**Appendix C – Discriminant validity**

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | Strategic capability | Leadership capability | Market capability | Operational capability | People and expertise capability | Culture capability | Governance capability | Technology capability | Reconfiguration / transformation | Learning | Integration / coordination | Internal performance | External performance |
| Strategic capability |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Leadership capability | 0.841 |  |  |  |  |  |  |  |  |  |  |  |  |
| Market capability | 0.508 | 0.377 |  |  |  |  |  |  |  |  |  |  |  |
| Operational capability | 0.701 | 0.653 | 0.705 |  |  |  |  |  |  |  |  |  |  |
| People and expertise capability | 0.615 | 0.765 | 0.652 | 0.713 |  |  |  |  |  |  |  |  |  |
| Culture capability | 0.617 | 0.827 | 0.504 | 0.713 | 0.928 |  |  |  |  |  |  |  |  |
| Governance capability | 0.736 | 0.808 | 0.530 | 0.818 | 0.647 | 0.761 |  |  |  |  |  |  |  |
| Technology capability | 0.617 | 0.594 | 0.700 | 0.708 | 0.609 | 0.669 | 0.681 |  |  |  |  |  |  |
| Reconfiguration / transformation | 0.693 | 0.659 | 0.648 | 0.843 | 0.678 | 0.829 | 0.626 | 0.693 |  |  |  |  |  |
| Learning | 0.587 | 0.812 | 0.703 | 0.745 | 0.712 | 0.640 | 0.719 | 0.776 | 0.754 |  |  |  |  |
| Integration / coordination | 0.392 | 0.577 | 0.615 | 0.685 | 0.763 | 0.546 | 0.470 | 0.476 | 0.797 | 0.658 |  |  |  |
| Internal performance | 0.632 | 0.678 | 0.599 | 0.741 | 0.715 | 0.733 | 0.806 | 0.865 | 0.796 | 0.778 | 0.664 |  |  |
| External performance | 0.429 | 0.682 | 0.301 | 0.500 | 0.669 | 0.715 | 0.549 | 0.622 | 0.710 | 0.577 | 0.732 | 0.826 |  |

**Discriminant validity based on heterotrait-monotrait (HTMT)**

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | Strategic  capability | Leadership capability | Market  capability | Operational capability | People and  expertise capability | Culture capability | Governance capability | Technology capability | Reconfiguration / transformation | Learning | Integration / coordination | Internal performance | External performance |
| Strategic capability | **0.883** |  |  |  |  |  |  |  |  |  |  |  |  |
| Leadership capability | 0.636 | **0.773** |  |  |  |  |  |  |  |  |  |  |  |
| Market capability | 0.443 | 0.300 | **0.836** |  |  |  |  |  |  |  |  |  |  |
| Operational capability | 0.590 | 0.485 | 0.601 | **0.859** |  |  |  |  |  |  |  |  |  |
| People and expertise capability | 0.509 | 0.562 | 0.545 | 0.573 | **0.785** |  |  |  |  |  |  |  |  |
| Culture capability | 0.506 | 0.604 | 0.437 | 0.576 | 0.734 | **0.834** |  |  |  |  |  |  |  |
| Governance capability | 0.642 | 0.625 | 0.486 | 0.686 | 0.544 | 0.629 | **0.877** |  |  |  |  |  |  |
| Technology capability | 0.515 | 0.429 | 0.587 | 0.582 | 0.480 | 0.532 | 0.579 | **0.833** |  |  |  |  |  |
| Reconfiguration / transformation | 0.525 | 0.440 | 0.515 | 0.631 | 0.511 | 0.613 | 0.478 | 0.504 | **0.714** |  |  |  |  |
| Learning | 0.478 | 0.600 | 0.614 | 0.612 | 0.592 | 0.522 | 0.598 | 0.596 | 0.598 | **0.757** |  |  |  |
| Integration / coordination | 0.339 | 0.415 | 0.516 | 0.561 | 0.606 | 0.441 | 0.397 | 0.378 | 0.612 | 0.571 | **0.794** |  |  |
| Internal performance | 0.521 | 0.504 | 0.494 | 0.604 | 0.561 | 0.572 | 0.673 | 0.677 | 0.565 | 0.611 | 0.539 | **0.715** |  |
| External performance | 0.325 | 0.444 | 0.221 | 0.366 | 0.452 | 0.487 | 0.415 | 0.440 | 0.480 | 0.419 | 0.516 | 0.581 | **0.752** |

**Discriminant validity based on Fornell & Larcker criterion**

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | Strategic  capability | Leadership capability | Market  capability | Operational capability | People and  expertise capability | Culture capability | Governance capability | Technology capability | Reconfiguration / transformation | Learning | Integration / coordination | Internal performance | External performance |
| Strat1 | **0.935** | 0.609 | 0.403 | 0.593 | 0.490 | 0.464 | 0.563 | 0.487 | 0.494 | 0.473 | 0.375 | 0.523 | 0.349 |
| Strat2 | **0.891** | 0.505 | 0.324 | 0.491 | 0.449 | 0.377 | 0.492 | 0.459 | 0.392 | 0.415 | 0.251 | 0.427 | 0.270 |
| Strat3 | **0.820** | 0.564 | 0.442 | 0.471 | 0.406 | 0.494 | 0.641 | 0.416 | 0.498 | 0.376 | 0.262 | 0.425 | 0.237 |
| Lead1 | 0.605 | **0.769** | 0.238 | 0.415 | 0.414 | 0.404 | 0.507 | 0.248 | 0.407 | 0.506 | 0.272 | 0.377 | 0.219 |
| Lead2 | 0.451 | **0.831** | 0.244 | 0.389 | 0.493 | 0.592 | 0.572 | 0.440 | 0.324 | 0.483 | 0.325 | 0.508 | 0.447 |
| Lead3 | 0.419 | **0.714** | 0.213 | 0.314 | 0.389 | 0.384 | 0.345 | 0.291 | 0.289 | 0.398 | 0.379 | 0.254 | 0.360 |
| Market1 | 0.380 | 0.333 | **0.809** | 0.517 | 0.442 | 0.422 | 0.515 | 0.633 | 0.420 | 0.598 | 0.362 | 0.504 | 0.271 |
| Market2 | 0.302 | 0.099 | **0.782** | 0.410 | 0.367 | 0.190 | 0.305 | 0.272 | 0.354 | 0.379 | 0.425 | 0.323 | 0.107 |
| Market3 | 0.420 | 0.305 | **0.900** | 0.605 | 0.550 | 0.473 | 0.452 | 0.512 | 0.527 | 0.589 | 0.518 | 0.460 | 0.203 |
| Market4 | 0.361 | 0.215 | **0.849** | 0.446 | 0.436 | 0.317 | 0.311 | 0.483 | 0.395 | 0.441 | 0.418 | 0.331 | 0.127 |
| Oper1 | 0.460 | 0.364 | 0.546 | **0.794** | 0.475 | 0.477 | 0.461 | 0.423 | 0.599 | 0.604 | 0.495 | 0.448 | 0.217 |
| Oper2 | 0.572 | 0.486 | 0.422 | **0.890** | 0.434 | 0.469 | 0.663 | 0.504 | 0.478 | 0.438 | 0.378 | 0.532 | 0.321 |
| Oper3 | 0.488 | 0.399 | 0.583 | **0.891** | 0.564 | 0.537 | 0.634 | 0.566 | 0.555 | 0.544 | 0.571 | 0.570 | 0.393 |
| Exp1 | 0.309 | 0.306 | 0.348 | 0.466 | **0.727** | 0.533 | 0.467 | 0.366 | 0.329 | 0.357 | 0.422 | 0.440 | 0.345 |
| Exp2 | 0.402 | 0.415 | 0.495 | 0.433 | **0.743** | 0.440 | 0.350 | 0.413 | 0.460 | 0.593 | 0.516 | 0.460 | 0.334 |
| Exp3 | 0.447 | 0.528 | 0.434 | 0.472 | **0.875** | 0.677 | 0.463 | 0.334 | 0.463 | 0.532 | 0.588 | 0.404 | 0.393 |
| Exp4 | 0.431 | 0.497 | 0.432 | 0.431 | **0.786** | 0.637 | 0.429 | 0.400 | 0.349 | 0.376 | 0.371 | 0.464 | 0.345 |
| Cult1 | 0.425 | 0.562 | 0.245 | 0.429 | 0.582 | **0.821** | 0.545 | 0.358 | 0.462 | 0.390 | 0.260 | 0.483 | 0.480 |
| Cult2 | 0.451 | 0.447 | 0.341 | 0.408 | 0.642 | **0.866** | 0.520 | 0.447 | 0.483 | 0.352 | 0.295 | 0.462 | 0.352 |
| Cult3 | 0.391 | 0.504 | 0.492 | 0.593 | 0.609 | **0.815** | 0.509 | 0.516 | 0.579 | 0.551 | 0.531 | 0.484 | 0.391 |
| Gov1 | 0.504 | 0.488 | 0.366 | 0.645 | 0.451 | 0.513 | **0.890** | 0.423 | 0.420 | 0.480 | 0.392 | 0.576 | 0.300 |
| Gov2 | 0.472 | 0.513 | 0.249 | 0.586 | 0.340 | 0.493 | **0.856** | 0.478 | 0.396 | 0.494 | 0.255 | 0.556 | 0.402 |
| Gov3 | 0.683 | 0.626 | 0.611 | 0.580 | 0.604 | 0.630 | **0.886** | 0.603 | 0.439 | 0.586 | 0.385 | 0.630 | 0.389 |
| Tech1 | 0.461 | 0.349 | 0.566 | 0.519 | 0.417 | 0.518 | 0.544 | **0.904** | 0.451 | 0.506 | 0.331 | 0.685 | 0.447 |
| Tech2 | 0.510 | 0.384 | 0.441 | 0.594 | 0.458 | 0.450 | 0.572 | **0.865** | 0.384 | 0.472 | 0.287 | 0.531 | 0.356 |
| Tech3 | 0.287 | 0.343 | 0.464 | 0.304 | 0.307 | 0.345 | 0.290 | **0.718** | 0.441 | 0.535 | 0.343 | 0.462 | 0.280 |
| Trans1 | 0.224 | 0.213 | 0.312 | 0.422 | 0.307 | 0.392 | 0.187 | 0.231 | **0.774** | 0.308 | 0.345 | 0.307 | 0.233 |
| Trans2 | 0.373 | 0.329 | 0.488 | 0.521 | 0.506 | 0.519 | 0.392 | 0.451 | **0.804** | 0.585 | 0.590 | 0.468 | 0.393 |
| Trans3 | 0.460 | 0.372 | 0.339 | 0.378 | 0.331 | 0.401 | 0.448 | 0.416 | **0.596** | 0.313 | 0.390 | 0.451 | 0.453 |
| Trans4 | 0.452 | 0.345 | 0.292 | 0.459 | 0.269 | 0.415 | 0.332 | 0.317 | **0.664** | 0.440 | 0.369 | 0.376 | 0.288 |
| Lear1 | 0.436 | 0.426 | 0.245 | 0.324 | 0.247 | 0.304 | 0.419 | 0.418 | 0.249 | **0.598** | 0.146 | 0.418 | 0.344 |
| Lear2 | 0.338 | 0.538 | 0.429 | 0.403 | 0.445 | 0.378 | 0.467 | 0.456 | 0.405 | **0.825** | 0.403 | 0.476 | 0.297 |
| Lear3 | 0.383 | 0.563 | 0.450 | 0.545 | 0.549 | 0.522 | 0.529 | 0.435 | 0.563 | **0.830** | 0.586 | 0.530 | 0.438 |
| Lear4 | 0.344 | 0.340 | 0.536 | 0.529 | 0.345 | 0.370 | 0.475 | 0.588 | 0.421 | **0.736** | 0.299 | 0.497 | 0.338 |
| Lear5 | 0.355 | 0.399 | 0.609 | 0.485 | 0.567 | 0.370 | 0.389 | 0.402 | 0.547 | **0.770** | 0.588 | 0.403 | 0.196 |
| Coor1 | 0.129 | 0.363 | 0.319 | 0.430 | 0.526 | 0.389 | 0.305 | 0.221 | 0.356 | 0.363 | 0.786 | 0.411 | 0.463 |
| Coor2 | 0.383 | 0.351 | 0.463 | 0.537 | 0.483 | 0.405 | 0.387 | 0.425 | 0.567 | 0.572 | **0.843** | 0.497 | 0.445 |
| Coor3 | 0.305 | 0.311 | 0.467 | 0.409 | 0.525 | 0.341 | 0.236 | 0.273 | 0.539 | 0.372 | **0.825** | 0.451 | 0.394 |
| Coor4 | 0.223 | 0.294 | 0.371 | 0.390 | 0.396 | 0.262 | 0.323 | 0.254 | 0.456 | 0.481 | **0.716** | 0.340 | 0.337 |
| Int1 | 0.480 | 0.398 | 0.318 | 0.557 | 0.399 | 0.488 | 0.602 | 0.576 | 0.337 | 0.441 | 0.409 | **0.740** | 0.380 |
| Int2 | 0.279 | 0.277 | 0.281 | 0.287 | 0.428 | 0.338 | 0.363 | 0.423 | 0.376 | 0.470 | 0.442 | **0.638** | 0.419 |
| Int3 | 0.441 | 0.464 | 0.387 | 0.539 | 0.495 | 0.460 | 0.636 | 0.578 | 0.433 | 0.535 | 0.512 | **0.838** | 0.590 |
| Int4 | 0.328 | 0.338 | 0.491 | 0.425 | 0.424 | 0.399 | 0.389 | 0.413 | 0.460 | 0.364 | 0.341 | **0.711** | 0.314 |
| Int5 | 0.302 | 0.290 | 0.289 | 0.290 | 0.221 | 0.337 | 0.348 | 0.400 | 0.448 | 0.358 | 0.164 | **0.629** | 0.342 |
| Ext1 | 0.313 | 0.400 | 0.145 | 0.349 | 0.290 | 0.361 | 0.394 | 0.319 | 0.481 | 0.350 | 0.456 | 0.436 | **0.776** |
| Ext2 | 0.231 | 0.305 | 0.164 | 0.214 | 0.348 | 0.357 | 0.307 | 0.397 | 0.330 | 0.403 | 0.332 | 0.520 | **0.826** |
| Ext3 | 0.165 | 0.283 | 0.207 | 0.251 | 0.418 | 0.399 | 0.204 | 0.272 | 0.230 | 0.154 | 0.372 | 0.340 | **0.641** |

**Discriminant validity based on cross loadings**