Multiple Group Alignment for Exploratory and Structural Equation Models

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Mplus;

ABSTRACT

The multiple group alignment methodology is adapted to the general structural equation model. This includes models with cross-loadings, covariates, and structural relations among the factors. A group-specific model for the factors can be estimated even when measurement invariance does not hold, including groups-specific factor means, intercepts, and variances. The methodology is also extended to the weighted least squares estimation method to accommodate models with continuous, binary, and ordered variables. The alignment method is further extended to multiple group EFA and ESEM models. This is accomplished by combining the alignment loss function with the rotation loss function. We obtain an EFA/ESEM model with group-specific factor means, variance/covariance, rotation, and measurement model parameters (loadings and indicator intercepts). Simulation studies and two empirical examples are used for illustration purposes.

KEYWORDS

Bi-factor analysis; ESEM; exploratory factor analysis; measurement non-invariance; multiple group alignment

1. Introduction

The alignment methodology was introduced in Asparouhov and Muthén (2014) for the multiple group factor analysis model with continuous variables, using the maximum-likelihood (ML) and Bayesian estimators. The method was further extended to the multiple group factor analysis model with binary and ordered categorical variables in Muthén and Asparouhov (2014). Alignment aims to compare latent variables across groups without requiring measurement invariance. The differences in the observed variables across groups are primarily attributed to differences in the latent variables. Remaining differences that cannot be explained by latent variable differences are interpreted as evidence of partial non-invariance. The alignment method automates this process within a single stage estimation. The model fit is the same as the model fit of the configural model, i.e., the fit of the alignment model is as good as or better than any other measurement invariance model. The alignment method attempts to minimize the amount of non-invariance without altering the fit of the model.

Alignment utilizes the EFA methodology in the following sense. In EFA, an unrotated model is estimated as a first step which determines the best fitting variance covariance matrix for the observed variables given a fixed number of factors. The unrotated model can be rotated with an infinite number of rotations without altering the model fit. This provides an indeterminacy in the model, i.e., there is no information in the data that can illuminate the best possible rotation for the factors. This indeterminacy is resolved by specifying a rotation criterion. The role of the rotation criterion is to eliminate the indeterminacy in the model by quantifying our preference for simple loading structures. These are the loading structures where each observed variable loads primarily on one factor only and the number and size of cross-loadings is minimized. Alignment uses the same logic. The configural model plays the role of the unrotated solution, i.e., this is the best fitting model given the number of factors and factor structure. The configural model can be reparameterized to include arbitrary values for the factor means and variances, without altering the model fit. The factor means and variances are unidentifiable. This indeterminacy is resolved by specifying an alignment criterion. The role of the alignment criterion is to eliminate the indeterminacy in the model by quantifying our preference for measurement invariant structures. The alignment method gives preference to as many invariant parameters and as few non-invariant parameters as possible. This parallelism between EFA and alignment can be very useful in understanding the alignment methodology.

In this article, we extend the alignment methodology in several important ways. First, the alignment method is extended to the WLS estimator with the delta and theta parameterizations for categorical variables. This extension is valuable for those situations where the ML estimation is slow due to numerical integration, i.e., factor models with categorical indicators that have more than 1 or 2 factors. Furthermore, the WLS estimators can accommodate residual correlations between all factor indicators, including categorical indicators, which is not available with the ML estimation for categorical indicators. The WLS alignment estimation for the two parameterizations also allows us to study the effect of the parameterization on the measurement invariance across groups. WLS alignment also includes a test of fit and modification indices which simplifies the
overall analysis in terms of the number of steps that need to be taken in analyzing multiple group measurement models.

The second important generalization of the alignment method we introduce here is the possibility of complex loading structures. Previously, the alignment method was available only for factor models with simple loading structures, i.e., models without cross-loadings. Most practical examples however include multiple factors where the loading structure is not pure/simple and cross-loadings are present. This generalization therefore allows us to apply the alignment method in most practical situations.

Another important generalization of the alignment method, we introduce here is the possibility to apply the methodology to the general structural equation model. This includes SEM models with factor predictors/covariates, models with direct effects from the covariates to the factor indicators, models where the factors are correlated with other dependent variables, and models with structural relations among the factors. This approach resembles the ESEM extension of the EFA model to a general structural model, see Asparouhov and Muthén (2009), where the measurement part of the model becomes exploratory rather than confirmatory. With this extension, we simplify the overall analysis by reducing the number of steps and models that must be estimated in practical settings. Previously, adding a factor predictor to a factor analysis alignment required the AwC two-stage estimation described in Marsh et al. (2018).

With this new automated approach, a single model estimation is conducted that includes both the alignment of the measurement model as well as the factor predictors or other SEM features. Thus, the perils of multistage estimation are avoided. We abbreviate the aligned SEM model as ASEM.

Another alignment generalization described here is the possibility to align multiple group EFA and ESEM models with continuous variables (ML estimation) and with the combination of continuous and categorical variables (WLS estimation). We abbreviate the aligned ESEM model as AESEM. These alignment extensions are implemented in Mplus for the ML and WLS estimators while the Bayes estimator currently can be used for the alignment of a simple factor analysis model only. Also, the Bayes estimator cannot accommodate complex survey data features, such as sampling weights, cluster sampling and stratification, which are available with ML and WLS.

The article proceeds as follows. In Section 2, we describe the technical details of the various alignment generalizations. In Section 3, we illustrate the quality of the alignment estimation with several simulation studies. We find that in a wide variety of models the methodology works sufficiently well for all practical purposes. We also show here that the alignment methodology can work well even if half of the parameters (across all groups) are not invariant. Such a finding is in stark contrast to what is currently widely used as a recommendation: a maximum of 20% of non-invariant parameters. In Sections 4 and 5, we illustrate the methodology with empirical examples. We compare the model fit of several multiple group factor analysis models: SEM(CFA-scalar), ESEM(EFA-scalar), ASEM and AESEM, with various rotation and alignment options. We find that the new alignment models fit better. This is an important finding which illustrates the need for these models in practical situations. Section 6 describes the alignment R-square measure of invariance in the generalized settings. The alignment R-square is a very desirable summary statistic that can be used to classify a parameter as invariant or non-invariant as well as the extent of the non-invariance. This statistic, however, frequently produces values that are somewhat difficult to understand and interpret. In this section, we discuss the potential pitfalls of using the alignment R-square in practical settings. General practical guidelines are provided in Section 7. Such guidelines may help readers in adopting the new methodology for their own needs. Section 8 concludes. The Appendix includes Mplus 8.9 scripts used for the simulation studies and the empirical examples.

2. The Alignment Methodology

In this section, we describe the alignment methodology. First, we review the alignment methodology for the factor analysis model with one factor. We then describe several extensions and generalizations.

2.1. The Simple Alignment Model

In this section, we review the basic alignment model for a factor analysis model with one factor. Consider the multiple-group factor analysis model with a single factor \( \eta \) measured by \( p \) observed variables in \( G \) groups. Let \( Y_{ipg} \) be the \( p \)-the observed variable for individual \( i \) in group \( g \). The factor model is given by the following equation:

\[
Y_{ipg} = \nu_{pg} + \lambda_{pg}\eta_i + \epsilon_{ipg},
\]

where \( \nu_{pg} \) and \( \lambda_{pg} \) are the intercept and loading parameters, \( \epsilon_{ipg} \sim N(0, \theta_{pg}) \) is the residual variable, and \( \eta_i \sim N(x, \psi_{pg}) \) is the factor for individual \( i \) in group \( g \). The alignment method estimates all of the parameters \( \nu_{pg}, \lambda_{pg}, \psi_{pg}, \theta_{pg} \) as group specific parameters. In particular, the method estimates group specific factor mean and variance without assuming measurement invariance.

The first step in the alignment method is the estimation of the configural model. In the configural model \( x = 0, \psi_{pg} = 1 \) for every \( g \), and all loading, intercept and residual variance parameters are estimated as group-specific parameters. Denote the configural model estimates by \( \nu_{pg,0}, \lambda_{pg,0}, \) and \( \theta_{pg,0} \), and let the configural factor be \( \eta_{ig,0} \). Because the aligned model has the same model fit as the configural model the following relationships must hold

\[
\eta_{ig} = x + \sqrt{\psi_{pg,0}},
\]

\[
V(Y_{ipg}) = \lambda_{pg}^2 \psi_{pg} + \theta_{pg} = \lambda_{pg,0}^2 + \theta_{pg,0},
\]

\[
E(Y_{ipg}) = \nu_{pg} + \lambda_{pg,0}x = \nu_{pg,0}.
\]
The aligned model chooses $\lambda_g$ and $\psi_g$ as to minimize the amount of measurement non-invariance, i.e., the differences in $\lambda_{pg}$ and $\nu_{pg}$ across groups.

To formalize this, we minimize with respect to $\lambda_g$ and $\psi_g$ the alignment function $F$ which accumulates all measurement non-invariance

$$ F = \sum_p \sum_{g_1 \neq g_2} w_{g_1,g_2} f(\lambda_{pg_1} - \lambda_{pg_2}) + \sum_p \sum_{g_1 \neq g_2} w_{g_1,g_2} f(\nu_{pg_1} - \nu_{pg_2}), $$

where $f$ is a component loss function and $w_{g_1,g_2}$ are weights.

The weights $w_{g_1,g_2}$ are set to reflect the group size and the amount of certainty we have in the group estimates for a particular group. We use $w_{g_1,g_2} = \sqrt{N_{g_1}N_{g_2}}$. With these weights, bigger groups will contribute more to the total loss function than smaller groups. The component loss function is set to

$$ f(x) = \sqrt{x^2 + \epsilon} $$

where $\epsilon$ is a small number such as 0.0001. This function is approximately equal to $\sqrt{|x|}$. We use a positive $\epsilon$ so that $F$ has a continuous first derivative which makes the optimization easier and more stable. This choice of $f$, as compared to other choices such as $|x|$ and $x^2$, has the advantage that it overemphasizes the penalty for medium size losses/non-invariance and underemphasizes the penalty for larger losses/non-invariance. Thus, the optimal invariance losses are expected to be either close to zero (invariant parameters) or not zero (non-invariant parameters). The medium range losses are meant to be eliminated with this choice of $f$. This is a key feature of the alignment methodology that distinguishes the method from other methods. BSEM measurement invariance or multilevel models with random intercepts and slopes tend to minimize mean squared error functions which can lead to many parameters with medium sized non-invariance. The alignment method typically will result in many approximately invariant measurement parameters, a few large non-invariant measurement parameters, and no medium-sized non-invariant measurement parameters. This is similar to the fact that EFA rotation functions aim for either large or small loadings, but not mid-sized loadings. Minimizing the loss function $F$ will generally identify the parameters $\lambda_g$ and $\psi_g$ in all but the first group. In the first group, these parameters remain fixed to 0 and 1, respectively.

The alignment methodology works very well when most of the measurement parameters are invariant. The method will automatically separate the invariant and non-invariant parameters and all estimates will be consistent. It is somewhat difficult to quantify, however, the amount of non-invariance for which the alignment method will perform well. A rule of thumb is that as long as the number of non-invariant parameters is less than 20%, we can expect the alignment method to work correctly. However, the exact percentage of non-invariant parameters is not really what determines the alignment performance. Rather, the alignment performance is determined by the following question. Is the true parameter set, i.e., the data generating parameter set the simplest and most invariant representation of the data? Alignment will always pick $\lambda_g$ and $\psi_g$ that produce the smallest amount of non-invariance. If a data-generating parameter set has a simpler alternative we cannot expect alignment to produce estimates consistent with the data-generating parameter set. Alignment will converge to the simpler alternative instead. If 100% of the data generating parameters are not invariant, we know that a simpler representation exists (at least one indicator can be made group invariant by adding factor means and variances) and so alignment will not recover the data generating parameters.

Consider as an example the situation where data is generated using intercept and loading parameters that are group-specific random effects, see Muthén and Asparouhov (2018). In this case, all parameters are non-invariant and the data-generating parameters will have a simpler (more invariant) alignment alternative. Alignment is not expected to recover the data-generating parameters. This phenomenon is exactly as in EFA. EFA produces simple loading structures. If the data-generating loadings include a large amount of cross-loadings, EFA will not recover the parameters and will produce a simpler loading structure instead. Alignment and EFA parameters in such situations are not biased. Both methods would produce more optimal (in terms of their optimization criterion) representation of the data than the data-generating parameters. Furthermore, because the intercepts and slopes are random, the alignment results are expected to show many non-invariant parameters, which probably will become challenging to interpret. The alternative methodology of estimating the model with random intercepts and loadings will in fact recover the data-generating parameters and will provide a simpler model interpretation. Thus, we conclude that the alignment methodology is not universally applicable for all measurement invariance studies. If the amount of non-invariance found with alignment is so large that model interpretation is challenging, alternative measurement invariance methodologies should be pursued.

Extensive simulation studies on the alignment methodology can be found in Flake and McCoach (2018) and practical illustrations can be found in Munck et al. (2018) and Lomazzi (2018). A brief tutorial on the alignment method is provided in Rudnev (2019).

### 2.2. Extending Alignment to the WLS Estimators

This extension of the alignment method simply parallels the alignment method for IRT models described in Muthén and
Asparouhov and Muthén (2014). The configural model is estimated with the WLS estimator. The configural estimates are then used in the minimization of Equation (7) to determine the factor mean and variance in each group. The threshold parameters for all categorical indicators are treated as the intercept parameters for continuous variables. Categorical variables with more than two categories are treated as having more than one mean parameter, i.e., alignment is conducted for every level of these categorical variables.

As with the ML alignment, the model fit of the WLS alignment is the same as the model fit of the configural model. If the WLS alignment model is rejected, the correct interpretation of that rejection is that the configural model is rejected. Thus, model misfit is never due to poor alignment, it is always due to configural model misfit. As usual, such misfit can be addressed using model modification indices, by adding additional factors, or by adding residual covariances between the factor indicators.

There are two separate parameterizations available for a factor analysis model with the WLS estimator: the theta (unstandardized) and the delta (standardized) parameterizations, see Muthén and Asparouhov (2002). With the theta parameterization, the residual variance parameters for all categorical variables are fixed to 1 for identification purposes, while in the delta parameterization the total variance is fixed to 1. The configural factor analysis model can be estimated in either one of these two metrics and the models will be equivalent in terms of data fit (i.e., the models are reparameterizations of each other). The alignment methodology is implemented for both parameterizations. In multiple group situations, scalar measurement invariance in one metric does not translate into scalar measurement invariance in the other metric. Since alignment’s goal is the measurement invariance, the alignment results will depend on the metric. The metric may affect which parameters are considered invariant and which are not. This leads to the question regarding which metric alignment should be used with. One way to determine the most optimal metric is to estimate the model in both metrics and the more invariant metric would be preferred. Some further practical guidelines may be necessary in this regard.

The WLS alignment with the theta parameterization is equivalent in terms of the estimated model to the alignment for the ML estimator with numerical integration method and the probit link function. We can expect these estimation settings in Mplus to behave similarly. The ML and Bayes estimators in Mplus are currently available only for the theta parameterization.

Another important issue regarding alignment with categorical data with the WLS estimators is related to estimated residual variances in the theta parameterization and estimated delta parameters in the delta parameterization. Currently, for alignment models with categorical variables, these parameters remain fixed to 1 (for the aligned models). Conceivably, however, allowing the alignment function to be minimized with respect to these parameters as well, one could find an even better measurement invariance. In fact, measurement invariance models for categorical data without the alignment methodology and the WLS estimators typically involve estimating these parameters for all but the first group and is done by default in Mplus for the scalar invariance model. Our attempts to pursue this idea in the context of alignment, however, have fallen short so far. It appears that the sample size requirements make such an approach impractical and the additional parameters are rarely significantly different from 1, i.e., categorical variables alignment with residual variances fixed to 1 is expected to be sufficient in most situations. It should be noted, however, that in the configural model, the theta and delta parameters are always fixed to 1. This means that the alignment models, which have the same data fit as the configural models, do not suffer from suboptimal data fit due to fixed theta and delta parameters. For the scalar invariance model, this is not the case. Fixing the theta and delta parameters in the scalar invariance model may result in worse model fit. The alignment models, however, will not. From this point of view, the benefit of free delta and theta parameters for the alignment models is somewhat marginal. It affects only the classification of invariance and not the model fit.

Furthermore, consider the case of binary factor indicators. The alignment procedure must align the threshold and the loading parameter for that indicator and extract some information out of this process for the estimation of the factor mean and variance. If a free theta parameter is introduced in the alignment optimization, which is indicator specific, either the threshold or the loading parameter can be made invariant by the free theta parameter. The consequence of that is as follows. If the threshold is made invariant, the information from that variable is essentially used to estimate the theta parameter and not the factor mean. Similarly, if the optimization function uses the free theta parameter to align the loading parameter fully, this indicator will contribute nothing to estimating the factor variance. All the information will be used to estimate the theta parameter. This line of argument points to two conclusions. If alignment is used with free theta/delta parameters, models with only binary indicators are unlikely to be able to extract much information regarding the scale of the parameters. Second, adding free theta and delta parameters to alignment, with binary and ordered categorical variables, will greatly diminish the ability of the alignment optimization to extract information regarding the factor scales, which generally is expected to be seen in large standard errors for most model parameters. This again leads to the conclusion that the free theta and delta models are somewhat incompatible with alignment because of the large sample sizes that would be needed for such models. In a practical context, if alignment estimation is to be converted to a standard CFA model as for example it is done in Marsh et al. (2018), the practical issue arises regarding the estimation of the theta/delta parameters. We recommend that such parameters are considered carefully. These parameters should be included in the model only if they are significantly different from 1. If they are not statistically different from 1, they should remain fixed to preserve the parsimony and power of the model.
2.3. Extending Alignment to the General Factor Analysis Model with Complex Loading Structures

The alignment procedure implemented in Mplus prior to version 8.8 applies only to factor analysis models with multiple factors and simple loading structures, i.e., without cross-loadings. In Mplus 8.8, the alignment procedure is extended to factor models with complex loading structures, i.e., models with cross-loadings and bi-factor models. To accommodate such models, Equation (6) is replaced by

\[ \nu_{pg} = \nu_{pg,0} - \sum_{m=1}^{M} \Delta_{mg} \frac{\lambda_{pgm}}{\psi_{mg}}. \]

where \( M \) is the number of factors, \( \Delta_{mg} \) and \( \psi_{mg} \) are the \( m \)-th factor mean and variance in group \( g \), while \( \lambda_{pgm} \) is the loading of the \( p \)-th variable on the \( m \)-th factor. The rest of the procedure remains unchanged. The alignment of the loading parameters remains unchanged while the alignment of the intercept parameters now must account for the mean effect of all factors. Without the cross-loadings, the alignment optimization can be performed for each factor separately. With the cross-loading extension the alignment optimization must be done for all factors simultaneously.

2.4. Extending Alignment to the General Structural Equation Model

The extension of the alignment methodology to the general SEM model is fairly simple. The first step is again the estimation of the configural SEM model. This configural model is defined as follows. All loading parameters are estimated as group-specific. The intercepts of all factor indicators are estimated as free and group specific. All factor intercepts are fixed to 0 and all residual factor variances are fixed to 1. All other parameters in the configural SEM model are specified as they are specified in the original SEM model. The parameters of the configural SEM model are estimated as well as their asymptotic variance covariance matrix. Next, the alignment procedure is used to align the loadings and intercepts of all factor indicators. In this process, we obtain the factor means \( \Delta_{mg} \) and residual variances \( \psi_{mg} \) which minimize the alignment loss function and maximize the amount of invariance in the SEM model. Note that only the configural model intercepts and loadings participate in the alignment. All other structural parameters are ignored in this stage of the estimation. The joint asymptotic variance covariance matrix of \( \Delta_{mg}, \psi_{mg} \) and all configural parameters is obtained by the same implicit methodology used in the simple alignment method in Asparouhov and Muthén (2014).

At this point, the parameters of the ASEM model are obtained from the parameters of the configural SEM model, \( \Delta_{mg} \) and \( \psi_{mg} \). The ASEM model is a simple rescaling of the configural SEM model. The log-likelihood value and data fit is preserved. Changing the scales of the factors affects some of the SEM parameters but not all. The factor indicator intercepts and loadings are again adjusted according to Equations (5) and (9). The factor covariance parameters are adjusted as follows. If \( \psi_{ijg,0} \) is the configural model covariance parameter for factors \( \eta_i \) and \( \eta_j \), the corresponding aligned parameter is computed as

\[ \psi_{ijg} = \psi_{ijg,0} \sqrt{\psi_{ijg} \psi_{ijg}}. \]

If \( \theta_{ijg,0} \) is the configural model covariance parameter between an observed variable \( Y_i \) and factor \( \eta_j \), the corresponding aligned parameter is computed as

\[ \theta_{ijg} = \theta_{ijg,0} \sqrt{\psi_{ijg}}. \]

Regression parameters of a factor \( f_i \) on a covariate \( X_j \) in group \( g \) are adjusted as follows. The configural SEM model estimates the equation

\[ f_i = \ldots + \beta_{ijg,0} X_j + \ldots \]

The ASEM model regression parameter is computed as

\[ \beta_{ijg} = \beta_{ijg,0} \sqrt{\psi_{ijg}}. \]

The same transformation is used when the factor is regressed on a dependent variable. All other parameters remain unchanged. The above transformation equations are then used with the delta method to obtain the asymptotic variance covariance matrix for the parameters of the ASEM model.

Note also that the parameters in the transformation Equations (10), (11), and (13) must be free and unequal across groups. That is because any equality constraints in the configural model will not hold for the aligned model. The same applies to parameters that are fixed to non-zero values. Note, however, that the parameters in Equations (10), (11), and (13) can be fixed to 0 because the transformations will not alter such a constraint. This is important for example in the case of the bi-factor model where factor covariances are fixed to 0. Model parameters that are not altered by the above transformation can be held equal across groups or be fixed.

The ASEM model also allows the regressions of one factor on another factor. Suppose that a factor \( f_i \) is regressed on a factor \( f_j \) in the configural SEM model as follows

\[ f_i = \ldots + \beta_{ijg,0} f_j + \ldots \]

The ASEM model regression parameter is computed as

\[ \beta_{ijg} = \beta_{ijg,0} \sqrt{\psi_{ijg}} \]

Furthermore, a secondary parameter transformation is required to adjust the factor means \( \Delta_{mg} \) obtained from the alignment optimization to preserve the model equivalence between the ASEM and the configural model. The actual ASEM mean for \( f_i \) in group \( g \) is now \( \Delta_{ig} \) which is obtained as follows

\[ \Delta_{ig} = \Delta_{ig} - \ldots - \beta_{ijg} \Delta_{ig} - \ldots \]

In the ASEM model, all variables regressed on a factor are interpreted as factor indicators. Consider the situation where the model contains a distal outcome regressed on a factor. The distal outcome is not a measurement for the factor and we usually are not interested in the invariance of
that regression parameter. The alignment optimization, however, will treat the distal outcome as another factor indicator. The implication of this is as follows. The alignment procedure will attempt to align the distal outcome regression parameters just as it would do so for any loading parameter, even if that is not intended. This also means that the distal outcome will have an effect on the scale of the factor. With the current implementation in Mplus, it is not possible to separate the distal outcome from the measurement indicators. In principle, however, this should not cause any estimation problems. Even when the regression parameters are group-specific, alignment will not make these regression parameters group-invariant because the alignment procedure accommodates non-invariance. Furthermore, if there are enough factor indicators that can identify the factor scale well, the addition of the distal outcome will affect the alignment only marginally. If the number of indicators is small, however, or the measurement model has a substantial amount of non-invariance, the addition of the distal outcome may negatively affect the identification of the factor scales. In such situations, the Marsh et al. (2018) two-outcome approach might be preferable.

Residual covariances among the factor indicators can be included in the ASEM model and those parameters are not adjusted by the factor scales, i.e., these parameters will be identical to the configurual model parameters. This also applies to the direct effects from a predictor to the factor indicators.

In summary, the alignment extension to the general SEM model is intended to make the alignment procedure an integral part of multiple-group SEM modeling. It appears that adding alignment to SEM has no serious drawbacks and it has the advantage of capturing the group effect on the factors in a way that is simple and easy to interpret.

2.5. Extending Alignment to the ESEM/EFA Models

The alignment extension to the ESEM/EFA models parallels the alignment extension of the SEM model. First, the configurual ESEM model is estimated in every group. Such an estimation consists of two steps. First the unrotated configurual ESEM model is estimated. Then, in a second step, the estimated model is rotated with an optimal rotation matrix selected by minimizing a simplicity criterion, such as the geomin or quartimin criteria. Finally, the configural rotated ESEM model is aligned as if it is a regular SEM model. Such an estimation approach clearly has three distinct steps. The Mplus implementation encompasses all three steps and thus it can be viewed as a one-step approach.

The AESEM method can also be viewed as an estimation with a joint simplicity function. The simplicity rotation function is added to the alignment loss function to form a joint simplicity function. The joint simplicity function is then minimized as a function of the factor means, the factor variances and the factor rotation. The key issue in the joint simplicity function is how to weigh the two components. The approach implemented in Mplus essentially uses an infinitely large weight for the rotation part. This is to reflect the fact that we rotate the configurual model without considering the alignment loss function. Conditional on these rotated results, the alignment is then conducted. It is in principle possible to combine rotation and alignment in a more equitable way. However, such an estimation will be more complex and it would still have the uncertainty about how to weigh the two components. Presumably, a more equitable rotation/alignment approach can have an MSE advantage in some situations. However, we can view the equitable rotation/alignment procedure as an estimation with an alternative simplicity function, which more or less is going to yield similar results in most situations.

2.6. Fixed vs. Free Alignment

The fixed and free alignments are introduced in Asparouhov and Muthén (2014). With fixed alignment, the factor means and variances in the reference group are fixed to 0 and 1, respectively. With free alignment, the factor means in the reference group are estimated and only the factor variances are fixed to 1. Alternatively, with the free alignment, the factor means and variances can both be estimated in all groups but the product of all factor variances across groups is fixed to 1. With this alternative parameterization, a reference group does not exist. We refer to this parameterization as the product metric. The free alignment can generally be estimated as long as approximate metric invariance does not hold, i.e., as long as there is sufficient loading non-invariance across groups. If metric invariance holds approximately, the standard errors in the free alignment become substantially larger as compared to the configurual model and thus inference can be compromised. Mplus will produce a warning if this occurs and it is imperative that the free alignment is replaced with fixed alignment in such situations. Furthermore, if metric invariance holds approximately, not only is free alignment inference compromised, but also free alignment is not needed. The gains in the free alignment invariance as measured by the alignment function $F$ in Equation (7) will be negligible, i.e., the optimal value of the loss function for the free and the fixed alignments will be nearly identical. In practice, the free alignment can usually be estimated without any problems except in the case where the number of indicators is small, the number of groups is small and the sample size within groups is small as well. The combination of these three conditions is likely to lead to approximate metric invariance.

There are several advantages of the free alignment as compared to the fixed alignment. First, the free alignment loss function is always better than the fixed alignment loss function, i.e., the free alignment model will always be more invariant than the fixed alignment. Second, the free alignment is independent of the reference group. Changing the reference group in the free alignment does not alter the alignment loss function. The alignment loss function plays the role of the log-likelihood when the various alignment models are compared. Although it cannot be used for model comparison testing, it can be used to compare the level of invariance of the various models. The alignment loss
function is always computed on the product metric scale which makes the values directly comparable. Third, when the reference group is changed in the free alignment model, the new solution is a simple reparameterization of the model. All parameters can be deterministically derived. That is, the parameters of the free alignment with reference Group 2 can be derived deterministically from the parameters of the free alignment with reference Group 1. Fourth, changing the reference group in free alignment is asymptotically guaranteed to not alter the inference in invariance parameter testing. Unfortunately, the fixed alignment does not possess these properties. Changing the reference group of the fixed alignment affects the loss function value, the aligned parameters based on one reference group cannot determine the aligned parameters based on another reference group, and inference can change not just in finite sample size but also asymptotically. To alleviate these dependencies of the fixed alignment, a new fixed alignment algorithm has been implemented in Mplus 8.9 which optimizes the alignment loss function not just in terms of the model parameters but also in terms of the reference group. The reference group will be determined automatically and it will be selected on the grounds of yielding the most invariant measurement model. This new fixed alignment approach does not resolve the above issues completely but it does so to a large extent.

The free alignment becomes even more consequential in the context of the generalized alignment models described above. Consider the following example. If a fixed alignment is used for a simple factor analysis model, where the first group is used as a reference group, the factor mean in the first group is fixed to 0. If we now add a factor predictor to this model, the factor mean in the first group will depend on the mean of the predictor and the regression coefficient. That is because the fixed alignment sets the intercept of the factor to 0 and not the total mean. The overall factor mean will no longer be zero and it will be a function of the mean of the predictor. From that point of view, adding a factor predictor affects the model the same way the model is affected by a reference group change, i.e., the alignment structure may change in a surprising way. If the predictor is centered, the alignment will be preserved, although the fixed alignment may still be inferior to the free alignment if approximate metric invariance does not hold. The free alignment on the other hand will remain unchanged, regardless of whether or not the predictor is centered.

Additional discussion on the free vs. fixed alignment in the context of practical applications can be found in Byrne and Van De Vijver (2017), Corominas and Bartolomé Peral (2020), and Marsh et al. (2018).

3. Illustrations

3.1. Invariance Depends on the Theta/Delta Parameterization

In this section, we demonstrate that the concept of invariance depends on the parameterization (delta or theta) used for models with categorical data. Consider a two-group factor analysis model with 1 factor and \( P \) binary indicators. With scalar invariance and the theta parameterization the model is defined as follows. For \( i = 1, \ldots, P \) and \( g = 1, 2 \)

\[
P(Y_{ig} = 0 | \eta_g) = \Phi(t_{ig} - \lambda_i \eta_g)
\]

where \( \Phi \) is the standard probit function. Here

\[
Y_{ig}' = \lambda_i \eta_g + e_{ig}
\]

where \( e_{ig} \sim N(0, 1) \), \( \eta_g \sim N(x_g, \psi_g) \) and

\[
P(Y_{ig} = 0 | \eta_g) = P(Y_{ig}' < \tau_{ig} | \eta_g)
\]

We also set \( x_1 = 0 \) and \( \psi_g = 1 \). This model is scalar invariant in the theta parameterization. If the model is scalar invariant in the delta parameterization as well then the delta parameterization loadings must be equal between the two groups

\[
\frac{\lambda_1}{\sqrt{\lambda_2^2 + 1}} = \frac{\lambda_1 \sqrt{\psi_2 / \phi_2}}{\sqrt{\lambda_2^2 \psi_2 + 1}}
\]

where \( \phi_2 \) is the factor variance in the second group in the delta parameterization. Simple algebra then concludes that either \( \psi_2 = \phi_2 = 1 \), or \( \psi_2 = \phi_2 = 0 \), or all loadings \( \lambda_i \) must be equal across indicators and must be equal to

\[
\lambda_i = \sqrt{\frac{\psi_2 - \phi_2}{\psi_2(\psi_2 - 1)}}.
\]

We conclude that in general scale invariance in one metric does not translate into scalar invariance in another metric. When it comes to statistical significance, however, the issue is slightly more complex. Consider the case where scalar invariance holds in the theta metric. To be able to reject scalar invariance in the delta metric, all three of these hypotheses must be statistically rejected

\[
\phi_2 = 1 \quad \phi_2 = 0 \quad \lambda_1 = \lambda_2 = \ldots = \lambda_P.
\]

The larger the loading differences across indicators and the more distant the factor variance is from 0 to 1, the more likely the scalar invariance assumption is to break in a
statistically significant way when the parameterization is changed to the delta metric.

Since alignment is attempting to approximate the scalar invariance model, we can expect that alignment results will be different across the two parameterizations as well, not just in the estimated parameter estimate, but also in the inference regarding the invariance of individual parameters. If there is no substantive reason to prefer one parameterization over another, the results of both parameterizations should be assessed and the most easily interpretable model should be preferred. Unless some substantive reasoning is available, the most easily interpretable model will be the one that has the fewest number of non-invariant parameters. This amounts to counting the number of non-invariant parameters, i.e., the number of parameters in round brackets in the Mplus output depicted in Figure 1.

Next, we illustrate the dependence of alignment on the parameterization with some simulated examples. Figure A2 in the Appendix shows the Mplus input for a simulation study where we generate data from a two-group one-factor scale invariant factor analysis model with 5 binary indicators using the theta parameterization. We use a very large sample size for this simulation to ensure that significance will be archived for the three hypotheses (Equations (22–24)) needed to establish a difference between the two parameterizations. Smaller sample sizes will not have enough power in this small example. The data is analyzed with the theta parameterization alignment method over 100 replications and the results are presented in Table 1. The loading parameter for \( Y_i \) is denoted by \( \lambda_i \) and the threshold parameter by \( \tau_i \). The factor mean and variance in the first group are fixed to 0 and 1, respectively, while in the second group are estimated as \( \alpha \) and \( \psi \). The results indicate that the alignment estimation works very well. Next we analyze the first data set from that simulation with both the theta and the delta parameterizations with the alignment method. The Mplus input files for these analyses are given in Figures A3 and A4 in the Appendix. The chi-square test for the two models is the same, however, only the theta parameterization concludes that the scalar invariance holds. The delta parameterization concludes that the fifth loading is not invariant. The delta parameterization output seen in Figure 1, places the fifth loading in round brackets which means that the loadings are not invariant. The details of the invariance parameter analysis can be obtained using the OUTPUT:ALIGN option.

Next, we repeat this experiment by generating the data with the delta parameterization scalar invariant model. Figure A5 in the Appendix shows the Mplus input for this simulation study which also analyzes the data with the delta parameterization alignment. To properly set up the simulation study the residual variances for the dependent variables must be included here and we must make sure that the total variance for each variable in every group is 1. The results of the simulation are shown in Table 2 and the parameter estimates are recovered well. The first data set of this simulation is then analyzed with the theta and delta parameterization alignment using again the input files in

<table>
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<th>Coverage</th>
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Table 1. Monte Carlo alignment results for a theta parameterization scalar invariant factor analysis model.

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Table 2. Monte Carlo alignment results for a delta parameterization scalar invariant factor analysis model.

In summary, the delta and theta parameterization alignment conclusions that the scalar invariance holds while the theta parameterization alignment concludes that the fifth loading is not invariant.

Figures A3 and A4. Here, we find that the delta parameterization concludes that the scalar invariance holds while the theta parameterization alignment concludes that the fifth loading is not invariant.

In summary, the delta and theta parameterization alignments are not equivalent. Furthermore, chi-square cannot be used to determine which parameterization to use because both of these aligned models have identical chi-squares. Note, that this is different from the situation of the standard unaligned scalar model estimation. The scalar unaligned factor analysis models have different chi-square values, and if the scalar model is assumed, the chi-squares can be used to select the better metric for the estimation. If one of the two
alignment models has a clear advantage in terms of the level of non-invariance that it reaches, it will be easy to select that metric. However, the distinction between the two metrics appears to require bigger sample sizes, which might not be feasible in practical situations. If the above simulation is repeated with half the sample size, the parameterizations are not distinguishable.

In this section, we did not include non-invariant measurement parameters because we wanted to illustrate the difference between the delta and theta parameterizations. Non-invariant measurement parameters can be added to the simulation setups given in Figures A2 and A5.

### 3.2. Factor Analysis with Cross-Loadings

In this section, we illustrate the performance of the alignment method for factor analysis models with cross-loadings. Here we use a 3-group, 2-factor analysis model with a total of nine indicators. Each factor has three pure indicators, labeled $Y_i$ for the first factor and $Z_i$ for the second, and three of the indicators load on both factors, which are labeled as $W_i$. The estimated ASEM model is given by the following equations. For $i = 1, \ldots, 3$, $g = 1, \ldots, 3$, and $j = 1, 2$

$$Y_{ig} = \mu_{yig} + \lambda_{yi1} f_1 + \epsilon_{yi} \quad (25)$$

$$Z_{ig} = \mu_{zig} + \lambda_{zi2} f_2 + \epsilon_{zi} \quad (26)$$

$$W_{ig} = \mu_{wig} + \lambda_{wi1} f_1 + \lambda_{wi2} f_2 + \epsilon_{wi} \quad (27)$$

$\epsilon_{yi} \sim N(0, \theta_{yi}), \epsilon_{zi} \sim N(0, \theta_{zi}), \epsilon_{wi} \sim N(0, \theta_{wi}), f_j \sim N(\mu_{fj}, \psi_{fj})$. \quad (28)

The factor intercept and variance in the first group are fixed to $x_{1j} = 0$, $\psi_{1j} = 1$. All other parameters are free and unequal across-groups.

The input file for this simulation study is given in Figure A6 in the Appendix. The data are generated with three non-invariant intercepts and three non-invariant loadings. The lines marked with NI in Figure A6 specify the non-invariant parameters within the group-specific statements. These statements are placed in the MODEL POPULATION and the MODEL parts of the input file. Note however, that group-specific statements are generally not needed in the MODEL part. In the simulation study, the group-specific models are used purely for starting value purposes and for the computation of the coverage of the confidence intervals. In practical applications, only the main MODEL part is needed as in Figures A2 and A3. The group-specific models are needed only in simulation studies. The model in Figure A6 also features a cross-loading present only in some of the groups. This is specified by setting “f1 by w1@0;” in group 1.

Table 3 contains the results of this simulation study for some of the model parameters. We see that the alignment procedure is able to estimate well all invariant and non-invariant measurement parameters as well as the factor means and variances.

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Note: Non-invariant measurement parameters are marked with *.* Parameters existing in only some of the groups are marked with **.*

### 3.3. Bi-Factor Models

In this section, we illustrate the performance of the alignment methodology for the bi-factor models. The bi-factor model is technically just another factor analysis model with cross-loadings. However, the model is somewhat special because all indicators load on more than one factor. In addition, there are certain identifiability issues related to the bi-factor model that are somewhat special. The covariances among the factors must be fixed to 0 in the bi-factor model. To some extent, the bi-factor model can be considered to be an extreme version of the factor analysis model with cross-loadings.

Figure A7 in the Appendix shows the input file for a 2-group 3-factor bi-factor model with 10 indicators $Y_i$ and $Z_i$, $i = 1, \ldots, 5$. All 10 indicators load on the general factor $f_1$. There are also two specific factors $f_2$ and $f_3$. $f_2$ is the specific factor for $Y_i$ and $f_3$ is the specific factor for $Z_i$. The model is given by the following equations. For $i = 1, \ldots, 5$, $j = 1, \ldots, 3$, and $g = 1, 2$

$$Y_{ig} = \mu_{yig} + \lambda_{yi1} f_1 + \lambda_{yi2} f_2 + \epsilon_{yi} \quad (29)$$

$$Z_{ig} = \mu_{zig} + \lambda_{zi1} f_1 + \lambda_{zi2} f_3 + \epsilon_{zi} \quad (30)$$

$\epsilon_{yi} \sim N(0, \theta_{yi}), \epsilon_{zi} \sim N(0, \theta_{zi}), f_j \sim N(\mu_{fj}, \psi_{fj})$. \quad (31)
The factor intercept and variance in the first group are fixed to \( z_3 = 0, \psi_1 = 1 \). All other parameters are free and unequal across groups.

We generate data with two non-invariant intercepts, one non-invariant general factor loading and one specific factor loading. The lines containing the non-invariant parameters in Figure A7 are marked with “NI.” One of the important identifiability conditions of the bi-factor model is that the specific factor loadings must not be proportional to the general factor loadings. If the loadings are proportional, a local non-identification condition exists. In this example, we generate data with equal general factor loadings and unequal specific factor loadings. This ensures that the parameters of the bi-factor model are not close to these local non-identifiability conditions.

In this simulation study, we use the TOLERANCE option, which refers to the \( \epsilon \) value in Equation (8). The default value for \( \epsilon \) is 0.01. By lowering the value to 0.0001, we reduce the bias in the point estimates. However, lowering the value of \( \epsilon \) is often associated with an upwards bias in the standard errors. The bi-factor model is somewhat more challenging for the alignment procedure than standard factor analysis models. Thus, the 0.0001 value is beneficial here. The bias in the standard error appears to be minimal. We do not recommend using epsilon values outside of the range 0.0001–0.01. Smaller values will make the computation less stable because of divisions near 0 in the derivatives of the loss function. In addition, the standard error estimation which is based on these derivatives will not be as accurate. Larger values of \( \epsilon \) have the effect of spreading non-invariance beyond the source, which is also undesirable.

The results of the simulation study for a selection of the parameters are given in Table 4. The alignment method appears to work well for the bi-factor model as well.

### 3.4. Factor Analysis with Covariates

In this section, we illustrate the performance of the alignment methodology for a factor analysis model with covariates. We use a 3-group analysis with one factor \( f \) and five ordered categorical indicators \( Y_{gi}, i = 1, \ldots, 5 \), with three categories 0, 1, and 2; and one covariate \( X \). The covariate predicts the factor in every group and also directly the first indicator in the first and the third groups. A residual variance is also estimated for the second and the third indicators in the second and the third groups. We estimate the following ASEM model.

For \( g = 1, \ldots, 3 \)

\[
Y_{1g} = \lambda_{1g} f + \gamma_{g} X + e_1, \quad \text{(32)}
\]

and for \( i = 2, \ldots, 5 \)

\[
Y_{ig} = \lambda_{ig} f + e_i \quad \text{(33)}
\]

\[
f = X + \beta_{i} X + \epsilon \quad \text{(34)}
\]

\[e_i \sim N(0, 1), \epsilon \sim N(0, \psi_{g}), \text{Cov}(\epsilon_{1}, \epsilon_{2}) = \theta_{23g} \quad \text{(35)}
\]

\[Y_{ig} = k \iff t_{i,k,g} \leq Y_{ig} < t_{i,k+1,g}. \quad \text{(36)}
\]

The factor intercept and variance in the first group are fixed to \( z_1 = 0 \) and \( \psi_1 = 1 \). The direct effect is not estimated in the second group; so \( \gamma_2 \) is also fixed to 0. Similarly, the residual covariance is not estimated in the first group so \( \theta_{231} \) is also fixed to zero. The threshold parameters \( \tau_{0g} \) and \( \tau_{1g} \) are as usual set to \(-\infty\) and \(+\infty\). Two threshold parameters are therefore estimated for every indicator in every group: \( \tau_{1g} \) and \( \tau_{2g} \).

We generate data according to the above model with two non-invariant factor loadings and two non-invariant thresholds. The full Mplus input for this Monte Carlo simulation is given in Figure A8. We analyze the above ASEM model with the theta parameterization of the WLSMV estimator. It takes only 7 s to complete 100 replications of this study. The model can also be analyzed with the ML estimator if the residual covariance parameter \( \theta_{23} \) is not included in the model.

The results of this simulation study for a subset of the parameters are shown in Table 5. The biases in the parameters estimates are minimal and the coverage is near the nominal level of 95%. We conclude that the alignment method can easily accommodate factor predictors as well as other features of the general SEM framework.

### 3.5. AESEM Simulation Study

In this section, we illustrate with a simulation study the performance of the alignment methodology for a 2-factor ESEM model with a covariate. The full model is given in Figure A9 in the Appendix. The two factors are measured
by a total of six indicators, where each of the two factors is measured by three main indicators. We generate the data so that factor $f_1$ has main(large) loadings for $Y_1, ..., Y_3$ and factor $f_2$ has main loadings for $Z_1, ..., Z_3$. Factor $f_1$ has a main loading non-invariance for $Y_3$ and in groups 1 and 3 has a non-zero cross-loading for $Z_3$. Intercept non-invariance is introduced in group 3 for $Z_2$. Both factors are regressed on the covariate $X$.

The estimated AESEM model is given by the following equations. In group $g$, for $i = 1, ..., 3$:

$$Y_{ig} = \mu_{yig} + \lambda_{yig}f_1 + \lambda_{yig}f_2 + e_{yi}$$  \hspace{4cm} (37)

$$Z_{ig} = \mu_{zig} + \lambda_{zig}f_1 + \lambda_{zig}f_2 + e_{zi}$$  \hspace{4cm} (38)

$$e_{yi} \sim N(0, \theta_{yig}), e_{zi} \sim N(0, \theta_{zig})$$  \hspace{4cm} (39)

For $j = 1, 2$ in group $g$:

$$f_j = \alpha_{jg} + \beta_{jg}X + e_j,$$  \hspace{4cm} (40)

where

$$e_j \sim N(0, \psi_{jg}), Cov(e_1, e_2) = \psi_{12g}.$$  \hspace{4cm} (41)

The alignment method fixes the factor intercept and variance in the first group: $\alpha_3 = 0$, $\psi_{jg} = 1$. All other parameters are free and unequal across-groups. However, the parameters of the AESEM model are implicitly constructed from the parameters of the unrotated contextual model through the optimization of the rotation and the alignment loss functions.

For the purposes of the chi-square and the BIC computation the number of free parameters in the AESEM model is the number of free parameters in the unrotated contextual model. In this example, that model has 25 parameters in each group for a total of 75 parameters. Here is how these parameters can be counted: 6 intercepts, 12 loadings, 6 residual variance, plus 2 regression parameters for the 2 factors regressions on the covariates. From this quantity, we subtract the loadings that are fixed to 0 in the unrotated model, which are the loadings above the main diagonal. In this example, just one of the loadings is fixed to 0. As usual, the unrotated model parameter specification can be found in tech1. As with all ESEM models, there are two sets of tech1. The second version of tech1 is the actual AESEM model where all parameters are given. In this example, the additional parameters are the 2 factor variances, 1 factor covariance, 2 factor means, as well as the 1 loading that is fixed in the unrotated solution. This yields 6 additional parameters, which give a total of 31 parameters in each group and a total of 93 parameters that are reported in the output for the model results. The additional 18 parameters are not free parameters. These additional parameters are dependent parameters that are identified through the rotation and alignment loss function optimization. For the purpose of chi-square testing and BIC computations, the model has 75 parameters. The important thing to understand for the AESEM model is that the loading parameters are all free and unequal across groups so that the EFA measurement invariance is accommodated, and in addition to that the scale parameters for the factors are estimated in all but the reference group.

The results of the simulation study for some of the parameters are given in Table 6. The parameter estimates are unbiased and the coverage is near the nominal level of 95%. This includes all non-invariant loadings and intercepts.
as well as the factor means and variances. The average chi-square value across the replications is 25.1 and with 24° of freedom this yields a rejection rate of 0.07 which is sufficiently close to the nominal rejection rate of 0.05. We conclude that the AESEM methodology works well. The entire simulation study on the 100 generated data sets takes only 8 s to complete. It should be noted, however, that models with more groups, indicators, and factors will not be as fast to estimate. The number of parameters that must be handled in such estimation grows linearly with the number of groups, indicators and factors. Thus, larger models are expected to have slower estimation.

For comparative purposes, we also estimate the scalar ESEM model which assumes measurement model invariance. To obtain this estimation, we have to remove the alignment option from the input file given in Figure A9 as well as the group specific measurement and intercept statements in the model statement. In this model, the loading and indicator intercept parameters are held equal across groups and the rotation is group invariant. The factor means and variances are also estimated with the exception of the reference group. The results are given in Table 7. We see biases and coverage problems in almost all of the parameters. This is somewhat of a surprising result since the model has only 3 non-invariant parameters (1 main loading, 1 cross-loading, and 1 intercept). Nevertheless, the non-invariance in this simulation is not small. Clearly, the larger size of the non-invariance propagates to most model parameters. The average chi-square value in this simulation is 1,392.3 and with 48° of freedom the model is rejected in all replications. The average CFI and TLI values are 0.93 and 0.90. Despite the larger number of parameters, the AESEM model has a much better average BIC value than the scalar ESEM model. This simulation study further emphasizes the importance of the AESEM model which can accommodate measurement non-invariance.

### 3.6. Models with Large Amount of Non-Invariance

Asparouhov and Muthén (2014) present several simulation studies to evaluate the alignment methodology with different levels of non-invariance. Up to 20% non-invariance has been used in these simulation studies. Subsequently, the question has arisen regarding the level of non-invariance that the alignment methodology can handle. In this section, we illustrate the performance of the alignment method with a large amount of non-invariance.

Multiple factors play a role in the quality of the alignment estimates. The most important of these is whether the generating measurement parameters is the most invariant pattern that represents the data. The interpretation of the "most invariant" concept in this regard is that the set of generating parameters represents a minimum of the alignment loss function (Equation (7)). If the generating parameters do not represent a minimum of the alignment loss function, then alignment will replace the generating parameters with a set of parameters that represents a minimum. This essentially means that the alignment procedure will align the parameters better to a set of parameters that has greater non-invariance than the generating parameters. Thus, if the generating parameter set is not an alignment loss function minimum, we cannot expect the generating set to be recovered by alignment. This concept is similar to what happens in EFA. If a set of generating loading parameters does not represent a minimum of the rotation function, we cannot expect the EFA procedure to reproduce these parameters. The parameters will be rotated further to an actual minimum that yields simpler loading structure.

If the configural set of parameters is estimated by the ML/WLS estimators without any error, the alignment estimates of \( \lambda_g \) and \( \psi_g \) are considered the "most invariant" if these yield the smallest loss function (Equation (7)), i.e., they minimize the loss function. When the amount of non-invariance is small, i.e., less than 20%, this usually ends up to be the case, especially when the non-invariance is spread around the groups. However, there are exceptions to this rule. Consider the situation where there are \( G \) groups and the first \( G - 1 \) groups are fully invariant while the last group is not invariant in any of the parameters. Such a situation represents \( 1/G \) non-invariance, i.e., with \( G = 10 \) groups, the amount of non-invariance would be 10%. In that case, however, the factor mean and variance in the last group can be adjusted to make at least two (one intercept and one loading) parameter invariant and likely reducing the loss function. In this hypothetical case, the true parameters do not

### Table 7. Scalar ESEM results.

<table>
<thead>
<tr>
<th>Parameter</th>
<th>True Value</th>
<th>Abs. Bias</th>
<th>Coverage</th>
</tr>
</thead>
<tbody>
<tr>
<td>( \lambda_{11} )</td>
<td>1.0</td>
<td>0.03</td>
<td>0.79</td>
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<tr>
<td>( \lambda_{21} )</td>
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<td>( \lambda_{31} )</td>
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<td>0.00</td>
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<tr>
<td>( \lambda_{12} )</td>
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<td>0.11</td>
<td>0.00</td>
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<td>0.96</td>
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<tr>
<td>( \lambda_{32} )</td>
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<td>0.00</td>
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<td>( \lambda_{42} )</td>
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<tr>
<td>( \beta_1 )</td>
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<td>0.00</td>
<td>0.99</td>
</tr>
<tr>
<td>( \beta_2 )</td>
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<td>0.00</td>
<td>0.95</td>
</tr>
<tr>
<td>( \psi_{12} )</td>
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<td>0.03</td>
<td>0.66</td>
</tr>
<tr>
<td>( \mu_{12} )</td>
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<td>0.11</td>
<td>0.01</td>
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<td>( \mu_{22} )</td>
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<td>0.07</td>
<td>0.12</td>
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<tr>
<td>( \mu_{32} )</td>
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<td>0.13</td>
<td>0.00</td>
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<td>( \theta_{1} )</td>
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<td>0.00</td>
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<td>( \theta_{3} )</td>
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<td>( \theta_{4} )</td>
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<td>0.00</td>
<td>0.80</td>
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</tbody>
</table>

**Note.** Non-invariant measurement parameters are marked with *.
represent the most invariant pattern, even though there is only 10% non-invariance, and the alignment procedure is not expected to recover the estimates even with large sample size.

In every situation where the alignment optimization has converged and there is a sufficient number of random starts used in the procedure (Mplus default is 30), one can be assured that the reported alignment results represent the most invariant pattern, i.e., a loss function minimum. Suppose that a real data alignment model has been estimated successfully. The natural question in this case is to see if the reported solution can be recovered in a simulation study. The answer to that question is that the aligned solution will be recovered if the simulation study is conducted with a large sample size. The large sample size will ensure that the configural parameters are the same as the configural parameters in the real data. At that point, the alignment optimization between the real data and the simulated data will be the same, thereby producing the same outcome. When the sample size is small the configural estimates in the simulated data and the real data will differ. Depending on the circumstances, some replications may be aligned to the same “most invariant” solution and some may be aligned to a different “most invariant” solution, thereby creating the illusion that the parameter estimates are not recovered. Such a result however is not a reason to disregard the actual data analysis. Even if the sample size is small, the aligned solution still represents the “most invariant” choice.

When the amount of non-invariance is larger, it would not be easy to verify that the true values represent the “most invariant” solution. However, if the solution is obtained from a real data run, then by definition the aligned solution is “most invariant.” In principle, there is no upper limit on the amount of non-invariance that the alignment methodology can handle successfully. Here we provide a simulation study where 50% of the measurement parameters are not invariant. The input file for this simulation study is given in Table 8. We see here that the aligned results with large amount of non-invariance.

<table>
<thead>
<tr>
<th>Parameter</th>
<th>True value</th>
<th>Abs. bias</th>
<th>Coverage</th>
</tr>
</thead>
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<td>0.93</td>
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<td>0.93</td>
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<td>0.92</td>
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</tr>
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<td>$\mu_{Z1}$</td>
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</tr>
<tr>
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<td>Group 2</td>
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<td>0.95</td>
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<td>$\lambda_{y3}$</td>
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<td>0.96</td>
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<tr>
<td>$\lambda_{Z1}$</td>
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<td>$\lambda_{Z2}$</td>
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<td>$\beta$</td>
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<td>$\mu_{y3}$</td>
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<td>0.96</td>
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<tr>
<td>$\mu_{Z3}$</td>
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<td>0.96</td>
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<td>$\lambda_{Z1}$</td>
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<td>0.94</td>
<td>0.94</td>
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<tr>
<td>$\lambda_{Z2}$</td>
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<td>0.96</td>
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<td>$\lambda_{Z3}$</td>
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<td>0.99</td>
<td>0.99</td>
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<tr>
<td>$\beta$</td>
<td>0.2</td>
<td>0.95</td>
<td>0.95</td>
</tr>
</tbody>
</table>

Note: Non-invariant measurement parameters are marked with $$. We conclude this section with the following observation. The result of the alignment optimization is that the invariant measurement parameters are typically very close across the groups, but they are not identical. The small differences across groups are generally not of practical significance. For situations with large sample sizes, however, these practically insignificant differences may become statistically significant. In that regard, parameters that for all practical purposes can be considered invariant may be reported in the Mplus output as having some non-invariance. This should be taken into consideration. Large sample sizes are often the source of non-invariant results. Substantive judgment should be exercised in such situations to properly depict the amount of non-invariance. The simulation study described in this section is not of this type because the differences in the parameters across groups are substantial. When the sample size is large, the amount of non-invariance reported in the Mplus alignment output is likely overestimated and some subjective assessment must be done to obtain a more realistic account for the level of non-invariance.

4. Empirical Example: PISA

In this section, we illustrate the AESEM model with an empirical example. We utilize the student background
questionnaire data of PISA 2006, which contains eight scales measuring a variety of motivational and engagement constructs in science as described in Marsh et al. (2018). The data contain nationally representative samples of 15-year-old students from 30 OECD countries/groups with a total sample size $N = 249,840$. Sampling weights are included in this data as well as the school identification, which is also the primary sampling unit. Complex sampling methodology is, therefore, utilized in the analysis, see Asparouhov (2005). Nagengast and Marsh (2013) establish a fairly well-defined eight factor CFA model based on 44 indicators and pure loading structure. For this illustration, we will use only the first 4 factors which are measured by 22 indicators. The four factors we consider here are Enjoyment, Instrumental motivation, Future-oriented motivation, and self-efficacy. The data also include three covariates that are used to predict the four factors: gender, socioeconomic status, and science achievement. The last two covariates are standardized in this analysis while the gender variable is not. Since we use the free alignment in the analysis, the impact of the standardization of the covariates is only a matter of convenience and it does not affect the actual alignment results. Complex practical applications often also include stratification as well as missing data imputation. The alignment estimation can accommodate such features as well.

We consider four different models. The first model is the scalar measurement invariance SEM model which does not use alignment and utilizes pure loading structure, i.e., no EFA rotation/cross-loadings. The second model is the ASEM model which uses alignment, i.e., does not assume scalar measurement invariance, but relies on the pure loading structure, i.e., does not use EFA rotation/cross-loadings. The third model is the ESEM model which assumes scalar measurement invariance but utilizes EFA rotation/cross-loadings, i.e., it does not assume pure loading structure. The fourth model is the AESEM model which utilizes both alignment and EFA rotation/cross-loadings, i.e., it does not assume scalar measurement invariance or pure loading structure.

Model fit comparison is given in Table 9. The various measures of fit show that the AESEM model fits best for this data, followed by the ASEM model, followed by the ESEM model. The added parameters, needed for the groups-specific aligned measurement model, and the added cross-loadings parameters, obtained with the EFA rotation, are well justified for this data. Despite the substantial increase in the number of parameters, the AESEM model yields the best BIC. The Mplus input file used for the estimation of the AESEM model is given in Figure A11. The only difference between the input file for the ESEM and AESEM model is the specification of the alignment option: ALIGNMENT = FREE. The DEFINE statement in this input is needed to ensure that the school identification numbers are different across all the countries.

Overall, the results across the models are fairly consistent. For example, if we compare the 30 factor means for the AESEM and the SEM models, the correlation between these estimates for the four factors are 0.997, 0.995, 0.985, and 0.996. If we compare the rankings of groups by their factor means, in the AESEM and ASEM models, nearly half of the groups preserved their rankings and those that did not, changed ranking only slightly. The percentage of non-invariant factor loadings in the AESEM model for the four factors is 17%, 14%, 17%, and 12%. The percentage of non-invariant intercept parameters is at 31%. The most invariant indicator has invariant intercepts in all 30 groups while the least invariant indicator has invariant intercepts in 13 groups.

The cross-loadings in the AESEM model are generally small and the pure structure holds up quite well. In 20 of the 30 groups there are no cross-loadings with Z-score above 10, in 7 of the groups there is only 1 such cross-loading, and in 3 of the groups there are 2 such cross-loadings. The size of these more substantial cross-loadings amounts to about 25% of the main loadings by size.

### 5. Empirical Example: ESS Human Value Scale

For this illustration, we use the European Social Survey (ESS) Human Values Scale which consists of 21 ordered categorical items with values from 1 to 6. Detailed description of the instrument can be found in Schwartz (1992) and Davidov et al. (2008). For this analysis, we use data from ESS-2018 which contains 29 European countries for a total sample size of $N = 49,038$. The data include sampling weights, cluster sampling, and stratification. The instrument is designed to measure 10 different values, i.e., 10 different latent variables via a confirmatory CFA analysis where 9 of the latent variables have 2 indicators and one latent variable has 3 indicators.

Ideally, this data should be analyzed as categorical but given the large number of latent variables, the ML estimation is not feasible. The WLSMV estimation in Mplus would be suitable, however, despite the large sample size, 5 of the groups have item categories that do not occur. The WLSMV estimator currently requires that all categories are present in all groups for any multiple group analysis and thus the estimator is not available for this illustration. One possibility is to eliminate rare categories by combining them with neighboring categories over the entire population but such an approach requires some substantive expertise. In this illustration, we will instead treat the data as continuous.

Here, we attempt to analyze the data with AESEM, i.e., we replace the confirmatory structure in favor of exploratory analysis. As a first step, we conduct an EFA model for the entire population without accounting for the multiple groups. The CFI values for this model with 1 through 7
EFA factors are: 0.43, 0.69, 0.91, 0.94, 0.95, 0.96, and 0.98. The EFA analysis with 8 factors yields negative residual variances, and with 9 and 10 factors the unrotated estimation did not converge. From these results, we conclude that the EFA with four factors provides a sufficient approximation for this data. The top four eigenvalues for the correlation matrix are 4.3, 2.7, 2.2, and 1.0. All other eigenvalues are less than 1.

The 4-factor EFA solution appears to match the established 10 factor CFA in the following sense. If we retain only the largest standardized EFA loading for each indicator, we obtain a solution where the 10 CFA factors are combined down to 4 factors. Using the notation of Table 2 in Davidov et al. (2008), factors SD, UN, and BE are combined to form the first EFA factor (i.e., the indicators for SD, UN, and BE are exactly the same as the indicators for the first EFA factor), factors PO and AC form the second EFA factor, factors TR, CO, SEC form the third EFA factor, and factors HE and ST form the fourth EFA factor. There are, however, a number of mid-size cross-loadings which justify the need for EFA rather than a 4-factor CFA with pure loading structure.

In this section, we compare the following five models: the scalar invariance ESEM model with target rotation and four AESEM models using target and geomin rotations combined with free and fixed alignment. For the fixed alignment, we use the first group as the reference group. For the target rotation, we use the structure suggested by the preliminary analysis that conforms with the original human value scale. For the first EFA factor, we use the indicators for SD, UN, and BE, while all other indicators have a target of zero, etc., see Figure A12. The geomin rotation also takes advantage of the preliminary analysis. We order the indicators so that the indicators for SD, UN, and BE, i.e., the indicators for the first EFA factor, come first, etc. This guarantees that the order of the factors will be the same in all groups and parameters will be aligned correctly.

The four AESEM models have the same fit. The BIC for the AESEM models is 3017632 and for the ESEM model is 3039802. The CFI for the AESEM models is 0.93 and for the ESEM model is 0.76. Both of these confirm that the AESEM model provides a substantially better fit than the ESEM model. The CFI for the AESEM model is nearly identical to the CFI for the 4-factor EFA model which fits the total population variance covariance matrix. This is interpreted as evidence that the 4-factor model holds up well across all groups and not just for the overall population. The AESEM model has 3,480 parameters while the ESEM model has 1,100. The better BIC value for the AESEM model justifies the need for the large number of additional parameters.

Using the target rotation, the free alignment yields only 403 non-invariant measurement parameters out of the total 3,045, i.e., 13% non-invariance. Target rotation with fixed alignment yields 430 non-invariant measurement parameters. We interpret this as follows. The free alignment appears to have some advantage over the fixed alignment but that evidence is not very dramatic. Agreement between the two models on which parameters are not invariant is substantial. For example, the first indicator has 17 non-invariant measurement parameters out of 145 with both the fixed and the free alignment and these parameters are exactly the same model parameters, i.e., if a loading parameter is not invariant with fixed alignment it is not invariant with free alignment as well. Geomin rotation with free alignment yields 645 non-invariant parameters and with fixed alignment 669. Clearly, the target rotation should be preferred over the Geomin rotation. We conclude that the target rotation with the free alignment is the best among the five models.

Next, we compare the models by evaluating the agreement in the model estimated factor means. A simple way to measure this agreement for two of the models is to compute for each factor the correlation between the group-specific factor means, as we did in the previous example, and then average the four correlations. We obtained the following results. The correlation between AESEM(target, free) and ESEM-scalar is 0.84. For comparison, in the previous empirical example, that correlation is 0.99. This clearly indicates that the ESS human value scale has much more depth in terms of intercept, main loadings, and cross-loadings non-invariance across countries and can benefit substantially more from the alignment methodology than the PISA illustration. The correlation between AESEM(target, free) and AESEM(target, fixed) is 0.95, which is still surprisingly low. We interpret this as an advantage of the free alignment. If free alignment was not needed, this correlation would be higher. Finally, the correlation between AESEM(target, free) and AESEM(geomin, free) is 0.56. This is even more surprising. Closer inspection of the geomin results show that in some of the groups, the EFA structure is not what we expect. For example, in the smallest sample size country (Cyprus, N= 779), the standardized loadings >0.4 for the first EFA factor are quite different for the two rotations. The Geomin rotation yields 10 such loadings and only half of those are the ones we intended. In the target rotation there are 7 such loadings and those are exactly the ones we intended. It may be the case that adding more random starting values to the geomin optimization algorithm can resolve this issue, however, clearly the target rotation is easier to facilitate. In those situations where the target rotation is not available, EFA structures should be inspected across groups to confirm that there is no substantial divergence in some groups. If there is such a divergence, the alignment results should be considered unreliable for that group.

6. The Alignment R-Squared

After the alignment estimation has been completed, Mplus produces a detailed invariance analysis for all measurement parameters. The differences between every pair of parameters are evaluated for significance. A subset of the parameters is declared as an invariant set and the remaining parameters are declared as non-invariant. Verbose details of this analysis can be obtained with the option OUTPUT:ALIGN. The computation is outlined in
Asparouhov and Muthén (2014). This procedure is somewhat ad-hoc because of the large number of comparisons that are analyzed; however, it appears to work fairly well for most situations.

For every measurement parameter, Mplus also produces an $R^2$ value, which is meant to be interpreted as the amount of variation in the parameter explained by the alignment. This $R^2$ value is reported under the title: “R-square/Explained variance/Invariance index.” The $R^2$ value is between 0 and 1. Values close to 1 are associated with invariant parameters, while values closer to 0 are generally associated with non-invariant parameters. In practical applications, however, the $R^2$ value appears to frequently deviate from these general guidelines and it becomes a source of confusion. In this section, we elaborate somewhat on the properties of this quantity and show how it is computed for the general ASEM model.

For the loading parameters, the computation of $R^2$ remains unchanged and is as in formula (14) in Asparouhov and Muthén (2014).

$$R^2_{pm} = 1 - \frac{\text{Var} \left( \tilde{\lambda}_{0,pmg} - \sqrt{\psi_{mg}} \tilde{\lambda}_{pm} \right)}{\text{Var}(\tilde{\lambda}_{0,pmg})}. \quad (46)$$

Here $\tilde{\lambda}_{0,pmg}$ is the configural loading for the $p$-th indicator and the $m$-th factor in group $g$, $\tilde{\lambda}_{pm}$ is the average aligned loading across the groups, $\psi_{mg}$ is the alignment factor variance in group $g$. The configural loading $\tilde{\lambda}_{0,pmg}$ is interpreted as the observed value. The quantity $\sqrt{\psi_{mg}} \tilde{\lambda}_{pm}$ is the predicted configural loading in group $g$, while $\tilde{\lambda}_{0,pmg} - \sqrt{\psi_{mg}} \tilde{\lambda}_{pm}$ is the residual. If the aligned loadings are identical, then the observed and the predicted values will be identical and the $R^2$ value will be 1, i.e., for a fully invariant loading parameter, the $R^2$ value is 1.

For the intercept parameter, the $R^2$ value is computed as follows

$$R^2_{ip} = 1 - \frac{\text{Var}(E(Y_{pg}|M_0) - E(Y_{pg}|M_1))/\text{Var}(E(Y_{pg}|M_0))}{\text{Var}(\nu_{0,pg})}, \quad (47)$$

where model $M_0$ is the configural model while model $M_1$ is the aligned model where the measurement parameters for $Y_{pg}$ are invariant. More specifically, $M_1$ is the same as the aligned model except that the measurement parameters for $Y_{pg}$ are replaced by their average aligned values. In the general factor analysis model this translates to

$$R^2_{ip} = 1 - \frac{\text{Var}(\nu_{0,pg} - \nu_{ip} - \sum_{m=1}^{M} \tilde{x}_{mg} \tilde{\lambda}_{pm})/\text{Var}(\nu_{0,pg})}{\text{Var}(\nu_{0,pg})}, \quad (48)$$

where $\nu_{0,pg}$ is the configural intercept of $Y_{pg}$, $\nu_{ip}$ is the average across groups aligned intercept, $\tilde{\lambda}_{pm}$ is the average across groups aligned loading for the $m$-th factor, $\tilde{x}_{mg}$ is the mean of the $m$-th factor in group $g$. In this case, $\nu_{0,pg}$ is $E(Y_{pg}|M_0)$, $\nu_{ip} + \sum_{m=1}^{M} \tilde{x}_{mg} \tilde{\lambda}_{pm}$ is $E(Y_{pg}|M_1)$, i.e., the aligned model predicted value, under the invariant measurement model assumption for $Y_{pg}$.

The $R^2$ measure has a number of caveats that should be taken into account when the value is used in practical applications. First, the $R^2$ value is based on variance estimates. It is somewhat difficult to rely on such estimates when the number of groups is small. Second, the $R^2$ value does not reflect statistical significance. It is a common occurrence to see a low $R^2$ value and at the same time the parameter estimates across groups to be invariant because the parameters are not statistically significant from each other. This can occur for example in those situations where the sample size is small and the power to establish statistical significance is low. Third, the $R^2$ value is not mathematically constrained to be above 0, as in regression analysis. It is not uncommon for one reason or another to obtain estimates for which the variance of the “predicted” or the “residual” values are bigger than that of the configural parameters. In that case, $R^2$ is simply reported as 0. The fourth instance in which the $R^2$ is not a meaningful measure of invariance is the situation where all the variances in the computation are very small. This would occur when the variation across groups in the factor means is small and when the variation in the configural intercepts is very small. Similar issues can occur also for the loading parameters. If the variation in the factor variance across groups is negligible and the variation in the configural loadings is negligible, it would be difficult to make some inference from the 0/0 ratio that the $R^2$ is based on. The final issue with $R^2$ we want to mention here is the fact that for an intercept parameter, the $R^2$ computation also involves the loading parameters. This implies that even if the intercept is invariant, but the loading parameters are not, the $R^2$ may not be 1.

In summary, the $R^2$ invariance index is a rough measure for how far we are from a scalar model on the level of individual parameters. Low $R^2$ occurs for a specific reason, but that reason cannot be universally identified. In general, we do not recommend using the $R^2$ measure as a criterion for which parameter can be considered invariant. This should be properly done as in the pairwise comparisons that Mplus uses. The proper interpretation of the $R^2$ measure is that this is the proportion of variation that can be explained by the variation in the factors. If $R^2$ is small, the parameter is somewhat different from what can be observed for scalar invariance models. As a general rule of thumb, we can expect that high $R^2$ are usually obtained for invariant parameters and low $R^2$ are usually obtained for non-invariant parameters. The five situations we listed above, however, are all exceptions to this rule of thumb.

7. Practical Guidelines

7.1. Constructing a Well-Fitting ASEM Model

The fit of the ASEM model is the same as the fit of the configural SEM model. If the substantively suggested configural SEM model does not provide an acceptable fit, the model can be modified. This should be done before the alignment procedure is used. If the number of groups is small, it may be feasible to use modification indices for the configural SEM model to guide in the model adjustments needed for
7.2. The 2-Step ASEM Model

If there are just a few groups in the sample, a two-step approach can be used to conduct the multiple-group analysis. In the first step, alignment can be used to discover which parameters are invariant and which are not. In the second step, we can construct a CFA model without alignment where the invariant parameters are held equal across groups and those that are not invariant are free and unequal across groups. Since a large portion of the parameters will be held equal across groups, the factor means and variances can be estimated in all but the first group as in the scalar invariance and the ASEM models. We call this model the 2-step ASEM model. The 2-step ASEM model may not be feasible in the case where there is a large number of groups or a large number of non-invariant parameters. This is simply because the input file would be too tedious to write down and interpret. In principle, however, the 2-step ASEM model is valuable even if the number of groups is large.

There are three competing models that essentially purport to do the same thing: estimate a SEM model that includes group-specific factor means and variances. The three models are: ASEM, the 2-step ASEM, and the scalar invariance model. The ASEM model will have a much larger number of parameters as compared to the 2-step ASEM and the scalar invariance models. The question then arises, whether this large number of parameters is supported by the data. A formal chi-square can be conducted between the three models since the models are nested within each other. Alternatively, the three models can be compared with the BIC criterion. The 2-step ASEM model is generally expected to have a better BIC than the scalar invariance model if there are statistically significant non-invariant parameters. Furthermore, if the group sizes are small, the ASEM model is expected to lose in the BIC comparison because of the much larger number of parameters relative to the sample size. Therefore, the 2-step ASEM model is expected to have the best BIC in most situations.

7.3. Considering the Size of the Model

In the AESEM model, a large portion of the analysis is automated. In the absence of covariates for example, the only decision that must be made is how many factors are in the model. The model statement itself is a single line. Because of this simplicity, it may become increasingly tempting to estimate bigger and bigger AESEM models without much consideration. This in turn may lead to a variety of problems.

An AESEM model with a large number of variables and groups will have a very large number of parameters and may become difficult to estimate in terms of computational time. A number of preliminary steps can be taken to better understand the effect of the number of variables and factors on the computational time. For example, the model can be estimated with a smaller number of variables or with a smaller number of groups.

Furthermore, the power of the model may be reduced because of the large number of parameters. A reasonable approach that could address this issue is to convert the AESEM model to a SEM model where non-significant loadings are removed and the invariant parameters are held equal across the groups, thereby obtaining a 2-step AESEM model.

Finally, a large AESEM model may lead to convergence problems. A number of preliminary steps can be taken to resolve such issues. For example, the configural model can be estimated in each group separately. Convergence problems will surely be easier to resolve in a single-group analysis than in the full AESEM model. More generally, the AESEM model can be estimated with a smaller number of variables and/or with a smaller number of groups. Such an approach may provide a path to identifying and resolving convergence problems that occur in the full AESEM model.

7.4. Factor Permutation and Sign

The sign of the factor is generally an unidentified quantity. A factor $f$ provides the same model fit as the factor $-f$ when the loadings are also reversed. The alignment procedure must have the same factor direction in all groups. Otherwise, the alignment becomes meaningless. This is achieved by constraining the sum of all loadings to be positive for every factor and group. Such a constraint is also implemented for ESEM models. Therefore for AESEM, ESEM, and ASEM models, the uncertainty of the sign of the factors is technically removed. However, that is not the case for SEM models. SEM models are more general than AESEM/ESEM/ASEM models. For example, factor loadings can be fixed to 1 in SEM models but they cannot be fixed to any value in models with rotation or alignment. Being more general, however, also leads to the fact that the sign of the factor is not completely removed from the SEM model (as that is not possible in the general SEM model). This
becomes important if the parameter estimates are compared between the SEM model and the ASEM/ESEM/ASEM models. It is necessary to manually check that the SEM model has a positive sum of loadings in all groups and factors. If random starting values have not been used, this is generally assured by the starting values of the SEM model. With random starting values the picture may become a little more complex and multiple runs might be necessary with various manually entered starting values.

If an alignment model contains factors that have both positive and negative large loadings, it may happen that the sum of the loadings is near zero. In that case, the direction of the factor may switch between the groups and the alignment may become invalid. To avoid this problem, the factor indicators showing large negative loadings can be reversed.

The ESEM model and the AESEM model also have to deal with factor permutation. Reordering of the EFA factors yields equivalent models. This model non-identification is resolved by ordering the factors according to the average index of their large loadings, see Appendix D, Asparouhov and Muthén (2009). This becomes somewhat of a critical issue in AESEM. We have to make sure that all groups yield the same EFA factor order. If they do not, the alignment again becomes meaningless as we would be aligning the loadings of different factors. A simple way to ensure that the order stays the same in all groups is to order the factor indicators according to the desired order of the factors. The primary indicators of the first factor should be placed first in the USEVAR option, the primary indicators of the second factor should be placed next, etc. If we do not know what the primary indicators are, it may be necessary to estimate an ESEM model for all groups combined as one and use such a model to determine which the primary indicators are for every factor. An alternative way to resolve the factor permutation problem for AESEM, which is also our recommended approach, is to use the target rotation.

8. Conclusion

Expanding the alignment methodology to the general SEM and ESEM models provides a much broader application area for the multiple group analysis. Multiple groups SEM and ESEM models can now be estimated without assuming measurement invariance. Adopting the methodology to the WLS type estimators, in addition to the ML estimator, completes the availability of alignment for the most commonly used SEM and ESEM frameworks. Alignment models with continuous, binary, and ordinal dependent variables and any number of latent variables can be estimated with the WLS estimators. Improvements in the Mplus language and implementation also facilitate greater ease of use. The difference between the scalar model specification and the ASEM specification is only in the addition of the alignment option. Also, a test of fit and modification indices is now obtained within the alignment estimation, which simplifies the overall multiple-group analysis.

The alignment procedure can also be used with panel/longitudinal CFA models where measurement invariance does not necessarily hold across time. Such models cannot be formulated as multiple group models because the variables are correlated across time. The upcoming release of Mplus 8.9 will include the possibility to use the alignment method in single-group panel CFA models, where the alignment is performed on the measurement model across time and not across groups.

The alignment methodology parallels the Bayesian SEM (BSEM) described in Muthén and Asparouhov (2012). Both of these techniques attempt to capitalize on substantive beliefs while allowing the data to take priority and override these beliefs. Thus, the alignment methodology can be tailor-made to tackle other applications of BSEM that go beyond measurement invariance. Such methods will be frequentist based and will be easier to use than BSEM. Furthermore, BSEM results for measurement invariance tend to be slightly less accurate than alignment results, see Muthén and Asparouhov (2013), and such benefits could be expected in other applications as well. The alignment methodology can also be viewed as a penalized maximum likelihood method, see Hastie et al. (2009), where the alignment loss function acts as the penalty that is added to the likelihood. The development of new alignment style methods would require finding new loss functions that can address specific methodological issues. It is clear, however, that a variety of structural modeling solutions can be enhanced with the addition of alignment or penalty methodology.

Data availability statement

ESS-2018 data can be downloaded from european-social-survey.org. PISA 2006 data can be downloaded from oecd.org/pisa/pisaproducts.

References


Appendix

MONTECARLO:

VARIABLE: NAMES = y1-y5; categorical=all; grouping=g(1-2);
DATA: file=1.dat;
ANALYSIS: alignment=fixed; parameterization=theta;
MODEL: f1 BY y1-y5;
OUTPUT: align;

Figure A3. Input file for alignment with the theta parameterization.

MONTECARLO:

VARIABLE: NAMES = y1-y5; categorical=all; grouping=g(1-2);
DATA: file=1.dat;
ANALYSIS: alignment=fixed;
MODEL: f1 BY y1-y5;
SAVE=1.dat;

ANALYSIS: alignment=fixed;

MODEL POPULATION:

f1 BY y1*0.4 y2*0.5 y3*.6 y4*.7 y5*.8; f1*1;
y1*0.84 y2*0.75 y3*.64 y4*.51 y5*.36;

MODEL POPULATION-G2:

f1*0.5;
y1*0.92 y2*0.875 y3*.82 y4*.755 y5*.68;

MODEL:

f1 BY y1*0.4 y2*0.5 y3*.6 y4*.7 y5*.8; f1*1;
MODEL G2:

f1*0.5;

Figure A4. Input file for alignment with the delta parameterization.

Figure A5. Generating data with delta parameterization scalar invariance.

Figure A2. Generating data with theta parameterization scalar invariance.
MONTECARLO:
   NAMES = y1-y3 z1-z3 w1-w3;
   NOBSERVATIONS = 3(1000);
   NGROUPS = 3; NREPS = 100;

ANALYSIS: alignment=fixed;

MODEL POPULATION:
   y1-w3*1;
   f1 BY y1-y3*1 w1-w3*0.5;
   f2 BY z1-z3*1 w1-w3*0.5;

MODEL POPULATION-G1:
   f1-f2*1; f1 with f2*0.4;
   f1 by w1@0; [y1*1]; !NI

MODEL POPULATION-G2:
   f1*1.4 f2*1.2; f1 with f2*-0.4;
   [f1*0.4 f2*0.6];
   f2 by w2*1; [z1*-1]; !NI

MODEL POPULATION-G3:
   f1*1.4 f2*1.2; f1 with f2*0.3;
   [f1*-1 f2*-0.5];
   f2 by z2*0.5; [w3*1]; !NI

MODEL:
   y1-w3*1; [y1-w3*0];
   f1 BY y1-y3*1 w1-w3*0.5;
   f2 BY z1-z3*1 w1-w3*0.5;

MODEL G1:
   f1-f2*1; f1 with f2*0.4;
   f1 by w1@0; [y1*1]; !NI

MODEL G2:
   f1*1.4 f2*1.2; f1 with f2*-0.4;
   [f1*0.4 f2*0.6];
   f2 by w2*1; [z1*-1]; !NI

MODEL G3:
   f1*1.4 f2*1.2; f1 with f2*0.3;
   [f1*-1 f2*-0.5];
   f2 by z2*0.5; [w3*1]; !NI

Figure A6. Alignment simulation for a 2-factor analysis model with cross-loadings.

Figure A7. Alignment simulation for a bi-factor model.
MONTECARLO:
  NAMES = y1-y5 x;
  NOBSERVATIONS = 3(1000);
  NGROUPS = 3; NREPS = 100;
generate=y1-y5(2);
categorical=y1-y5

ANALYSIS: alignment=fixed; parameterization=theta;
          tolerance=0.0001;

MODEL POPULATION:
  f1 by y1-y5*1; x*1;
  f1 on x*0.7;
  [y1$1-y5$1*1];
  [y1$2-y5$2*1];
  y1 on x*0.4;
  y2 with y3*0.3;

MODEL POPULATION-G1:
  f1*1;
  y2 with y3@0;

MODEL POPULATION-G2:
  [f1*0.4]; f1*0.8;
  f1 on x*0.4;
  y1 on x@0;
  f1 by y4-y5*0.6; ! NI
  [y1$1*0 y1$2*1.5] !NI

MODEL POPULATION-G3:
  f1*1.2; [f1*0.3];

MODEL:
  f1 by y1-y5*1;
  f1 on x*0.7;
  [y1$1-y5$1*1];
  [y1$2-y5$2*1];
  y1 on x*0.4;
  y2 with y3*0.3;

MODEL G1:
  f1*1;
  y2 with y3@0;

MODEL G2:
  [f1*0.4]; f1*0.8;
  f1 on x*0.4;
  y1 on x@0;
  f1 by y4-y5*0.6; ! NI
  [y1$1*0 y1$2*1.5] !NI

MODEL G3:
  f1*1.2; [f1*0.3];

MONTECARLO:
  NAMES = y1-y3 z1-z3 x;
  NOBSERVATIONS = 3(3000);
  NGROUPS = 3; NREPS = 100;

ANALYSIS: alignment = fixed; tolerance=0.0001;

MODEL POPULATION:
  f1 BY y1-y3*1 z1-z3*0 (*1);
  f2 BY z1-z3*1 y1-y3*0 (*1);
  y1-z3*1; x*1;
  f1 on x*0.3; f2 on x*-.2;

MODEL population-G1:
  f1-f2*1; f1 with f2*0.5;
  f1 by z3*0.4;

MODEL population-G2:
  [f1*0.5 f2*0.8]; f1*1.2 f2*1.5; f1 with f2*0.3;
  f1 by y3*0.7;
  f1 on x*-.8; f2 on x*2;

MODEL population-G3:
  [f1*0.5 f2*0.3]; f1*1.5 f2*1.2; f1 with f2*0.4;
  [z2*1]; f1 by z3*0.4;
  f1 on x*0.3; f2 on x*2;

MODEL:
  f1 BY y1-y3*1 z1-z3*0 (*1);
  f2 BY z1-z3*1 y1-y3*0 (*1);
  y1-z3*1;
  f1 on x*0.3; f2 on x*-.2;

MODEL G1:
  f1 with f2*0.5;
  f1 by z3*0.4;

MODEL G2:
  [f1*0.5 f2*0.8]; f1*1.2 f2*1.5; f1 with f2*0.3;
  f1 by y3*0.7;
  f1 on x*-.8; f2 on x*2;

MODEL G3:
  [f1*0.5 f2*0.3]; f1*1.5 f2*1.2; f1 with f2*0.4;
  [z2*1]; f1 by z3*0.4;
  f1 on x*0.3; f2 on x*2;

Figure A9. AESEM model with a covariate.

Figure A8. Alignment simulation for a factor analysis with a covariate.
DATA: FILE = pisa06_alignment_finl_data_r.dat;

VARIABLE:
  NAMES = schoolid stdstd country oecd w_fstuwt st16q01-st16q05 st17q01-st17q08 st18q01-st18q10 st19q01-st19q06 st21q01-st21q08 st29q01-st29q04 st35q01-st35q05 st37q01-st37q06 pviscie gender ses cngen zpv1scie zgender zses;
  USEVARIABLES = st16q01-st16q05 st35q01-st35q05 st29q01-st29q04 st37q01-st37q06 gender zses zpv1scie;
  WEIGHT = w_fstuwt;
  CLUSTER = schoolid;
  MISSING = .;
  GROUPING = country(30);
  DEFINE: schoolid={country*10000}+schoolid;
  ANALYSIS: TYPE= COMPLEX; ALIGNMENT=FREE;
  MODEL:
    f1-f4 BY st16q01-st17q08 (*1);
    f1-f4 ON gender zses zpv1scie;

Figure A11. AESEM input file for PISA empirical example.

Figure A10. Large amount of non-invariance.
data: file=esshvs.dat;

variable:
name=cntry gndr agea y1-y21 anweight stratum psu;
usevar=y1-y21;
missing=y1-y21(7 8 9);
grouping=cntry(29);
weight=anweight;
cluster=psu;
strat=stratum;

analysis: alignment=free; estimator=mlr; rotation=target; type=complex;

model:

F1 BY y1 y2~0 y3 y4~0 y5~0 y6~0 y7~0 y8 y9~0 y10~0
    y11 y12 y13~0 y14~0 y15~0 y16~0 y17~0 y18 y19 y20~0 y21~0 (*1);
F2 BY y1~0 y2 y3~0 y4 y5~0 y6~0 y7~0 y8~0 y9~0 y10~0
    y11~0 y12~0 y13 y14~0 y15~0 y16~0 y17 y18~0 y19~0 y20~0 y21~0 (*1);
F3 BY y1~0 y2~0 y3~0 y4~0 y5 y6~0 y7 y8~0 y9 y10~0
    y11~0 y12~0 y13~0 y14 y15~0 y16 y17~0 y18~0 y19~0 y20 y21~0 (*1);
F4 BY y1~0 y2~0 y3~0 y4~0 y5~0 y6 y7~0 y8~0 y9~0 y10
    y11~0 y12~0 y13~0 y14~0 y15 y16~0 y17~0 y18~0 y19~0 y20~0 y21 (*1);

Figure A12. AESEM input file with target rotation for ESS empirical example.