Extended abstract

Title: The relationship between leadership behaviour and employee distress: A matter of demand and control

Introduction
In a recent review of 30 years of research, it was concluded that leadership (e.g. leaders’ behaviours and leadership style) was associated with employee well-being. However, the processes involved in the relationship between leadership and employee well-being remain largely unclear. The impact of the leader may be exerted directly on employee well-being, or indirectly in the sense that the leader influences the work environment, which in turn affects the employees. In recent years, the indirect effects of leadership have gained increasing interest through investigations of mediating variables. The relationship between leadership and employee well-being has been found to be mediated by factors such as employee perception of work-life conflicts, meaningful work, positive climate for innovation and employee involvement and influence. Nonetheless, these studies have focused on transformational leadership, and thus less is known about the processes that link alternative leadership models to employee well-being. Three-dimensional leadership models including production-, employee-, and change-oriented behaviours have been shown to predict various effectiveness outcomes that are well in line with more dominating leadership models, such as transformational and transactional leadership. In the present study we examined the well-validated model of change-, production-, and employee-oriented leadership behaviours, and the potential mediating effect of the two work environment factors job demand and control on the relationship with employee well-being.

Material and methods
The study was conducted at a large county council in Sweden providing both institutional and non-institutional care. A questionnaire was e-mailed to a random sample of 1249 healthcare workers (primarily nurses, but also a wide range of other healthcare professionals and administrative staff) who had a manager that was about to enter a leadership development programme. The response rate was 64%. The healthcare workers rated their managers’ behaviour in change, production, and employee orientation, as well as their own perceptions of level of demand, control (subdivided into decision authority and skill discretion), and five distress outcomes. Multilevel analysis was performed.

Results
All three leadership orientations were negatively related to distress outcome measures, and the mediators were significant predictors of all distress outcomes for all leadership orientations. In eight out of 15 regressions, the mediators fully explained the relationships between leadership orientations and outcomes. Moreover, by adding the mediators, the unstandardised regression coefficient (B) was reduced for all leadership orientations. The most substantial reduction of B was found in employee-oriented leadership, in relation to the outcome variable exhaustion (reduction from B = .14, p < .001 to B = .03, p < .05). For
change-oriented leadership, four out of five relationships were fully mediated by job demand, decision authority, and skill discretion, whereas two out of five outcomes were fully mediated for production- and employee-oriented leadership. Considering the distress outcomes, the relationships between self-rated ill health and all leadership orientations were fully mediated by job demand, decision authority, and skill discretion. For disengagement, on the other hand, the mediation was only partial in all regressions. Both full and partial mediation were found for exhaustion, depression, and sleep disturbances. In all three leadership orientations, the relationship between the mediator skill discretion and the distress measure disengagement were particularly strong, with $B (-.44, p<.001)$ twice as high as for any of the other relationships.

Conclusions
Two main conclusions can be drawn from our findings. First, considering change, production, and employee leadership behaviour, it was change orientation that was most consistently found to be fully mediated by demand and control in relation to the outcomes of employee distress (with the exception of disengagement). Thus it seems that perception of leaders’ change orientation, and how this is related to employee distress, is primarily explained by employee perception of demand and control. Further, our results support a negative association between change-oriented leadership behaviour and employee distress. This may seem somewhat surprising, considering previous observations of a relationship between organisational change and increased risk of employee health problems. However, a highly change-oriented leader might be more compatible with the continuously changing conditions that prevail in today’s working life, for example by being able to reframe stressful organisational changes into something that is meaningful and manageable for employees. In this sense, a leader’s change orientation might moderate the effects of organisational change on employee distress.

A second conclusion drawn from our results is that the relationship between the mediator skill discretion and the outcome measure disengagement can be regarded as noteworthy, considering that the $B$-coefficient for this relationship, irrespective of the leadership orientation being analyzed, was twice as high as noted for any other associations between mediators and distress outcomes. Our results indicate that, regardless of leadership behaviour orientation, the way that employees perceive their opportunity to use specific job skills at work plays an important role in the interplay between how they perceive their leaders’ behaviour and their own disengagement.

Also, we provide support for a relationship between change-, production-, and employee oriented leadership behaviour and employee distress, which thus far has been largely uncertain. The negative association between leaders’ production orientation and employee distress is intriguing in this context. Production orientation deviates from the well-studied transformational leadership style, and it also comprises behaviours that are usually not included in transactional leadership, such as short-term planning and clarifying roles. Our results contradict previous research which suggest that leadership styles focused on task are related to lower job satisfaction in employees. However, although these leadership styles (i.e.
the definition of them as task-focused leadership) show some superficial similarities to production orientation, their operationalisation set them apart from it. For example, previously, leadership styles focused on tasks have been measured by the absence of emotional intelligence, or to the degree to which the leader pays attention to mistakes. It is possible that production orientation, measured as in the present leadership behaviour model, captures behaviour that is important for enhancing a sense of structure and predictability among employees.

Last, we suggest that the work environment dimensions job demand and control are involved as mediators in the influential process between leadership and employee distress. One possible interpretation is that leaders indirectly influence the level of distress by directly affecting the work environment – the influence of demand and control of the work environment on employee distress are well-validated. Yet it could also be argued that the level of distress experienced by employees can influence the behaviours of these individuals, which in turn can affect how they are treated by their leader. To our knowledge, demand and control have not previously been investigated as mediators between leadership and employee distress, neither in terms of change-, production-, and employee oriented leadership behaviour nor in relation to transformational or transactional leadership. Despite several potential interpretations of our findings, the present study gives a more specific understanding of the ways that leadership behaviour might be related to employee well-being and distress.

Keywords: Demand-control, Employee distress, Leadership behaviour, Mediation