus.

Within the insufficient resources dimension, the loading ranged between 0.81 and 0.95, with the strongest contribution from “I often don’t have enough money” (0.95). This suggests that the lack of sufficient resources is a key component of financial scarcity.

The lack of control dimension showed weaker factor loading, ranging from 0.39 to 0.59. Items such as “I think I am (not) able to manage my finances properly” (0.59), were

acceptable, whereas, “I experience little control over my financial situation” (0.39) and “When I think about my financial situation, I feel powerless” (0.44) failed to meet the minimum threshold, raising concerns about their reliability as indicators of the dimension.

The financial rumination and worry dimension showed strong performance, with loading between 0.81 and 0.86. The most significant contributor was “I am constantly wondering whether I have enough money” (0.86), closely followed by “I often worry about money” (0.81) and “I have a hard time thinking about other things other than my financial situation” (0.81). These results highlight that ongoing preoccupation with financial matters is a central characteristic of financial scarcity.

Lastly, the short-term focus dimension produced loading between 0.47 and 0.80. The strongest item was “I (don’t) take future expenses into account” (0.80), while “I am only focusing on what I have to pay at this moment rather than future expenses” (0.70), also performed well. However, “Because of my financial situation, I live from day-to-day” (0.47) fell below the acceptable threshold, suggesting that it may not be a reliable measure of the dimension.

Therefore, the overall analysis confirms that perceived financial scarcity is a multifaceted construct, with particularly strong indicators in the insufficient resources and financial rumination and worry dimension, whereas some items within the lack of control and short-term focus indicated weaker reliability. Table 24 below provides a detailed summary of the factor loading items under the PIFS construct.

Table 24: PIFS- Factor loading

Item (Code)	Statement	Factor loading	Dimension	Primary factor
PIFS_Q1	I often don’t have enough money.	0.95	Insufficient Resources	F1
PIFS_Q2	I am often not able to pay my bills on time.	0.83	Insufficient Resources	F1

PIFS_Q3	I often don't have money to pay for the things that I really need.	0.81	Insufficient Resources	F1
PIFS_Q4	I experience little control over my financial situation.	0.39*	Lack of Control	F2*
PIFS_Q5	I think I am (not) able to manage my finances properly.	0.59	Lack of Control	F2
PIFS_Q6	When I think about my financial situation, I feel powerless.	0.44*	Lack of Control	F2*
PIFS_Q7	I am constantly wondering whether I have enough money.	0.86	Financial Rumination & Worry	F3
PIFS_Q8	I have a hard time thinking about things other than my financial situation.	0.81	Financial Rumination & Worry	F3
PIFS_Q9	I often worry about money.	0.81	Financial Rumination & Worry	F3
PIFS_Q10	I am only focusing on what I have to pay at this moment rather than my future expenses.	0.70	Short Term Focus	F4
PIFS_Q11	I (don't) take future expenses into account.	0.80	Short Term Focus	F4
PIFS_Q12	Because of my financial situation, I live from day to day.	0.47*	Short Term Focus	F4*

Note: Items with loadings below 0.50 are marked with an asterisk ()*

5.6. Confirmatory factor analysis (CFA)

This section tests the hypothesised relationship between the observed indicators and their latent variables for employee engagement (EE), job satisfaction (OS), perceived fairness (PROCJ), performance-pay link (DISTJ) and perceived financial scarcity (PIFS),

The models were estimated with maximum likelihood and the model adequacy was judged using CFI, RMSEA and SRMR. The targets were $CFI \geq 0.95$; $RMSEA \leq 0.08$; $SRMR \leq 0.08$.

5.6.1. Employee engagement (EE)

All indicators for employee engagement were statistically at the 1% level. The standardised loading ranged from 0.62 to 0.82, with the strongest contribution from, "I am enthusiastic about my job", (coefficient = 0.82; $z = 17.33$; $p < 0.01$), followed by "When I get up in the morning, I feel like going to work", (coefficient = 0.79; $z = 16.54$; $p < 0.01$). There were relatively weaker contributions which were observed for "At my job, I feel strong and vigorous", (coefficient = 0.62; $z = 11.87$; $p < 0.01$), though still above the acceptable thresholds. These results confirm enthusiasm, energy and going to work are the strongest reflections of the employee engagement in the sample (see Table 25).

Table 25: Employee engagement - CFA Standardised Estimates

Estimation method: ML

No. of obs=323

Measurement Item	Estimate	Std. Err.	Z- Statistic	P > Z	Standard Estimate
EE_Q1	0. 0.791	0.067	11.868	0.000	0.620
EE_Q2	1.003	0.058	17.326	0.000	0.817
EE_Q3	0.677	0.055	12.325	0.000	0.639
EE_Q4	0.819	0.059	13.986	0.000	0.703
EE_Q5	0.694	0.048	14.382	0.000	0.718

EE_Q6	0.855	0.058	14.853	0.000	0.735
EE_Q7	1.073	0.065	16.541	0.000	0.792
EE_Q8	0.926	0.062	14.932	0.000	0.738

Table 26 shows that the CFA model of Goodness Fit for Employee Engagement had a mixed level of fit.

Table 26: CFA model Goodness of Fit – Employee engagement

Fit statistic	Value
χ^2 (df)	117.580 [20]
p-value	0.000
RMSEA	0.123
CFI	0.924
TLI	0.894
SRMR	0.048

5.6.2. Job satisfaction (OS)

The CFA results showed that all three items loaded strongly on job satisfaction. Factor loadings ranged from 0.73 to 0.85 with the most significant contribution from, “I find real enjoyment in my job” (coefficient = 0.85; $z = 16.88$; $p < 0.01$). This was followed by, “I am satisfied with my job”, (coefficient = 0.80; $z = 15.64$; $p < 0.01$). The weakest contribution was from, “I would choose the same type of work again”, (coefficient = 0.73; $z = 13.97$; $p < 0.01$), but this was still significant. Together these results confirm that job satisfaction is strongly associated with enjoyment and overall satisfaction (see Table 27).

Table 27: Job Satisfaction -CFA Standardised Estimates

Estimation method: ML

No. of obs=323

Measurement Item	Construct	Coefficient	Std. Err.	Z-Statistic	P > Z	Standard Estimate
OS_Q1	OS	0.692	0.044	15.639	0.000	0.801
OS_Q2	OS	0.720	0.043	16.877	0.000	0.853
OS_Q3	OS	0.735	0.053	13.968	0.000	0.726

To add, Table 28 shows that the CFA model for job satisfaction is just identified ($df=0$), yielding $\chi^2 = 0$, RMSEA =0, CFI =1, TLI =1 and SRMR =0. Because the model is saturated these perfect indices are tautological and therefore not diagnostic of fit; however, taken together with the strong and significant factor loadings, they support the validity of the job satisfaction measurement model.

Table 28: Model fit indices for job satisfaction

Fit statistic	Value
χ^2 (df)	0 [0]
p-value	NA
RMSEA	0
CFI	1
TLI	1
SRMR	0

5.6.3. Perceived fairness (PROCJ)

All indicators for perceived fairness were statistically significant at the 1% level. The PROCJ construct showed strong factor loading across most indicators. The standardised

loadings ranged between 0.50 and 0.83, confirming that the items contributed meaningfully to the construct. The highest contribution came from “I think that the way in which my performance is measured is fair”, (coefficient = 0.83; $z = 17.43$; $p < 0.01$), followed by “I have full confidence in the system’s fairness in evaluating performance”, (coefficient = 0.82; $z = 17.14$; $p < 0.01$). Good loadings were also found for “ I have full confidence in the system’s fairness in determining targets” (coefficient =0.77; $z= 15.77$; $p<0.01$) and “I have full confidence in the system’s fairness in determining pay ” (coefficient =0.76; $z= 15.46$; $p<0.01$). A weaker contribution was observed for “with the system in place as it is, there is little chance I will be disappointed in my pay” (coefficient =0.50 $z= 9.08$; $p<0.01$), which while above minimal threshold, suggests this item is the least representative of the latent construct (see Table 29).

Table 29: Perceived fairness- CFA Standardised Estimates

Estimation method: ML

No. of obs=323

Measurement Item	Construct	Coefficient	Std. Err.	Z-Statistic	P > Z	Standard Estimate
PROCJ_Q1	PROCJ	0.798	0.051	15.766	0	0.774
PROCJ_Q2	PROCJ	0.832	0.049	17.137	0	0.820
PROCJ_Q3	PROCJ	0.835	0.054	15.461	0	0.764
PROCJ_Q4	PROCJ	0.821	0.047	17.426	0	0.830
PROCJ_Q5	PROCJ	0.525	0.058	9.078	0	0.501

Table 30 indicates that the CFA model for the perceived fairness model shows an adequate to good fit. The chi-square was marginally non-significant ($\chi^2 = 11.04$, $df = 5$, $p = 0.051$), the RMSEA (0.061) which fell within the acceptable 0.05-0.08 range, the Cfi (0.992) exceeded the 0.95 benchmark, and the SRMR (0.024) was well below the 0.08 threshold. The TLI (0.944) was just shy of 0.95. However, taken together, these indices show that the perceived fairness scale provides a sound representation of the latent construct.

Table 30: Model fit indices for perceived fairness

Fit statistic	Value
χ^2 (df)	11.039[5]
p-value	0.051
RMSEA	0.061
CFI	0.992
TLI	0.944
SRMR	0.024

5.6.3. Perceived performance-pay link (DISTJ)

All five items loaded strongly on the DISTJ construct, with loadings between 0.82 and 0.92 and a statistically significant level of 1%. The most significant contribution was from, “My pay is appropriate for the work I have completed”, (coefficient = 0.92; $z = 21.47$; $p < 0.01$). The other key contributors included, “My level is justified, given my performance”, (coefficient = 0.86; $z = 19.07$; $p < 0.01$) and “My pay reflects what I have contributed to the organisation, (coefficient = 0.86; $z = 19.03$; $p < 0.01$), and “My pay level reflects the effort I have put into my work (coefficient = 0.85; $z = 18.76$; $p < 0.01$), and “In comparison with my colleagues at the same level, the level higher and lower, I think my rewards are fair” (coefficient = 0.82; $z = 17.63$; $p < 0.01$), were somewhat lower, but still strong. These results suggest perceptions of pay appropriateness and justification are the most important reflections of performance pay link (see Table 31).

Table 31: Performance-pay link-CFA Standardised Estimates

Estimation method: ML

No. of obs=323

Measurement Item	Construct	Coefficient	Std. Err.	Z-Statistic	$P > Z $	Standard Estimate
DISTJ_Q1	DISTJ	0.963	0.051	18.761	0.000	0.850
DISTJ_Q2	DISTJ	1.018	0.047	21.471	0.000	0.922

DISTJ_Q3	DISTJ	0.970	0.051	19.030	0.000	0.858
DISTJ_Q4	DISTJ	0.844	0.048	17.627	0.000	0.817
DISTJ_Q5	DISTJ	0.899	0.047	19.070	0.000	0.859

Table 32 shows the CFA model for performance-pay link which shows a mixed fit. The chi-square test was significant ($\chi^2 = 43.23$, $df = 5$, $p < 0.001$), and the RMSEA value (0.154) exceeded the range of 0.05-0.08, which indicates a misfit (Kenny et al., 2015). Furthermore, in contrast, the incremental and residual fit indices were strong with CFI = 0.972 which surpassed the 0.95 benchmark, SRMR=0.027 fell below 0.08 and the TLI= 0.944 which is just shy of 0.95. However, even though the factor loadings were high and several fit indices are acceptable, the increased RMSEA suggests room for model refinement.

Table 32: Model fit indices performance-pay link

Fit statistic	Value
χ^2 (df)	43.232 [5]
p-value	0
RMSEA	0.154
CFI	0.972
TLI	0.944
SRMR	0.027

5.6.4. Perceived financial scarcity (PIFS)

The CFA result confirms that the PIFS is represented by four correlated dimensions: insufficient resources, lack of control, financial worry and short-term focus. All standardised factor loadings were statistically significant ($p < 0.01$), which supports convergent validity. Below each dimension is discussed in details. Refer to Table 33 for the analysis.

Table 33: Perceived financial scarcity -CFA Standardised Estimates

Estimation method: ML

No. of obs=323

Measurement Item	Variable Dimension	Coefficient	Std. Err.	Z-Statistic	P > Z	Standard Estimate
PIFS_Q1	Insufficient Resources	0.891	0.052	17.292	0	0.811
PIFS_Q2	Insufficient Resources	1.084	0.057	19.033	0	0.864
PIFS_Q3	Insufficient Resources	1.118	0.054	20.844	0	0.914
PIFS_Q4	Lack of Control	0.821	0.055	14.959	0	0.743
PIFS_Q5	Lack of Control	0.511	0.054	9.397	0	0.513
PIFS_Q6	Lack of Control	1.001	0.056	18.008	0	0.851
PIFS_Q7	Financial Worry	0.914	0.050	18.376	0	0.849
PIFS_Q8	Financial Worry	0.902	0.052	17.281	0	0.816
PIFS_Q9	Financial Worry	0.937	0.051	18.337	0	0.848
PIFS_Q10	Short Term Focus	0.923	0.056	16.361	0	0.794
PIFS_Q11	Short Term Focus	0.681	0.060	11.375	0	0.604
PIFS_Q12	Short Term Focus	1.014	0.054	18.666	0	0.871

All the indicators for perceived financial scarcity were statistically significant at the 1% level. The standardised loading range was between 0.51 to 0.91, confirming that each item contributed meaningfully to the construct across its four dimensions.

Within the insufficient resources, the strongest contribution was “I often “Don’t have money to pay for the things that I really need” (PIFS_Q3 = 0.91; z = 20.84; p < 0.01), with support from “I am often not able to pay my bills on time” (PIFS_Q2 = 0.86; z = 19.03; p < 0.01), and “ I often don’t have enough money” (PIFS_Q1 = 0.81; z = 17.29; p < 0.01). from a lack

of control, “ When I think about my financial situation I feel powerless” (PIFS_Q6 = 0.85; $z = 18.01$; $p < 0.01$), which loaded strongly, whilst “ I think I am (not) able to manage my finances properly” (PIFS_Q5 = 0.51; $z = 9.40$; $p < 0.01$), which was the weakest indicator overall.

The financial rumination and worry dimension showed consistently high loading with “I am constantly wondering whether I have enough money” (PIFS_Q7 = 0.85; $z = 18.38$; $p < 0.01$), and “I often worry about money” (PIFS_Q9 = 0.85; $z = 18.34$; $p < 0.01$), and “I have a hard time thinking about things other than my financial situation” (PIFS_Q8 = 0.82; $z = 17.28$; $p < 0.01$).

Lastly, for the short-term focus dimension, “Because of my financial situation, I live from day-to-day” (PIFS_Q12 = 0.87; $z = 18.67$; $p < 0.01$), and “I am only focusing on what I have to pay at this moment rather than my future expenses” (PIFS_Q10 = 0.79; $z = 16.36$; $p < 0.01$), were strong, while “I (don’t) take future expenses into account” (PIFS_Q11 = 0.60; $z = 11.38$; $p < 0.01$), was comparatively weaker, though still acceptable.

The model fit indices confirm good overall fit $\chi^2 = 48$, $p < 0.01$; RMSEA = 0.046, CFI = 0.961; TLI = 0.961 and SRMR = 0.046 (Table 34). Although the chi square test was significant the RMSEA and SRMR were below the cut offs (≤ 0.05 – 0.08), and the CFI/TLI were near or above the recommended thresholds (Bartlett, 1954). This taken together supports a well-fitting multidimensional measurement model of perceived financial scarcity, with strong evidence for the Insufficient Resources and Financial Rumination and Worry dimensions and scope to refine items of PIFS_Q5 and PIFS_Q11.

Table 34: Model fit indices for perceived financial scarcity

Fit statistic	Value
χ^2 (df)	146.795 [48]
p-value	0.000
RMSEA	0.046
CFI	0.961

TLI	0.947
SRMR	0.046

5.7. SEM Estimation

Following the estimation of the CFA measurement models for the five constructs of the study (employee engagement - Ee, job satisfaction - OS, perceived fairness - PROCJ; performance-pay link - DISTJ; perceived financial scarcity - PIFS), a structural equation model (SEM) was specified to assess the nature and strength of the relationships among the latent variables, using the final sample of N= 323 participants. The results are presented in Section 5.7.1 in line with the research hypotheses set out in Chapter 3.

H1: Perceived fairness of remuneration positively influences employee engagement

H2: Perceived link between remuneration and performance influences employee engagement.

H3: Perceived fairness of remuneration positively influences job satisfaction.

H4: Perceived link between remuneration and performance influences job satisfaction.

H5: Perceived Financial Scarcity (PFS) negatively influences both employee engagement and job satisfaction.

The SEM evaluates these structural paths while the measurement properties were established via CFA in section 5.6. Subsequent subsections report global model, path coefficients and their statistical significance corresponding to H1-H5.

5.7.1. SEM constructs relationship estimates

Figure 3 and Figure 4 will depict the structural models used to estimate interrelationships among the latent variables. Measurement models were confirmed via CFA in the previous sections; here we report the structural path estimates and global fit for each outcome, namely employee engagement and job satisfaction.

5.7.1.1. SEM with employee engagement (EE) as an outcome

Global fit (ML): χ^2 (384) = 672.278, $p < .001$; RMSEA = 0.048 (90% CI 0.043–0.054); CFI = 0.942; TLI = 0.935; SRMR = 0.052. Overall, this is an acceptable fit (see Tables 35, 36 & 37).

Table 35: SEM for employee engagement

SEM for EE	Fit Measures
Chi- Square	672.278
df.	384
p-value	0
RMSEA	0.048
RMSEA.ci.lower.	0.043
RMSEA.ci.upper.	0.054
CFI.	0.942
TLI.	0.935
SRMR	0.052

Table 36: Measurement model

LV	Item	Coefficient	ci.lower	ci.upper	SE	Z	p-value
EE	EE_Q1	0,62152416	0,53201776	0,71103055	0,04566737	13,6098089	0
EE	EE_Q2	0,81800287	0,74444637	0,89155936	0,03752951	21,7962557	0
EE	EE_Q3	0,63617226	0,51383347	0,75851105	0,0624189	10,191982	0
EE	EE_Q4	0,69703005	0,59580038	0,79825973	0,05164874	13,4955867	0
EE	EE_Q5	0,71166446	0,61240821	0,8109207	0,05064187	14,0528861	0
EE	EE_Q6	0,73297171	0,64541916	0,82052426	0,04467049	16,4084096	0

EE	EE_Q7	0,80089863	0,74713642	0,85466084	0,0274302	29,1976916	0
EE	EE_Q8	0,73864553	0,65102069	0,82627038	0,04470738	16,5217823	0
DISTJ	DISTJ_Q1	0,84022191	0,78768541	0,89275841	0,02680483	31,3459138	0
DISTJ	DISTJ_Q2	0,90896603	0,85923932	0,95869274	0,02537124	35,826636	0
DISTJ	DISTJ_Q3	0,85991783	0,8000971	0,91973856	0,03052134	28,1743123	0
DISTJ	DISTJ_Q4	0,8356564	0,77862305	0,89268976	0,02909918	28,7175202	0
DISTJ	DISTJ_Q5	0,86568831	0,8085665	0,92281011	0,02914431	29,7035075	0
PROCJ	PROCJ_Q1	0,76052568	0,69315938	0,82789199	0,03437119	22,1268338	0
PROCJ	PROCJ_Q2	0,78774252	0,72565542	0,84982961	0,03167767	24,8674373	0
PROCJ	PROCJ_Q3	0,80564242	0,75388335	0,8574015	0,02640818	30,5073112	0
PROCJ	PROCJ_Q4	0,81528984	0,76224129	0,8683384	0,02706609	30,1221906	0
PROCJ	PROCJ_Q5	0,53800822	0,41286435	0,66315209	0,06385009	8,4261158	0
PIFS_D1	PIFS_Q1	0,8107967	0,76016322	0,86143018	0,02583388	31,3850119	0
PIFS_D1	PIFS_Q2	0,86161265	0,81396485	0,90926044	0,02431055	35,4419297	0
PIFS_D1	PIFS_Q3	0,91612867	0,88283887	0,94941847	0,0169849	53,9378171	0
PIFS_D2	PIFS_Q4	0,74307805	0,66751094	0,81864516	0,03855536	19,2730178	0
PIFS_D2	PIFS_Q5	0,51784482	0,39329968	0,64238996	0,06354461	8,14931183	4,4409E-16
PIFS_D2	PIFS_Q6	0,84907384	0,80217795	0,89596974	0,02392692	35,4861393	0
PIFS_D3	PIFS_Q7	0,84939782	0,80195332	0,89684232	0,02420682	35,0891896	0
PIFS_D3	PIFS_Q8	0,81221511	0,74305985	0,88137038	0,03528395	23,019395	0
PIFS_D3	PIFS_Q9	0,85137551	0,80753952	0,8952115	0,02236571	38,0661034	0
PIFS_D4	PIFS_Q10	0,79405405	0,71851072	0,86959739	0,03854323	20,6016497	0
PIFS_D4	PIFS_Q11	0,6037307	0,49727719	0,71018422	0,05431402	11,1155596	0

PIFS_D4	PIFS_Q12	0,87063868	0,81707983	0,92419754	0,02732645	31,8606608	0
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Table 37: Structural model

Item	Coefficient	ci.lower	ci.upper	SE	Z	p-value
PROCJ	0,7246315	0,43319227	1,01607074	0,14869622	4,87323421	1,0979E-06
DISTJ	-0,1616037	-0,4883766	0,16516912	0,16672391	-0,9692895	0,33240076
PIFS_D1	0,19327184	-0,0485195	0,43506315	0,12336518	1,56666447	0,11719314
PIFS_D2	-0,1698534	-0,7373013	0,39759443	0,28951954	-0,5866735	0,55742303
PIFS_D3	-0,0094151	-0,2946597	0,27582947	0,14553562	-0,0646928	0,94841858
PIFS_D4	-0,0756236	-0,4379415	0,28669422	0,18485944	-0,4090872	0,68247568

Based on the above results, the structural paths to EE using standardised β , z, p was used that provided the below insights:

- Perceived Fairness (PROCJ) $\rightarrow$ EE: $\beta = 0.725$, $z = 4.87$, $p < .001 \rightarrow$ positive, significant.
- Performance–Pay Link (DISTJ) $\rightarrow$ EE: $\beta = -0.162$, $z = -0.97$, $p = .332 \rightarrow$ ns.
- PIFS—Insufficient Resources (D1) $\rightarrow$ EE: $\beta = 0.193$, $z = 1.57$, $p = .117 \rightarrow$ ns.
- PIFS—Lack of Control (D2) $\rightarrow$ EE: $\beta = -0.170$, $z = -0.59$, $p = .557 \rightarrow$ ns.
- PIFS—Financial Worry (D3) $\rightarrow$ EE: $\beta = -0.009$, $z = -0.06$, $p = .948 \rightarrow$ ns.
- PIFS—Short Term Focus (D4) $\rightarrow$ EE: $\beta = -0.076$, $z = -0.41$, $p = .682 \rightarrow$ ns.

After considering all the predictors, only perceived fairness shows a positive association with employee engagement. Neither the performance–pay link nor the four PIFS dimensions show significant effects on EE within the full model.

SEM path diagram for the employee engagement (EE) model (see Figure 3).

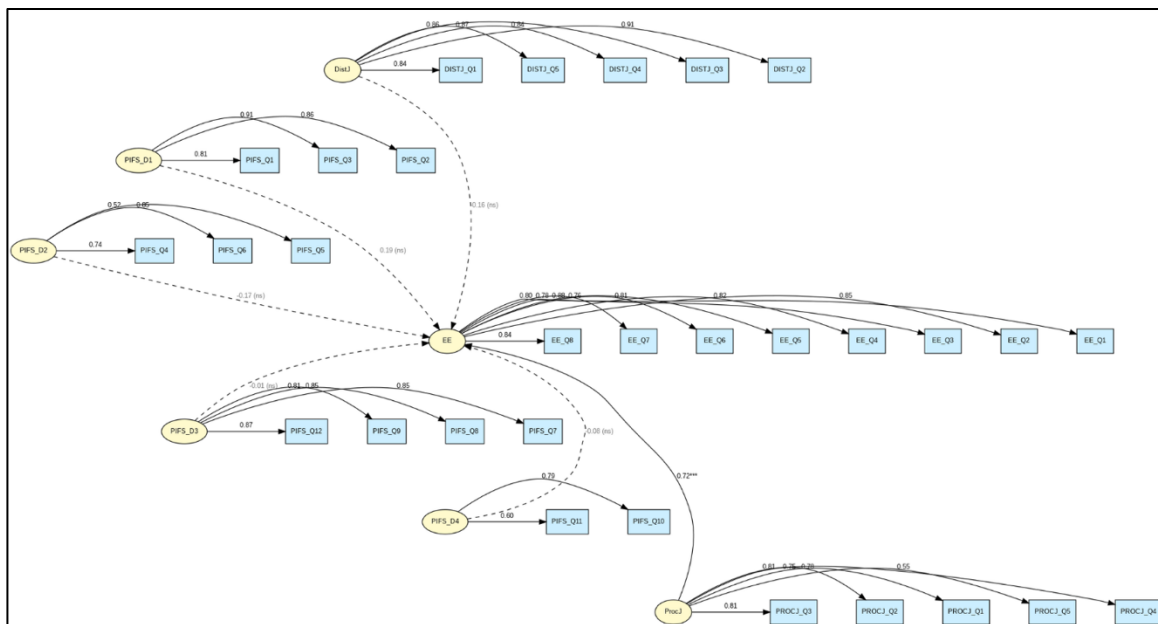


Figure 3: SEM Path Diagram - Employee Engagement

Source: (Compiled by the Researcher).

Each latent variable (oval) is linked to its observed indicators (squares) with labelled factor loadings. The independent latent constructs – distributive justice (DISTJ), procedural justice (PROCJ), and the four PIFS dimensions (PIFS_D1 through PIFS_D4) – are positioned on the left. The dependent latent EE (employee engagement) is centred, with its eight indicators (EE_Q1–EE_Q8) on the right. Structural paths from each independent latent to EE are labelled with standardised coefficients (β) and significance: solid lines with *** indicate significant effects ($p < .001$), while dashed lines with “(ns)” indicate non-significant paths. In this model, only PROCJ shows a significant positive impact on EE ($\beta = 0.73^{**}$), whereas DISTJ and all PIFS_D1–D4 paths to EE are non-significant (e.g. DISTJ $\beta = -0.16$ (ns)). All factor loadings (e.g. DistJ_Q2 loading = 0.91, PIFS_Q7 loading = 0.85, etc.) are included on the measurement links, demonstrating the contribution of each survey item to its respective latent construct. *

5.7.1.2. SEM with job satisfaction (OS) as an outcome

The global fit (ML)- $\chi^2(254) = 425.071$, $p < .001$; RMSEA = 0.046 (90% CI 0.039–0.052); CFI = 0.959; TLI = 0.951; SRMR = 0.053 — overall good fit (see Table 38, 39 & 40).

Table 38: SEM for job satisfaction (OS)

SEM for OS	Fit measures
Chi-Square	425.071
df.	254
p-value.	0
RMSEA	0.046
RMSEA.ci.lower.	0.039
RMSEA.ci.upper.	0.052
CFI	0.959
TLI	0.951
SRMR	0.053

Table 39: Measurement model

LV	Item	Coefficient	ci.lower	ci.upper	SE	Z	p-value
OS	OS_Q1	0,82989523	0,76233807	0,8974524	0,03446858	24,0768645	0
OS	OS_Q2	0,82430909	0,72641455	0,92220363	0,04994711	16,5036392	0
OS	OS_Q3	0,72519959	0,64534301	0,80505617	0,0407439	17,798973	0
DISTJ	DISTJ_Q1	0,83996646	0,79181477	0,88811815	0,02456764	34,1899539	0
DISTJ	DISTJ_Q2	0,90865642	0,86263013	0,95468271	0,02348323	38,6938406	0
DISTJ	DISTJ_Q3	0,86004002	0,80101373	0,91906632	0,03011601	28,5575686	0
DISTJ	DISTJ_Q4	0,83584072	0,78339636	0,88828508	0,02675782	31,2372513	0
DISTJ	DISTJ_Q5	0,86597364	0,81093739	0,92100989	0,02808024	30,8392578	0

PROCJ	PROCJ_Q1	0,75400115	0,68754774	0,82045455	0,03390542	22,2383657	0
PROCJ	PROCJ_Q2	0,78426421	0,72651481	0,84201361	0,02946452	26,6172396	0
PROCJ	PROCJ_Q3	0,81360875	0,7694717	0,85774579	0,02251931	36,129375	0
PROCJ	PROCJ_Q4	0,81026315	0,75972844	0,86079785	0,02578349	31,4256635	0
PROCJ	PROCJ_Q5	0,54538884	0,42723093	0,66354676	0,06028576	9,04672765	0
PIFS_D1	PIFS_Q1	0,8116106	0,76215688	0,86106431	0,02523195	32,1659876	0
PIFS_D1	PIFS_Q2	0,86229875	0,81586057	0,90873692	0,02369338	36,3940767	0
PIFS_D1	PIFS_Q3	0,91485309	0,88265293	0,94705326	0,01642896	55,6854083	0
PIFS_D2	PIFS_Q4	0,74375454	0,67211067	0,81539842	0,03655367	20,3469193	0
PIFS_D2	PIFS_Q5	0,516577	0,40208798	0,63106601	0,05841384	8,84340138	0
PIFS_D2	PIFS_Q6	0,84902879	0,80109856	0,89695903	0,02445465	34,7185016	0
PIFS_D3	PIFS_Q7	0,84939613	0,80305067	0,8957416	0,02364608	35,9212255	0
PIFS_D3	PIFS_Q8	0,81228482	0,74410784	0,88046179	0,03478481	23,351711	0
PIFS_D3	PIFS_Q9	0,85131273	0,8083023	0,89432315	0,0219445	38,7939066	0
PIFS_D4	PIFS_Q10	0,79449843	0,72752468	0,86147218	0,03417091	23,2507259	0
PIFS_D4	PIFS_Q11	0,60307193	0,50629833	0,69984553	0,04937519	12,214067	0
PIFS_D4	PIFS_Q12	0,87057667	0,81998908	0,92116426	0,02581047	33,7295952	0

Table 40: Structural model

Item	Coefficient	ci.lower	ci.upper	SE	Z	p-value
DISTJ	-0,121609	-0,414187	0,1709691	0,14927726	-0,8146516	0,41527179
PROCJ	0,70039405	0,42394018	0,97684792	0,14105048	4,96555586	6,8505E-07
PIFS_D1	-0,142127	-0,3662353	0,08198131	0,11434307	-1,2429873	0,21387252
PIFS_D2	-0,0173441	-0,6055727	0,57088459	0,30012218	-0,0577901	0,95391586
PIFS_D3	-0,0114865	-0,2810351	0,25806214	0,13752734	-0,0835214	0,93343693

PIFS_D4	0,07561433	-0,3314416	0,48267031	0,20768544	0,36408106	0,71579748
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Based on the above results, the structural paths to OS with standardised β , z , p was used, and the below insights were established:

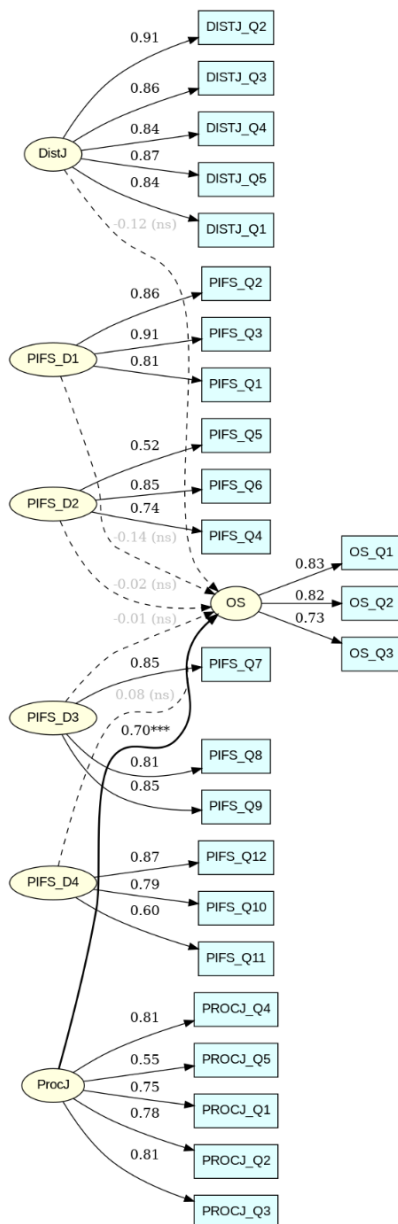
- Perceived Fairness (PROCJ) $\rightarrow$ OS: $\beta = 0.700$, $z = 4.97$, $p < .001 \rightarrow$ positive, significant.
- Performance–Pay Link (DISTJ) $\rightarrow$ OS: $\beta = -0.122$, $z = -0.81$, $p = .415 \rightarrow$ ns.
- PIFS—Insufficient Resources (D1) $\rightarrow$ OS: $\beta = -0.142$, $z = -1.24$, $p = .214 \rightarrow$ ns.
- PIFS—Lack of Control (D2) $\rightarrow$ OS: $\beta = -0.017$, $z = -0.06$, $p = .954 \rightarrow$ ns.
- PIFS—Financial Worry (D3) $\rightarrow$ OS: $\beta = -0.011$, $z = -0.08$, $p = .933 \rightarrow$ ns.
- PIFS—Short Term Focus (D4) $\rightarrow$ OS: $\beta = 0.076$, $z = 0.36$, $p = .716 \rightarrow$ ns

Therefore, perceived fairness is a positive predictor of job satisfaction. No other predictors show significantly unique effects once modelled together.

Furthermore, the above tables present the results of the SEM estimated in line with the hypothesised model of this study. Models were estimated with ML ($N=323$) and are organised into two segments namely structural and measurement. The structural segment provides information that is relevant to adequately answering the research questions and testing the hypotheses specified in Chapter 3. Whereas the measurement segment summaries the contributions of the observed indicators to their respective latent variables.

Figure 4, below, provides a Structural Equation Model (SEM) path diagram for job satisfaction

Figure 4: SEM Path Diagram- Job Satisfaction



Source: (Compiled by the Researcher).

The latent constructs are shown as ellipses (OS = overall job satisfaction; DISTJ = distributive justice; PROCJ = procedural justice; PIFS_D1–D4 = four dimensions of perceived interpersonal fairness or related constructs), and observed variables (survey items) are shown as rectangles. Numbers on arrows from latent to indicators are standardised factor loadings (all significant at $p < 0.001$). Numbers on arrows from predictor latent to OS are standardised path coefficients (** indicates $p < 0.001$, “ns”

denotes non-significance). Solid lines indicate significant paths, while dashed lines indicate non-significant paths in the structural model.

5.7.2. Structural Segment (Latent-latent Relationship)

The EE model (Figure 3) achieved acceptable fit $\chi^2(384) = 672.278$, RMSEA = 0.048 (90% CI 0.043–0.054), CFI = 0.942, TLI = 0.935, SRMR = 0.052. The OS model (Figure 4) showed good fit: $\chi^2(254) = 425.071$, RMSEA = 0.046 (90% CI 0.039–0.052), CFI = 0.959, TLI = 0.951, SRMR = 0.053.

Perceived fairness (PROCJ) showed positive and statistically significant association with both outcomes:

- PROCJ → EE: $\beta = 0.725$, $z = 4.87$, $p < .001$
- PROCJ → OS: $\beta = 0.700$, $z = 4.97$, $p < .001$

These results therefore support H1 and H3 and show that fair target setting, performance evaluation and pay decisions are associated with higher engagement and satisfaction.

Performance-pay link (DISTJ) did not show a unique effect once fairness was included:

- DISTJ → EE: $\beta = -0.162$, $z = -0.97$, $p = 0.332$ (ns).
- DISTJ → OS: $\beta = -0.122$, $z = -0.81$, $p = 0.415$ (ns).

Thus, H2 and H4 are not supported in the joint model.

The four dimensions of perceived financial scarcity (PIFS) - insufficient resources (D1), lack of control (D2), financial worry (D3) and short-term focus (D4) showed no significant direct effect on either of the outcomes when entered together with PROCJ and DISTJ:

- To EE: $\beta = 0.193$ ($p = 0.117$), -0.170 ($p = 0.557$), -0.009 ($p = 0.948$), -0.076 ($p = 0.682$), respectively.
- To OS: $\beta = -0.142$ ($p = 0.214$), -0.017 ($p = 0.954$), -0.011 ($p = 0.933$), 0.076 ($p = 0.716$), respectively.

Consequently, H5 (negative effect of PIFS on EE/OS) is not supported in the presence of the remuneration attitudes variables.

In conclusion, the structural estimates provide evidence that perceptions of fairness within remuneration systems are the key drivers of both employee engagement and job satisfaction in this sample. Neither perceived performance-pay linkage nor perceived financial scarcity dimensions showed unique explanatory power once fairness is taken into account.

5.7.3. Measurement segment (Latent-Indicator Relationship)

Across both models, all observed indicators loaded significantly ($p < 0.001$) on their intended constructs, which confirmed convergent validity and supported the CFA results reported earlier that indicated the below:

- Employee engagement (EE): loadings 0.62–0.82; strongest = EE_Q2 (0.82), weakest = EE_Q1 (0.62).
- Job satisfaction (OS): 0.73–0.85 across OS_Q1–Q3.
- Perceived fairness (PROCJ): 0.50–0.83; PROCJ_Q5 (~0.50) is comparatively weak but still significant.
- Performance–pay link (DISTJ): 0.82–0.92, uniformly strong.
- Perceived financial scarcity (PIFS) (four-factor structure):
 - Insufficient resources (Q1–Q3): 0.81–0.91
 - Lack of control (Q4–Q6): 0.51–0.85 (with PIFS_Q5 $\approx$ 0.52 the weakest)
 - Financial worry (Q7–Q9): 0.82–0.85
 - Short-term focus (Q10–Q12): 0.60–0.87 (with PIFS_Q11 $\approx$ 0.60 lower)

These measurement results show that the indicators are reliable and meaningful reflections of their latent variables and contribute to the satisfactory fit of the SEMs.

To be consistent with the study's theoretical expectations, perceived fairness comes out as the central attitudinal mechanism associated with higher engagement and satisfaction. Managerial interventions that encourage transparency and perceived justice in target setting, performance evaluation and pay determinations are more likely to yield the greatest improvements when it comes to employee outcomes.

5.7.4. Model fit evaluation (Goodness of Fit)

The adequacy of the hypothesised measurement and structural models was assessed using multiple indices of model fit. Together, these provided an evaluation of how well the models reproduced the observed data.

The employee engagement model SEM provided an acceptable global fit $\chi^2(384) = 672.278$, $p < .001$; RMSEA = 0.048 (90% CI [0.043, 0.054]); CFI = 0.942; TLI = 0.935; SRMR = 0.052 (Table 35). Although the chi-square statistic was significant (likely influenced by the sample size of $N=323$), the incremental and absolute fit indices all met the conventional thresholds for good fit (Hu & Bentler, 1999; Kline, 2023). The RMSEA was below the 0.05 threshold, with a narrow confidence interval indicating precision. Both CFI and TLI values exceeded 0.90. The SRMR was below the 0.08 cut-off. Together, these indices confirm that the hypothesised EE model provides an adequate representation of the data.

Likewise, the SEM for job satisfaction also achieved a good overall fit : $\chi^2(254) = 425.071$, $p < .001$; RMSEA = 0.046 (90% CI [0.039, 0.052]); CFI = 0.959; TLI = 0.951; SRMR = 0.053 (Table 38). Here too, while the chi-square test was significant, all other indices showed strong model adequacy. The RMSEA value and its confidence interval suggested close fit, the incremental fit indices (CFI, TLI) exceeded the recommended 0.95 level. Furthermore, the SRMR results were within acceptable range. These results showcased that the OS model aligns with the observed data.

It can further be noted that across both models, the measurement segment (Table 36 & 39) provided evidence of strong indicator reliability and convergent validity. All items loaded significantly ($p < 0.001$) onto their latent constructs. The factor loadings for EE ranged 0.62 to 0.82 for OS from 0.73 to 0.85, for perceived fairness (PROCJ) from 0.50-0.83 and for performance-pay link from 0.82-0.92. The four Perceived Financial Scarcity

(PIFS) dimension also showed loadings though with some weaker indicators (PIFS_Q5=0.52; PIFS_Q11=0.60). However, even though these minor weaknesses, the measurement model showed sufficient validity to support the overall SEM fit.

Similarly, the structural segment (Tables 37 & 40), provided insights into the hypothesised relationship. In both the models, Perceived Fairness (PROCJ) came out as the only significant and positive indicator of the outcomes:

- PROCJ → EE: $\beta = 0.725$, $z = 4.87$, $p < .001$
- PROCJ → OS: $\beta = 0.700$, $z = 4.97$, $p < .001$

Neither Performance-Pay Link (DISTJ) nor the four PIFS dimensions showed unique significant effects once PROCJ was included in the model. This suggests that fairness perceptions are the most important attitudinal drivers of both engagement and job satisfaction within the sample.

The overall Goodness of Fit Assessment, when taken together, the global fit indices, measurement results and structural estimates converge to show that the hypothesised SEMs provided a satisfactory representation of the observed data. Both models achieved fit values that met the recommended benchmarks, thereby, confirming statistical adequacy. More importantly, the findings highlighted that perceived fairness in remuneration processes as the key explanatory mechanism that links remuneration attitudes to positive employee outcomes, which supports the theoretical expectations of the study.

5.8. Conclusion

This chapter provided results from the statistical analysis of the primary survey data (N=323) which was collected from employees in the study organisation. The chapter first reported the demographic profiles of the respondents and the descriptive statistics for the study variables. Measurement quality was assessed by using scale reliability which was examined using Cronbach's alpha, and construct validity was evaluated through confirmatory factor analysis (CFA), where all the indicators loaded significantly on their intended latent variables. The Global fit model for measurement framework and the structural models met conventional thresholds (CFI/TLI=0.95, RMSEA=0.05, SRMR=0.05), indicating an adequate to good representation of the data.

Furthermore, to address the hypotheses, structural equation model (SEM) were estimated with maximum likelihood for two outcomes: Employee engagement (EE) and job satisfaction (OS). Across both models, perceived fairness (PROCJ) came out as the only positive and statistically significant predictor of the outcomes, while the performance-pay link (DISTJ) and the four dimensions of perceived financial scarcity (PIFS;D1-D4) did not show unique, statistically significant effects once entered together.

These results highlight procedural fairness in remuneration processes (e.g., target setting, evaluation and pay decisions) as the core attitudinal mechanism associated with higher engagement and satisfaction in this sample.

The next chapter discusses these finding in relation to prior literature, outlines their theoretical and managerial implication and identifies directions for future research.

Chapter Six: Discussion of Results

6. Introduction

This chapter discusses the findings of the study in relation to the research questions, hypotheses and relevant literature. The results are interpreted through the lens of the Job Demands-Resource (JD-R) theoretical framework, showing how the quantitative outcomes from Chapter 5 align with or diverge from prior studies. The discussion is organised into subsections that correspond to each set of hypotheses or to the core research theme. Section 6.1 reviews the validity and reliability of the measurement instrument to ensure confidence in the results. Section 6.2 and 6.3 then delve into the relationships between the independent variables: remuneration attitudes and perceived financial scarcity, and the two key outcomes: employee engagement and job satisfaction, respectively.

Section 6.4 integrates the primary findings with the JD-R model and existing theory, providing a critical reflection on what the results mean in a broader context. Section 6.5 offers a brief conclusion to the chapter, bringing the overarching insights from the study's findings.

6.1. Instrument validity and reliability

Before interpreting the substantive results, it is important to establish that the measures of the survey instrument were psychometrically sound. In Chapter 5, the construct validity and reliability of all scales were confirmed. An exploratory and confirmatory factor analysis showed that items loaded appropriately on their intended constructs, with Kaiser-Meyer-Olkin (KMO) measures exceeding the recommended 0.60 threshold for sampling adequacy. For example, the KMO values were all well above 0.80, indicating excellent factorability of the data (Tabachnick & Fidell, 2007). They were used to analyse the key constructs of remuneration fairness, namely views regarding beliefs about the performance-pay link, PFS, job satisfaction and employee engagement. The results provide strong evidence of construct validity for the instrument's items.

The reliability of internal consistency was high for each scale. All the constructs achieved Cronbach's alphas coefficients above the conventional 0.70 benchmark, with many in the

0.80-0.90 range, indicating considerable homogeneity of the items (Cronbach, 1951). For instance, the sub-scales of remuneration attitudes, the perceived performance-pay link and perceived fairness) showed alpha values of around 0.90: the composite reliability for the multi-item PFS scarcity scale was also strong. Such reliability estimates are in line with those reported in previous studies, utilising the same instrument. The study employed measures such as the Utrecht Work Engagement Scale to measure engagement (Schaufeli et al., 2006) and the Psychological Inventory of Financial Scarcity to measure financial scarcity (van Dijk et al., 2022). These had both been validated in previous research and proved to be reliable for this study. In summary, the detailed validation in Chapter 5 promotes confidence that the observed relationships in this study are not artefacts measurement error, but reflect valid underlying associations.

6.2. Remuneration attitudes and employee engagement

The results showed that perceived fairness of remuneration processes is positively related to employee engagement (H1). When all predictors are modelled together, perceived fairness came out as the only statistically significant positive predictor of engagement. In other words, employees who feel that performance targets are transparent, evaluations are consistent and pay decisions are made fairly tend to report higher engagement in their work. The standardised path coefficient for fairness to engagement was high, at approximately $\beta = 0.73$, $p < .001$, indicating a substantive effect. These results align with literature linking pay system fairness to favourable work attitudes and motivation. For example, Ismail et al. (2020) and Hartmann and Slapničar (2012) found that when employees perceive compensation practices as just, their psychological attachment to and enthusiasm for their job improves. The finding from this study echo those of others, highlighting fairness in remuneration functions as a valuable job resource that can boost engagement.

Within the JD-R framework, fair remuneration practices are a personal resource that provides employees with a sense of support and justice, which drives vigour and dedication at work (Mazzetti et al., 2023). This confirms H1 and highlights procedural fairness as a vital mechanism of engagement in a high-pressure, performance driven setting.

In contrast, H2 hypothesised that perceived performance-pay link would relate positively to engagement, but this was not supported. The performance-pay link factor (i.e. the belief that “If I perform well, I will be rewarded accordingly”) did not have a significant effect on employee engagement in the presence of fairness perceptions. In the structural equation model, the coefficient for performance-pay link on engagement was near zero and non-significant ($\beta \approx -0.16$, $p = 0.33$). This indicates that once employees’ sense of procedural fairness is accounted for, merely believing in a pay-for-performance policy does not add any further boost to their engagement. One possible explanation is that procedural fairness may overshadow distributive beliefs; when employees feel the process is fair, they may already be satisfied and engaged, regardless of whether they see a clear personal payoff for performance.

As noted in the results, general beliefs about performance-pay add little unique variance beyond perceived integrity of procedures (Bae & Kim, 2023). This result is consistent with organisational justice theory; procedural justice often has a stronger impact on attitudes than distributive justice, especially for outcomes like engagement and trust in organisations.

The literature suggests that if the process is fair, employees might assume outcomes will eventually be fair as well, reducing the incremental importance of explicit performance-pay linkage (Ismail et al., 2020; Hartmann & Slapničar, 2012). Interestingly, some studies have found that performance contingent reward systems can increase motivation and engagement by building trust in such systems, which essentially treats performance-pay linkage as a job resource in its own right (Zayed et al., 2022). However, findings of this research imply that such benefits do not materialise if employees do not also perceive the system as fair. In the present sample, performance pay perceptions alone were insufficient to drive engagement once fairness was “in the picture”, suggesting H2 should be rejected. It appears that fairness is the more “proximal” driver of engagement, with performance-linked pay beliefs playing at most a secondary role- a dynamic also observed by other researchers.

The analysis also considered perceived financial scarcity as a negative predictor of engagement. H5 (part a) stated that higher financial scarcity would be associated with lower engagement, but no significant direct effect was found for any PFS dimension on employee engagement in the full model. Zero-order correlations in Chapter 5 showed that

personal financial strain had some bivariate associations with engagement (financial hardship tends to co-occur with slightly lower engagement), but when procedural fairness and other remuneration attitudes were entered into the multivariate model, financial scarcity did not show any unique predictive power (all $p > 0.05$ for PFS effects on EE). This means that after controlling for how fair and performance-linked the pay system is perceived to be, an employee's subjective sense of financial strain did not significantly alter their engagement levels.

On the surface, this null finding is surprising because one might expect that employees facing personal financial difficulties would be more distracted or demotivated at work, and thus less engaged. Indeed, prior research suggests financial stress can tax employee's cognitive and emotional resources, reducing their capacity to fully invest in their work roles (Van Dijk et al., 2022; Harshitha & Almeida, 2025). Harshitha and Almeida (2025), for example, observed that in commission-based roles with unpredictable pay, economic hardship heightened stress and undermined work engagement.

Why, then, did our study not detect a direct scarcity to engagement effect once other factors were included? A likely interpretation is that a strong job resource present, notably, fairness, buffered the impact of financial scarcity, thereby muting its direct influence. The JD-R model conceived that the presence of sufficient job resources can offset or "shield" employees from harm of the job demand or personal stressors (Bakker & Demerouti, 2017). In our results, the organisation's fair remuneration practices (a job resource) may have provided such a buffer. Employees who perceive high fairness might remain engaged and motivated despite personal financial strain, perhaps because fairness creates a sense of support and organisational care that counteracts external financial worries.

This notion aligns with Mazzetti et al. (2023), who found that fair treatment and recognition can moderate the effects of stressors on engagement, effectively inoculating employees against burnout or disengagement. It is also consistent with the "primacy of fairness" argument noted earlier: fairness in the workplace can be a more immediate driver of engagement than personal financial context. Another possibility is that perceived financial scarcity influences engagement indirectly rather than directly. The non-significant direct paths suggest that scarcity might operate through intermediate mechanisms, for example, by increasing psychological strain, which in turn could affect engagement over time (Kline,

2023). Employees facing financial strain might experience stress or reduced mental bandwidth, which could impair their work focus or energy. This effect may present as increased exhaustion or health symptoms, rather than an immediate decline in engagement. The cross-sectional model may not capture these pathways, and so we interpret the null direct findings with caution.

In summary, H5 was not supported for engagement in the simultaneous model – PFS by itself did not statistically undermine engagement once remuneration attitudes were accounted for. The main topic in this study centres on remuneration fairness as an important energising factor, while other remuneration beliefs and personal financial pressures played a lesser role in motivating or hindering employee engagement.

6.3. Remuneration attitudes and job satisfaction

In relation to the second outcome, H3 predicted that perceived fairness of remuneration would positively influence job satisfaction, and this hypothesis was strongly supported. The pattern of results for job satisfaction closely paralleled that for engagement. Perceived fairness showed a significant positive association with overall job satisfaction, emerging as the strongest unique predictor in the model. The standardised effect size was substantial ($\beta \approx 0.70$, $p < .001$), indicating that fairness in pay processes contributes greatly to how satisfied employees are with their jobs. Practically, this means that when employees believe the company's procedures for setting targets, evaluating performance, and allocating pay are transparent and just, they tend to feel content and fulfilled in their work.

This finding resonates with prior evidence that pay fairness is a key determinant for job satisfaction. For instance, Mohrenweiser and Pfeifer (2023) reported that employees' perceptions of wage fairness (both internally equitable and externally competitive) were strongly correlated with higher job satisfaction. Ismail et al. (2020), similarly found that fairness in the compensation system had a direct positive effect on various work attitudes, including satisfaction.

Our results reinforced these conclusions in the context of a South African automotive sales organisation where fairness in remuneration is not only an abstract ideal but a tangible driver of satisfaction. In the JD-R terms, a fair remuneration process can be viewed as a

motivational job resource as it fulfils employees' basic needs for justice and respect, thereby increasing their well-being and satisfaction (Xanthopoulou et al., 2007; Magai & Ardianto, 2024). H3 is thus confirmed, stating that procedural justice in pay is critical for maintaining positive job attitudes.

H4 stated that a perceived performance-pay link would positively affect job satisfaction, but the hypothesis was not supported by the data. Mirroring the engagement outcome, the Performance-Pay Link factor showed no significant unique impact on job satisfaction once fairness "crowded out" the effect of performance-pay perceptions, rendering it statically non-significant in predicting satisfaction. This suggests that simply believing that rewards are tied to performance did not independently raise employees' satisfaction with their job unless the process was also perceived as fair. If an employee perceives unfairness in how pay decisions are made, knowing that pay is supposed to be performance-based might even lead to cynicism (e.g. "they say its performance-based, but I don't trust it"), whereas if the system is fair, the employee may already be satisfied and any additional emphasis on performance-based pay adds little assurance.

The literature provides context for these findings. Research by Zayed et al. (2022) found that when employees feel adequately rewarded for their contributions, it boosts their sense of value and satisfaction; however, that study emphasises that clarity and fairness in the compensation structures are what results in positive effects. In effect, performance contingent pay is motivating and satisfying when it is perceived to be implemented fairly. Our results indicate that in the presence of high perceived fairness, the incremental satisfaction from "performance pay" beliefs is negligible, which aligns with the justice literature as well as practical findings that procedural fairness often outweighs distributive specifics in predicting job attitudes. Thus, H4 is rejected. It appears that how decisions are made (fairly vs unfairly) is more consequential for employee satisfaction than what the explicit pay-for-performance policy is, reinforcing that idea that "process fairness is vital" for positive attitudes.

Lastly, we evaluate the role of financial scarcity perceptions in moulding job satisfaction. H5 (part b) proposed that higher perceived financial scarcity would relate to lower job satisfaction, but similar to the engagement case, no significant direct effect of PFS on job satisfaction was found when controlling for remuneration attitudes. None of the four PFS dimensions (Insufficient Resources, Lack of Control, Financial Worry, Short-Term Focus)

had a unique impact on satisfaction in the SEM with all corresponding path coefficients being near zero and statistically non-significant (p-value range from 0.21 to 0.95). The joint model indicates that, after accounting for how fair the pay system is and whether pay is seen as performance linked, an employee's subjective feeling of financial scarcity does not directly drive their overall job satisfaction. Thus, H5's expectation of a negative relationship is not supported for job satisfaction either.

This outcome must be interpreted by considering both theory and context. On one hand, it contradicts some prior research showing that personal financial strain can erode job satisfaction, which is likely to increase stress and frustration that spill over into the workplace (Lim, 1997; Harshitha & Almeida, 2025). Harshitha & Almeida (2025), noted that employees experiencing economic hardship often report lower job satisfaction, especially in variable-pay environments, because financial worries heighten their dissatisfaction with rewards and the job itself. Our bivariate analyses in Chapter 5 did hint at a negative correlation between financial scarcity and satisfaction.

However, the multivariate result suggests that when strong positive factors like fairness are present, they can eclipse the impact of financial stress on satisfaction. Employees who perceive high fairness may maintain a baseline of satisfaction with their job, even if they feel financial pressure personally. Fair processes might create goodwill and organisational commitment that make employees more forgiving of external financial hardships. In addition, it is possible that financial scarcity influences job satisfaction through indirect pathways, for example, by affecting mental health or work-life conflict, which in turn influences satisfaction, rather than as a standalone factor.

This interpretation supports with the theoretical implication that scarcity appraisals may operate through strain or interact with contextual factors. It is worth noting that the study's outcome mirrors the findings of some recent JD-R based studies which integrate personal financial stress, which concluded that personal demands like financial insecurity did not uniformly predict job attitudes when examined alongside job resources, unless those demands were particularly acute or coupled with low resources (van Dijk et al., 2022). In the present case, the organisation's supportive elements such as fair treatment and clear communication might have mitigated what might otherwise be the detrimental effects of financial scarcity of satisfaction.

In summary, H5 is not supported for job satisfaction, reinforcing the idea that in our sample the critical drivers of satisfaction were internal to the job environment (fairness in pay systems), rather than personal financial circumstances. Employees' overall satisfaction was high when remuneration attitudes were positive, regardless of variations in their personal sense of financial adequacy.

To combine sections 6.3 and 6.4, the quantitative results paint a consistent picture in which perceptions of remuneration fairness stand out as the pivot factor associated with better employee engagement and job satisfaction, supporting H1 and H3. Conversely, the hypothesised benefits of believing in a performance-pay link (H2, H4) did not manifest once fairness was considered, and the hypothesised of financial scarcity did not directly materialise in the combined model. These findings show that, among the outcomes of the variables studied, procedural fairness in remuneration is the dominant influence on both outcomes, a point we explore further in the theoretical integration below.

6.4. Integration of findings with the JD-R framework

The overall pattern of results can be clearly understood through the lens of the Job Demands-Resource model. The JD-R model proposes that work outcomes are a product of the balance between job demands (stressors) and job resources (supportive factors) (Bakker & Demerouti, 2017). Our study extends this framework by including remuneration attitudes as a key job resource and personal financial scarcity as a personal demand, and the findings reinforce several JD-R consistent principles.

First, the prominent role of perceived fairness in remuneration by encouraging engagement and satisfaction is fully in agreement with the JD-R theory. Fair remuneration practices can be regarded as an organisational resource that fulfils employees' emotional needs for justice, esteem and predictability, thus improving motivational outcomes like engagement and satisfaction. The evidence from this study indicated that fairness perceptions had a strongly positive effect on both engagement and job satisfaction, supporting the observation that fairness acts as a motivational resource in the workplace. This reinforces previous JD-R research indicating that when employees have sufficient resources, for example, support, feedback or, in this instance, fair treatment, they are more likely to display increased levels of engagement and well-being (Bakker & Demerouti, 2017).

As noted in recent meta-analysis, job resources like fairness and recognition not only encourage engagement directly, but can also buffer the negative effects of demands (Mazzetti et al.2023). The results exemplify this; the “primacy of fairness” findings suggest that fairness in pay systems was a proximal driver of engagement/satisfaction, aligning with literature that refers to it as “a psychological job resource” within the JD-R model. It was also observed that employees who feel suitably rewarded and respected (i.e. those who have positive remuneration attitudes) report improved engagement and satisfaction (Nordgren 2022), this observation supports the findings and reinforces the JD-R perspective that such perceptions are important resources for employees. Thus, the support for H1 and H3 in our study provides empirical evidence that remuneration fairness is an energising resource that contributes to positive employee outcomes, a notion firmly situated in the JD-R motivational pathway.

The lack of additional benefits from the performance-pay link perceptions can also be interpreted via JD-R. While a clear performance-pay link could in itself be considered a job resource (it provides clarity and can improve perceptions of control), our findings imply that its resource value is contingent on other factors. It appears that without the foundation of procedural justice, a performance-based pay system does not serve as an effective resource for employees as it does not translate into improved engagement or satisfaction on its own.

This emphasises the point that not all formal job features count as a true “resource” in practice, as their efficacy may depend on context and fairness. In the context to our study, even though performance-linked pay is intended to motivate, employees might only perceive it positively if implemented transparently. When fairness was high, employees were already engaged and satisfied, possibly rendering the performance-pay aspect redundant when fairness was low, which stated the performance-pay link might lack credibility and thus not function as a resource. This finding is consistent with the idea that procedural justice is a prerequisite for other resources to be effective (Lind & Tyler, 1988).

It also aligns with Zayed et al. (2022), who found that performance-based compensation boosts engagement and commitment only when employees trust the system’s fairness. In JD-R terms, fairness and trust in management can be seen as higher-order resources that allow other practices (like merit pay) to have positive effects. Our study’s null results for

H2 and H4 reinforce the theoretical point that the mere presence of a “demanding” reward criterion (needing high performance for high pay) is not a resource unless accompanied by fairness and clarity. Thus, while the researcher initially conceptualised the performance-pay link as part of remuneration attitudes, the data suggested that it did not operate as a meaningful independent resource in this sample once fairness was accounted for. This insight contributes to JD-R literature by highlighting that the interplay between different resources (e.g. fairness and reward clarity) matters; some resources can dominate or enable others.

Third, and perhaps most intriguingly, our findings regarding perceived financial scarcity provide a nuanced addition to the JD-R model’s stressor side. We treated financial scarcity as a personal demand, which is an external strain on the individual that could potentially deplete their energy and negatively affect work outcomes. Classical JD-R logic would predict that high demand, namely, financial pressures, contribute to stress, a reduction in job satisfaction or engagement, especially if not countered by adequate resources. However, in the integrated model, financial scarcity was not shown to have a direct effect on engagement or satisfaction. One interpretation is that a strong job resource of fairness might have acted as a buffering effect, as previously mentioned, mitigating the impact of personal demand. This aligns with the JD-R research that finds interactive effects, where resources moderate the relationship between demands and outcomes (Bakker et al., 2023).

It is plausible that employees facing financial strain were less likely to let it affect their work attitudes if they felt supported and fairly treated by their employer which effectively, the job resource neutralised the personal demand. Such an interaction was not formally tested in our study, but our discussion infers its possibility given the pattern of results. Another implication is that financial scarcity might exert its influence through the strain pathway rather than motivation pathway of JD-R. The JD-R model distinguishes between a health impairment process (job demands → strain → negative outcomes) and a motivational process (job resources → engagement → positive outcomes). It could be that financial scarcity increases stress or burnout (a health impairment), which over a longer term could challenge job satisfaction or engagement. This could further mean that PFS could also act as a moderator of the associations investigated.

In our cross-sectional snapshot, however, those indirect or long-term effects might not be immediately observable on engagement/ satisfaction once we include the motivational factors. Recent JD-R research supports the call to integrate personal life stressors into the model with care by acknowledging that their effects might be indirect or conditional (Xanthopoulou et al., 2007; Van Dijk et al., 2022). The results suggest that personal financial demands do not uniformly result into reduced work attitudes, where their effects are more situation-dependent, coming only when job resources are insufficient or when the financial strain becomes severe enough to result in burnout. This is a valuable nuance that counters the assumption that financial scarcity will automatically cause disengagement or dissatisfaction. Our findings, instead, indicate the importance of context and the presence of buffering resources. This could mean that organisations can aid employees in maintaining engagement and satisfaction in the presence of financial stress by driving workplace resources such as fair treatment, supervisor support and open communication which shields the employee's work experience from external strains.

The conceptual JD-R framework diagram (see Figure 5) supplies a visual on how the factors in the study connect:

- Remuneration fairness (job resource) → Strong positive arrows to both engagement and satisfaction.
- Performance–pay link (job resource) → Dashed arrows (weak/non-significant).
- Perceived financial scarcity (personal demand) → Dotted arrows (not significant in the combined model).
- Employee engagement and job satisfaction are the key outcomes.

The Figure 5, below indicates which interactions were confirmed (solid arrows) and which were not (dashed/dotted arrows).

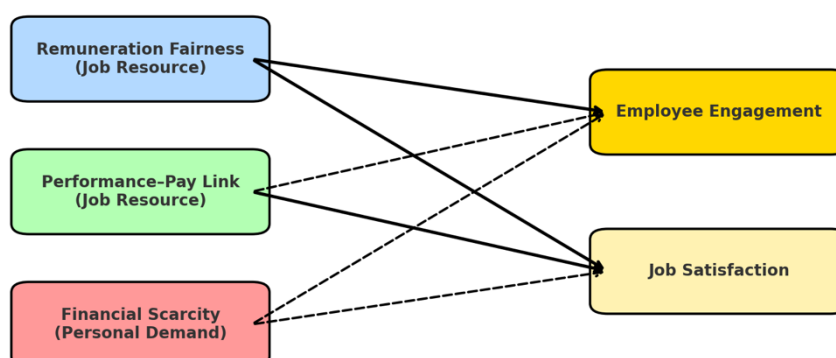


Figure 5: JD-R Framework: Remuneration attitudes, financial scarcity, and employee outcomes.

Source: (Compiled by the Researcher).

By integrating the findings with the JD-R framework, two main points are validated. The first relates to job resources, especially remuneration fairness, played a decisive role in promoting engagement and satisfaction. The second is personal financial scarcity (PFS), which is a potential demand, but did not directly influence work outcomes in the context of the study, which is probably due to the protective effects of those resources, or of its influence occurring through other means.

These insights extend the JD-R model by showing the dynamic interplay between personal demands and job resources. Even under financial stress (a demand), employees flourished in terms of engagement and satisfaction provided resources like fairness were present. This finding contributes to the growing literature on including personal factors into JD-R models: in general, it suggests that future models should consider not just the additive, but the interactive effects of personal demands and job resources on employee well-being. In general, the JD-R framework provides a valuable theoretical lens for explaining why fairness had such a prominent influence as a motivating personal resource, and why financial scarcity's influence was diminished, possibly by resource buffering and indirect effects. These results support the core tenet of JD-R: that improved job resources are vital for positive work outcomes, and can assist employees to manage or withstand significant personal demands.

6.5. Conclusion

In conclusion, this study showed that procedural fairness in the payment system is the key factor determining employee engagement and job satisfaction within the context of the variables observed. Common to both outcomes, employees' perceptions of fair and transparent remuneration practices were the consistent motivators of positive attitudes, supporting H1 and H3. However, the more specific belief in a performance-pay linked pay (H2, H4) did not show any contribution to engagement or satisfaction once fairness was taken into account. Perceived financial scarcity (H5) did not show a direct negative effect on either outcome in the presence of those remuneration attitudes.

These conclusions support existing literature that maintains the predominant role of fairness in shaping work attitudes. They are also coherent with the JD-R model where fair remuneration processes serve as a vital job resource for creating engagement and satisfaction, while personal financial stress did not automatically reduce these outcomes, likely due to the availability of that resource base.

Overall, the study's discussion reinforces the observation that remuneration attitudes, especially fairness perceptions, formed the key relationship in encouraging employee engagement and satisfaction, while other factors like pay-for-performance beliefs and financial scarcity may require the context of fairness or act through indirect avenues to affect those on outcomes.

Chapter Seven: Conclusion and Recommendations

7. Principal findings

The principal findings of this study are presented with reference to each research hypothesis and the corresponding empirical results from the structural equation model (SEM) analysis:

H1 (Supported): Perceived fairness of remuneration positively influences employee engagement. The SEM results indicated a significant positive path coefficient from remuneration fairness to engagement ($\beta \approx 0.73$, $p < .001$). Thus, employees who perceive the pay process as fair and just are more inclined to report higher engagement levels.

H2 (Not supported): Perceived performance-pay linkage positively influences employee engagement. This path was not statistically significant in the presence of fairness perceptions ($\beta \approx -0.16$, $p = 0.332$). In other words, the expected positive effect of seeing a clear link between performance and pay on engagement did not materialise when controlling for fairness.

H3 (Supported): Perceived fairness of remuneration positively influences job satisfaction. The analysis showed a significant positive relationship between fairness perceptions and job satisfaction ($\beta \approx 0.70$, $p < .001$). Employees are more satisfied within their roles, when they perceive remuneration processes as fair, emphasising the role of procedural justice in remuneration on overall satisfaction.

H4 (Not supported): Perceived performance-pay linkage positively influences job satisfaction. Like H2, this relationship was not significant ($\beta \approx -0.12$, $p = 0.415$). Perceived linkage between performance and rewards reflected a strong relation, however, once fairness factors were included- did not uniquely translate into higher job satisfaction.

H5 (Not supported): Perceived financial scarcity negatively influences employee engagement and job satisfaction. It was hypothesised that higher financial strain would reduce engagement and satisfaction, but the SEM results found no significant effects of perceived financial scarcity on either outcome (all four PFS sub-dimensions had $p > 0.05$). Thus, employees' subjective sense of financial strain did not show a unique, measurable

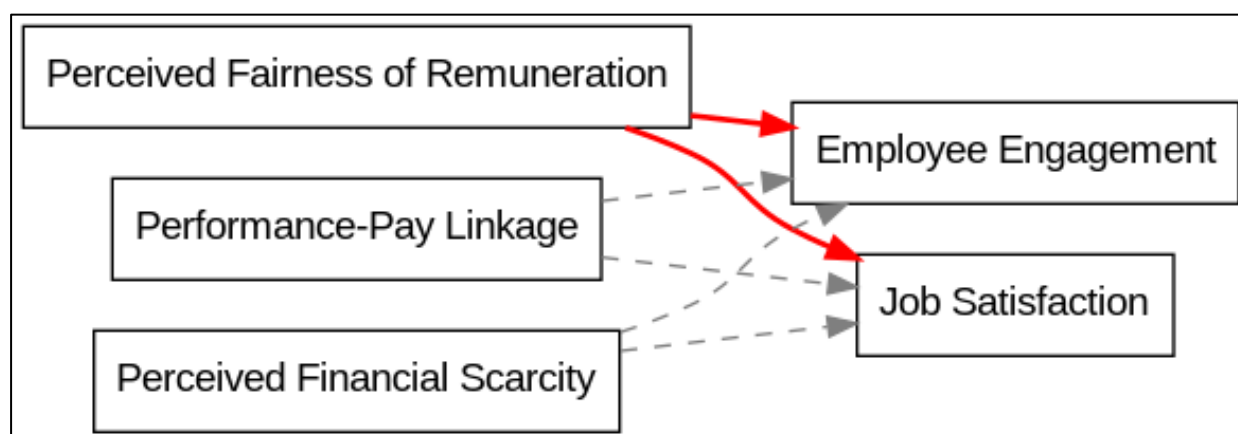
impact on engagement or satisfaction in this sample, after considering remuneration attitudes.

The data supported H1 and H3, identifying perceived fairness in remuneration as a significant positive driver of both engagement and satisfaction. However, H2, H4 and H5 were not supported, indicating that the performance-pay link and financial scarcity did not exhibit significantly unique effects on the outcomes once fairness was incorporated. These findings highlight fairness perceptions as the dominant factor among the studied variables influencing employee engagement and job satisfaction.

7.1. Updated conceptual model

The updated conceptual model in Figure 5 (below) shows validated relationships between attitudes to remuneration (fairness and performance-pay linkage), perceived financial scarcity and employee outcomes (engagement and job satisfaction). The solid red arrows indicate statistically significant positive relations, while the dashed grey arrows indicate hypothesised links that were not supported by the data.

Figure 5: Updated conceptual model



Source: (Compiled by the Researcher).

The original conceptual model (described in Chapter 2) proposed that two facets of remuneration attitudes, namely perceived fairness and perceived performance-pay linkage, as well as perceived financial scarcity, would each influence engagement and job satisfaction. However, based on this study's findings, the conceptual model has been

revised to reflect the supported relationships. In the updated model shown above, perceived fairness of remuneration has a solid arrow pointing to both engagement and job satisfaction, indicating its significant positive influence on these outcomes (supporting H1 and H3). In contrast, the hypothesised links from performance pay linkage to the outcomes and from financial scarcity to the outcomes are shown as dashed lines, denoting that these paths were not statistically significant in the final analysis (H2, H4 and H5 are not supported).

This updated model highlights key insights among the constructs studied: the first is that fairness in remuneration processes emerges as a critical factor driving positive employee outcomes, whereas the direct effects of performance-pay perceptions and personal financial strain were negligible when fairness was accounted for. The revised model (figure 5) visually integrates these findings, showing that ensuring fair and transparent compensation processes is paramount for gaining higher levels of employee engagement and job satisfaction. On the other hand, while the other initially theorised influences may need re-examination or alternative explanations such as indirect effects or contextual moderators, given their lack of direct impact in this study.

7.2. Validated hypothesised models

The validated structural model derived from the SEM analysis consolidates the above findings, in essence, that the only remuneration attitudes that showed a unique significant effect on the outcomes was perceived fairness. Both the employee engagement model and the job satisfaction model achieved good fit and revealed that fairness perceptions are the sole significant predictors of variance in these outcomes. The hypothesised positive effects of the performance-pay link (H2, H4) and the negative effect of perceived financial scarcity (H5) were not validated when tested alongside fairness. Figure 5 effectively represents the validated model: employee's sense of procedural justice in pay (fair target setting, evaluations and reward decisions) was confirmed as having a significantly positive influence on both engagement and satisfaction, supporting H1 and H3. In contrast, the anticipated influence of performance-linked pay perceptions and financial scarcity did not hold in the presence of fairness, indicating that H2, H4 and H5 must be rejected given the data.

These results validate a more frugal model in which fairness of remuneration is the key explanatory mechanism linking remuneration perceptions to positive work outcomes. This finding is consistent with the idea that when employees perceive compensation processes to be fair, other considerations are overshadowed, driving engagement and satisfaction almost single-handedly. The validated model thus provides a focused answer to the research questions remuneration attitudes do influence engagement and satisfaction, but it is primarily the fairness dimension that carries this effect, whereas a clear performance-pay linkage and personal financial strain showed no significant unique impact in this organisation's context.

7.3. Principal conclusions

To summarise the results of the study, a number of major conclusions can be drawn relating to the effects of attitudes to remuneration and of financial scarcity on the engagement and job satisfaction of employees.

First, there is a positive relationship between the perception of remuneration fairness and the two focal employee outcomes. Employees tend to be more engaged in their work when they feel that the systems for calculating their pay are fair. These relate to the ways in which the targets are determined and the evaluation of their performance, and how decisions relating to remuneration are made. Such employees are generally more satisfied with their roles and more engaged in their work.

This finding supports existing literature that supports the importance of fairness in compensation systems. For example, empirical evidence from this study supports the findings of Ardian et al. (2023), who reported that fairness in compensation processes leads to higher engagement and improved performance outcomes. The findings also align with the JD-R model view that job resources such as fair compensation practices increase engagement. In line with Nordgren (2022), who found that positive remuneration attitudes (e.g., feeling fairly and appropriately rewarded) corresponds to greater engagement and job satisfaction. The study identifies perceived fairness as the central attitudinal resource driving positive outcomes.

Second, the expected benefits of a perceived performance-pay linkage were not realised as anticipated. While prior studies suggested that employees respond positively when

they see a clear and credible link between their performance and rewards (Bae & Kim, 2023), in this study the performance-pay linkage did not independently boost engagement or job satisfaction once procedural fairness was considered. One interpretation of this outcome is that procedural fairness may supersede distributive considerations in this context, so when the processes are perceived as fair, employees might accept outcomes more readily, whereas even a strong performance incentive structure cannot compensate for perceived unfairness.

It is also possible that in commission-driven settings, the performance-pay linkage is taken as a given (a structural condition of the job) and thus contributes less to explaining variance in attitudes compared to how fair and transparent the system is. This nuance contributes to compensation theory by highlighting that “how” pay is determined can matter more for employees’ attitudes than the exact formula linking pay to performance, especially in high-pressure sales environments.

The third point relates to the personal factor of perceived financial scarcity (PFS). The conclusion from this study is that PFS, in itself, does not significantly erode engagement or job satisfaction in the surveyed sample. This is a notable outcome, given that PFS was conceptualised as a personal demand that can deplete an employees’ mental resources and motivation. The lack of direct effect findings suggests that employees’ feelings of financial strain did not translate into lower engagement or satisfaction levels in a straightforward way. There are several plausible explanations for this: for instance, fair remuneration practices might mitigate the potential downside of financial stress, and when employees perceive the organisation’s pay system as just, it could buffer the impact of their personal financial worries on work attitudes. Another possibility is that commission-based employees, even if experiencing financial strain, remain engaged because they are motivated to alleviate that strain through higher performance, i.e. the prospect of earning more may counteract disengagement due to scarcity.

However, it must be stated that this result is context-specific in environments with more extreme or widespread financial hardships, and PFS might yet be shown to play a more extensive role. Nonetheless, the study addresses the literature gap by integrating a personal demand (financial scarcity) into the JD-R framework and finding that, in this case, its direct impact was overshadowed by job-related resources. This minor conclusion implies that financial scarcity’s may indirectly or conditionally affect engagement and

satisfaction, highlighting the importance of organisational environment and elements of fairness perceptions when considering personal constraints.

This research primarily examines how employees' perceptions of their remuneration, particularly about fairness, are essential to their engagement and work satisfaction. This finding highlights an important gap in both theory and practice. The study enhances theoretical understanding by emphasising the importance of procedural fairness in compensation as a driver of employee outcomes, thereby expanding the JD-R model to include crucial job resources represented by fair remuneration systems. It further provides an alternative perspective on the assumption that financial stress will similarly impair work attitudes; rather, its impact may be less direct and more contingent on context than previously anticipated (Van Dijk et al., 2022).

Organisations, particularly those in competitive, commission-based industries, from a practical stance, should focus on creating and strengthening fairness and transparency in pay systems as a strategy for improving engagement and satisfaction (Ombanda, 2022). The study's results, therefore, have provided clear evidence that can guide both theory and managerial approaches.

7.4. Recommendations

The conclusions drawn above provide practical recommendations of the importance of remuneration fairness to improve employee engagement and job satisfaction for human resource management and management in commission-driven sales environments such as second-hand automotive dealerships. These recommendations will assist in solving issues of low morale and high turnover in the industry.

The first crucial recommendation is to understand and manage fairness and transparency in remuneration processes. Dealerships should at each stage of the process review and refine their compensation policies to ensure it is transparent and perceived fair. This includes using performance evaluation tool that are consistent and objective, setting performance targets that are both clear and attainable and communicating how pay, including commissions, is determined. When employees understand why they earn what they do and perceive the system as just, they are more likely to feel engaged and satisfied. To improve perceptions of fairness it is crucial to coach managers to apply policies consistently and to explain pay decisions.

Secondly, reinforcing performance-pay feedback loops. While the direct effect of performance-pay linkage did not feature significantly in the results, it remains good practice to ensure employees perceive a meaningful connection between their efforts and rewards. It is advisable to clarify the performance metrics used for commissions and to provide regular feedback. According to Bae and Kim (2023), employees respond positively when the performance-reward link is clear and credible. By making this linkage more explicit (for example, through transparent commission schemes or visual pay dashboards), dealerships can maintain motivation and trust in the compensation system, which can drive sustained engagement over time.

The third recommendation is to address financial scarcity and support financial well-being. Even though perceived financial scarcity did not show a direct impact on engagement and satisfaction in this study, financial stress is known to cause strain on employees (van Dijk et al., 2022). Dealerships should be proactive in supporting employee's financial well-being by offering financial literacy programmes or personal budgeting workshops, providing access to financial planning resources or structuring commission payouts in ways that ease income volatility for example, by paying a stable basic salary or allowing employees to draw against commission. By helping employees manage financial pressures, organisations reduce the likelihood that severe financial anxiety will cause decreased work engagement in the future.

Another recommendation is to improve communication and employee involvement in compensation designs. This can be achieved by boosting perceptions of fairness and commitment, involving employees in discussions about the compensation structure, for example, by assembling an advisory group of employees involved in sales to give feedback on commission structures. As a result, employee opinions will be valued and considered favourably by management. Open communication channels such as open forums or Q&A sessions can be used to engage these conversations. According to (Ismail et al., (2020), involving employees in decisions related to payment increases a sense of procedural justice and empowerment, which will, in turn, enhance their sense of engagement.

Finally, though remuneration is the crucial motivator, organisations should keep in mind that job satisfaction and engagement have numerous aspects that should not be neglected, such as career development opportunities, supportive leadership, recognition

for good performance and acknowledgement of the importance of work-life balance. This research focused on remuneration attitudes and the effects of financial constraint; however, a balanced approach to HR should also include mentoring and training programmes. These would not only reward achievements financially, but include praise and career advancement, providing support and adequate resources for employees (Mothema et al., 2025; Zondo, 2020).

A work environment that provides a platform where employees are valued, both professionally and financially, can enable businesses such as second-hand automotive dealerships to reinforce both satisfaction and engagement, thus capitalising on the study's findings.

7.5. Limitations

Although this study offers interesting insights, its limitations should be considered when interpreting the findings and opportunities for future research. This study was undertaken at a single organisation within the South African second-hand automotive sector. This study provided contextual significance and depth, but the findings are limited in applicability. Other organisations and industries may have different cultures, commission structures and economies. New vehicle dealerships, non-automotive organisations may not apply the results of fairness being the most important. Extending conclusions outside similar circumstances may require caution.

Another limitation is the cross-sectional survey design applied in the study, which captured data at a single point in time. This design limits the ability to draw causal inferences about the relationships observed. For example, while we interpret perceived fairness as influencing engagement, it is also conceivable that more engaged employees might judge their work conditions more favourably (reverse causality), or that a third factor influences both. A longitudinal design (collecting data over multiple time periods) would be better suited to establish the direction and stability of relationships. The cross-sectional nature of the research also means findings represent a “snapshot” in time; they may shift due to changes in the organisation, such as a new pay policy or economic fluctuation affecting financial stress.

Thirdly, self-reported measures and common method bias is also a limitation from a viewpoint that all data (remuneration attitudes, financial scarcity, engagement, satisfaction) were collected via self-reported questionnaires. This approach can introduce biases such as social desirability bias (participants providing answers they think are expected) and common method variance, since attitudes and perceptions were measured using the same survey instruments. Although validated scales were used and statistical remedies, such as assuring anonymity and using different scale endpoints were applied to mitigate these issues, the possibility of inflated correlations due to common methods cannot be fully ruled out. No behavioural or objective measures were included to triangulate the self-reported data.

A further limitation is the limited scope of variables. The study focused specifically on three variables to remuneration perceptions (fairness, performance-pay linkage) and personal financial scarcity in relation to engagement and job satisfaction. Benefits, employment stability and professional growth were not considered within this study. Although, outside this study's scope, these aspects could considerable impact satisfaction and engagement. The JD model shows that resilience, financial literacy, supervisor support and team atmosphere may be important, however, were into included in the study. The omission of such variables means that the model presented here is not exhaustive; there may be omitted variables that, if included, would alter the dynamics observed.

In summary, data collected from the participants was accumulated, thus creating a constraint. In this regard, the sample demographics displayed a gap between males and females. Men comprised of 82% of the responses, showing that the workforce was predominately male. The data collected showed trends in the retail automotive industry; however, a bias was that the work experience provided male perceptions. Various demographics characteristics such as age and tenure were not analysed. This provided varying views in relation to remuneration perceptions and financial stress.

The above limitations do not weaken the findings of the study, however, builds on future research and provides the importance of the current study. A deliberation of the findings of the study is vital when applying the insights practically in a working environment and in comparison, to other studies and academic fields. The research recognises the restrictions of the study and provides future researchers interested in the variables to expand on and refine these findings with other constructs.

7.6. Suggestions for future research

In relation to the above limitations noted by the researcher, various future research pathways are suggested below to explore the influence of remuneration attitudes and financial scarcity on employee outcomes.

The first suggestion would be to expanding the research to other industries and employees in various positions. The variables can be tested in different compensation structures that are not commission related. For example, comparisons between commission-based and fixed remuneration structures could reveal whether performance-pay linkage is greater when variability is lower or how financial scarcity affects lower- income earners more, especially in relations to work engagement and job satisfaction Future research should verify these findings in contexts that are female dominated but commission driven. This will assist to determine if perceived fairness drives engagement and satisfaction. To add, the research can be conducted across various regions and around the world by other scholars.

The second approach is to consider a longitudinal study. A longitudinal study could observe how changes in remuneration policies (e.g. implementing a new, transparent pay scheme) affects engagement and satisfaction over time. An experimental approach might involve interventions to improve fairness perceptions in a subset of teams and comparing outcomes with a control group. These types of designs would clarify two factors which is the how and when changes in remuneration attitudes impact the levels of engagement and satisfaction (Kline, 2023). They could also discover factors that contribute to financial scarcity and how long it takes an employee to become disengaged in a specific position.

An additional suggestion would be to widen the range of variables to provide more literature for scholars and insights on remuneration attitudes. For example, factors such as benefits, career development opportunities, leadership support could be included to evaluate their relationship and impact on remuneration attitudes. Another section of perceived fairness would be valuable is to identify how high job demands impacts employee's perception of fairness and how adequate resources impact financial scarcity.

Given that this study heeded the call by van Dijk et al. (2022) to integrate personal demands into the JD-R model, future researchers can also add by investigating with other

mediators and moderates Personal resources and its moderators such as job stress and burnout can be further researched with remuneration attitudes. For example, an employee's financial literacy or coping mechanism might buffer the effects of financial scarcity. Additionally, moderation analyses could also be considered; as an open question is whether education might moderate the impact of financial scarcity and remuneration attitudes. Investigating such interactions would deepen our understanding of how personal resources (such as skill and knowledge) and job resources (such as supervisory support and career development influence employee outcomes.

Lastly, future studies could embark on a qualitative or mixed method research approach. To complement and provide further explanatory quantitative findings, future research could employ a qualitative method, such as interviews or focus groups with employees, to explore why performance-pay linkage did not emerge as significant, or how employees perceived fairness in their role and overall organisation. Qualitative data could uncover new research outputs; to illustrate, employees might define "fairness" in a broader way that includes fairness in relations to performance linkage and remuneration structure (for example commission qualifiers) or the types of leadership styles. These type of and insights can help to refine and create theories and survey measures as this could be done through context-specific phenomena's that quantitative instruments might have not considered.

Thus, by pursuing these research dimensions and paths, scholars and human resource professionals can build upon the current study's contributions. This is because the work environment evolves and employee needs are forever changing based on for example global and generational factors. Especially in high pressure, incentive-driven environments, will benefit from a richer understanding of how pay perceptions and financial scarcity impact employee engagement and satisfaction; allowing for the creation of retainment and improved remuneration strategies. This kind of knowledge will not only advance academic theories, for example, by refining the JD-R model to include personal finance elements, but also by guiding organisations in designing evidence-based interventions for their employees and department specific programs.

7.7. Conclusion

This chapter provided a comprehensive synthesis of the study's outcomes. The principal findings reveal that among the variables examined, perceived fairness in remuneration processes emerged as the most influential factor driving employee engagement and job satisfaction within the second-hand automotive sales sector. Accordingly, the conceptual model was revised to emphasise fairness as the central mechanism linking remuneration attitudes to positive employee outcomes, while the other hypothesised relationships such as performance-pay linkage and financial scarcity; were not supported. Each research hypothesis was systematically evaluated, with H1 and H3 (fairness-related) validated, and H2, H4, and H5 (performance-pay and financial scarcity) rejected. These results enhance our understanding of which levers truly impact engagement and satisfaction.

The chapter also addressed the study's limitations and proposed directions for future research, advocating for broader contextual exploration using diverse methodologies and additional variables.

Overall, the study highlights that employee perceptions of remuneration, especially fairness which extends beyond mere compensation and shapes work-related attitudes. By incorporating a personal financial dimension into the JD-R framework, the research offers a novel perspective and encourages continued investigation into the interplay between organisational practices and individual experiences. For organisations, especially those operating in high-pressure, commission-driven environments like second-hand (used) automotive dealerships, the implications are clear: creating fairness and transparency in remuneration systems is essential for having a more engaged, satisfied, and resilient workforce.

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Appendices

Appendix 1- Question Coding

Variable	Question Item	Question Code	Dimension
Employee Engagement (EE)	At my job, I feel strong and vigorous.	EE_Q1	
	I am enthusiastic about my job.	EE_Q2	
	I am immersed in my work.	EE_Q3	
	I feel happy when I am working intensely.	EE_Q4	
	I am proud of the work that I do.	EE_Q5	
	I find the work that I do is full of meaning and purpose.	EE_Q6	
	When I get up in the morning, I feel like going to work.	EE_Q7	
	I feel energized when I am working.	EE_Q8	
	I get carried away when I'm working.	EE_Q9	
Job Satisfaction (OS)	I am satisfied with my job.	OS_Q1	
	I find real enjoyment in my job	OS_Q2	
	I would choose the same type of work again if I had to.	OS_Q3	
Perceived Fairness (PROCJ)	I have full confidence in the system's	PROCJ_Q1	

	fairness in determining targets.		
	I have full confidence in the system's fairness in evaluating performance.	PROCJ_Q2	
	I have full confidence in the system's fairness in determining pay.	PROCJ_Q3	
	I think that the way in which my performance is measured is fair.	PROCJ_Q4	
	With the system in place as it is, there is little chance I will be disappointed in my pay.	PROCJ_Q5	
Performance-Pay Link (DISTJ)	My pay level reflects the effort I have put into my work.	DISTJ_Q1	
	My pay is appropriate for the work I have completed.	DISTJ_Q2	
	My pay reflects what I have contributed to the organisation.	DISTJ_Q3	
	In comparison with my colleagues at the same level, as well as the	DISTJ_Q4	

	employees at higher and at lower levels in the organization, I think my rewards are fair.		
	My pay level is justified, given my performance.	DISTJ_Q5	
Perceived Financial Scarcity (PIFS)	I often don't have enough money.	PIFS_Q1	Dimension 1 Insufficient Resources
	I am often not able to pay my bills on time.	PIFS_Q2	Dimension 1 Insufficient Resources
	I often don't have money to pay for the things that I really need.	PIFS_Q3	Dimension 1 Insufficient Resources
	I experience little control over my financial situation.	PIFS_Q4	Dimension 2 Lack of Control
	I think I am (not) able to manage my finances properly.	PIFS_Q5	Dimension 2 Lack of Control
	When I think about my financial situation, I feel powerless.	PIFS_Q6	Dimension 2 Lack of Control
	I am constantly wondering whether I have enough money..	PIFS_Q7	Dimension 3 Financial Rumination and Worry
	I have a hard time thinking about things other than my financial situation.	PIFS_Q8	Dimension 3 Financial Rumination and Worry
	I often worry about money.	PIFS_Q9	Dimension 3 Financial Rumination and Worry

	I am only focusing on what I have to pay at this moment rather than my future expenses.	PIFS_Q10	Dimension 4 Short Term Focus
	I (don't) take future expenses into account.	PIFS_Q11	Dimension 4 Short Term Focus
	Because of my financial situation, I live from day to day.	PIFS_Q12	Dimension 4 Short Term Focus

Appendix 2- Survey Questionnaire

Section A: Consent Declaration

I voluntarily agree to participate in this study. I understand that my responses will remain confidential and will be used solely for academic research. Place a X into the box of your response.

☐ Yes, I agree to participate.

☐ No, I do not wish to participate.

Section B- Biographical Information

Instruction: Please complete the following by providing your general information by crossing out the appropriate boxes.

1.	Gender	Male		Female	Prefer not to say		
2.	Position Held	Sales Executive		Buyer	F&I	Customer Care Advisor	
3.	Age Group	18-25	26-35	36-45	46-55	55 - 65	65 +
4.	Number of Children Dependents	0	1	2	3	4	5+
5.	Years in Current Role	< 1 year	1-3 years	4-6 years	6-10 years	10-14 years	15 years +
6.	Highest Education Level	Grade 11 or lower	Matric	Diploma	Bachelor's	Post Graduate	Masters
7.	Monthly Basic Salary	R0-R10 000	R11 000- R15 000	R16000- R20 000	R21 000- R25 000	R26 000- R35 000	R36 000 +
8.	Monthly Average Commission Salary	R0- R20 000	R21 000- R30 000	R31 000 – R40 000	R41 000- R50 000	R51 000- R60 000	R61 000+

Section C: Employee Engagement (UWES-9)

*Instruction This section assesses how emotionally and cognitively engaged you are in your work: Please complete the following by using the scale: 1= Strongly Disagree to 7= Strongly Agree.***Please read each question and circle your response by using the scale provided for each question.**

1.	At my job, I feel strong and vigorous.	Strongly Disagree	1----2----3----5----6----7	Strongly Agree
2.	I am enthusiastic about my job.	Strongly Disagree	1----2----3----5----6----7	Strongly Agree
3.	I am immersed in my work.	Strongly Disagree	1----2----3----5----6----7	Strongly Agree
4.	I feel happy when I am working intensely.	Strongly Disagree	1----2----3----5----6----7	Strongly Agree
5.	I am proud of the work that I do.	Strongly Disagree	1----2----3----5----6----7	Strongly Agree
6.	I find the work that I do is full of meaning and purpose.	Strongly Disagree	1----2----3----5----6----7	Strongly Agree
7.	When I get up in the morning, I feel like going to work.	Strongly Disagree	1----2----3----5----6----7	Strongly Agree
8.	I feel energized when I am working.	Strongly Disagree	1----2----3----5----6----7	Strongly Agree
9.	I get carried away when I'm working.	Strongly Disagree	1----2----3----5----6----7	Strongly Agree

Section D: Job Satisfaction (JSS-3)

*Instruction: This section measures your overall satisfaction with your job: Please complete the following by using the scale: 1= Strongly Disagree to 5= Strongly Agree.***Please read each question and tick ☒ your response by using the scale provided for each question.**

Job Satisfaction						
		1	2	3	4	5
1.	I am satisfied with my job.					
2.	I find real enjoyment in my job					
3.	I would choose the same type of work again if I had to.					

Section E: Remuneration Attitudes (Perceived Fairness and Performance Pay)

*Instruction: This section explores your perceptions of pay fairness and the link between performance and pay: Please complete the following by using the scale: 1= I Completely Disagree to 5 = I Completely Agree .***Please read each question and tick ☒ your response by using the scale provided for each question.**

Perceived Fairness (PROCJ)						
		I Completely disagree	I Disagree	Neutral	I Agree	I Completely Agree
1.	I have full confidence in the system's fairness in determining targets.	1	2	3	4	5
2.	I have full confidence in the system's fairness in evaluating performance.	1	2	3	4	5

3.	I have full confidence in the system's fairness in determining pay.	1	2	3	4	5
4.	I think that the way in which my performance is measured is fair.	1	2	3	4	5
5.	With the system in place as it is, there is little chance I will be disappointed in my pay.	1	2	3	4	5

Performance Pay Link (DISTJ)

		1 Completely	2 Disagree	3 Neutral	4 I Agree	5 Completely
1.	My pay level reflects the effort I have put into my work.	1	2	3	4	5
2.	My pay is appropriate for the work I have completed.	1	2	3	4	5
3.	My pay reflects what I have contributed to the organisation.	1	2	3	4	5
4.	In comparison with my colleagues at the same level, as well as the employees at higher and at lower levels in the organization, I think my rewards are fair.	1	2	3	4	5
5.	My pay level is justified, given my performance.	1	2	3	4	5

Section F: Perceived Financial Scarcity (PIFS-12)

Instruction: This section explores your perceptions of financial scarcity and its impact on work life: *Please complete the following by using the scale: 1= Strongly Disagree to 5= Strongly Agree.* Please read each question and tick ☒ your response by using the scale provided for each question.

Dimension 1- Perceived Insufficient Financial Resources						
		Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1.	I often don't have enough money.	1	2	3	4	5
2.	I am often not able to pay my bills on time.	1	2	3	4	5
3.	3. I often don't have money to pay for the things that I really need.	1	2	3	4	5
Dimension 2: Lack of Control Over Finances						
		Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
4.	I experience little control over my financial situation.	1	2	3	4	5
5.	I think I am (not) able to manage my finances properly.	1	2	3	4	5
6.	When I think about my financial situation, I feel powerless.	1	2	3	4	5

Dimension 3: Financial Rumination and Worry

		Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
7.	I am constantly wondering whether I have enough money.	1	2	3	4	5
8.	I have a hard time thinking about things other than my financial situation.	1	2	3	4	5
9.	I often worry about money.	1	2	3	4	5

Dimension 4: Short-Term Financial Focus and Tunnel Vision

10.	I am only focusing on what I have to pay at this moment rather than my future expenses.	1	2	3	4	5
11.	I (don't) take future expenses into account.	1	2	3	4	5
12.	Because of my financial situation, I live from day to day.	1	2	3	4	5