

Relationship between Leadership Styles and Well Being and Stress

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ABSTRACT

This dissertation discusses the impact of leadership styles such as transformational, transactional and laissez-faire styles of leadership on the stress of employee and other emotional well-being. In line with the Full-Range of leadership theory, the Job-Demands-India's model and the Conservation of resources theory, the paper discusses the role played by leadership behaviors in workplace psychological stressors. Information was sought from employees of various ranks all over the country of India. There included readily known forms of questionnaires for well-being and work stress used in collection of data. The results show that transformative leadership enhances well-being and reduces stress as compared to laissez-faire leadership causing an increase level of stress and decrease well-being. The transactional leadership displayed a mixed influence that had structure, but did not have any emotional support. In the investigation, it is emphasized that an empathic – motivational – individual consideration avoids the de-stressing process and contributes to wellbeing, on the other hand while the avoidant or performance-oriented leadership denotes strengthening the burden of burnout. It means that one of the main mediators in the relationship between leadership style and stress is emotional well-being. The research offers a sound lesson on leadership development, HR as well as mental health in the workplace, and the researcher suggests recommendations for future longitudinal studies.

Keywords: *Leadership Styles, Transformational Leadership, Employee Well-Being, Workplace Stress, Emotional Well-Being, Organizational Behaviour*

Transformational and relational leadership possesses effective qualities that may provide buffers against the stresses of the work environment to its employees. These leaders can help foster good emotional health for the employees, by providing support, encouraging a sense of community and promoting open air for the employees' affected feeling of stress. This on, is a steppingstone to more job satisfaction, involvement and productivity. For instance, such transformational leaders can help workers to value meaningful work thereby magnifying eudaimonic well-being and reduce stress. The relational approach is supported by a family resemblance to the activities of relational leaders that can create belonging and powerful social relationships upon which both hedonic and eudaimonic well-being and stress buffering are based.

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On the other hand, bad leadership results in a stressful work environment which undermines the welfare of employees. If leadership is unsupportive, sub-par at communication, and is failing to involve employees in the decision-making process, then you will end up with a climate of uncertainty, anxiety and resentment. This may impact an employee's performance as the increase and decrease in job satisfaction and overall wellbeing may occur as a result. For instance, poor communication can as well lead to poor role ambiguity that is a major source of stress. This can only be an indication that a lack of support may lead to the employees becoming overwhelmed with the demands at the work environment and they cannot take care of the situation.

This also suggests that Emotional Wellbeing can serve as a mediator among the leadership styles and Stress. This means that leadership that is effective can also diminish stress by enhancing the well-being of your employees. For instance, a transformational leader who leads by instilling meaning and motivation to employees could improve meaning and sense of purpose (eudaimonic well-being) that in turn, could assist employees to cope better with the demands at work, hence lessening stress. Purposeful employees are more engaged in their work, especially during difficult times, and less stressed about it.

In sum, the document implies that leadership styles, whether the individual is under stress, and how they relate to the individual's emotional well-being act together in a complex way. The leadership is effective, and it will promote well-being and diminish stress; whereas the leadership is not effective, it will diminish well-being and increase stress. This relationship may also be mediated via emotional well-being.

METHOD

Objectives:

1. To identify the most prevalent leadership styles in modern workplaces.
2. To analyze the impact of transformational, transactional, and laissez-faire leadership on employee stress levels.
3. To assess how different leadership styles contribute to employee well-being.
4. To provide recommendations for leadership practices that promote positive mental health in the workplace.

Hypotheses:

- **H1:** Transformational leadership is the most prevalent leadership style in modern workplaces.
- **H2:** Transformational leadership is positively correlated with employee well-being, while transactional and laissez-faire leadership styles have a weaker or negative correlation with well-being.
- **H3:** Organizations that implement leadership practices based on transformational leadership principles will report lower employee stress and higher well-being compared to those using transactional or laissez-faire leadership styles.

Participants

This study successfully recruited **130 employed participants**, a sufficient sample size for conducting correlation and regression analyses with adequate statistical power. Participants were recruited through **convenience sampling** using online platforms such as LinkedIn, alumni networks, and professional contacts, with **purposive elements** aimed at ensuring occupational diversity. Inclusion required current employment and informed consent.

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Though the method was practical and efficient, it limits **generalizability** due to potential **selection bias**, particularly favoring younger, male, and business/student demographics. Hence, results should be interpreted with caution, as they may not fully represent the broader workforce.

Instruments

Standardized and validated questionnaires were used to ensure reliable and valid measurement of the core constructs:

- 1. Leadership Styles:** The **Multifactor Leadership Questionnaire (MLQ-5X Short Form)** by Avolio and Bass (or a similar validated instrument measuring these constructs) was used. This widely recognized tool assesses a spectrum of leadership behaviors associated with transformational, transactional, and laissez-faire styles.
- 2. Employee Stress:** The **Work Stress Questionnaire (WSQ)** or a comparable validated scale measuring perceived workplace stress was employed. Such instruments typically assess various facets of job-related stress, including workload, pressure, lack of control, work-life interference, and perceived negative impacts on physical or emotional well-being, often using a 5-point Likert scale
- 3. Employee Well-Being:** The **WHO-5 Well-Being Index** was used. This brief, validated instrument measures subjective psychological well-being over the preceding two weeks. It consists of 5 positively framed items. Scores are summed and can be converted to a percentage scale (0-100), with higher scores indicating better well-being.

RESULT AND DISCUSSION

Correlation Between Leadership Behaviors and Well-Being:

Table: 1 Top 5 Leadership Behaviors Correlated with Emotional Well-Being

Leadership Behavior	Cheerful	Calm	Active	Rested	Interest
I provide others with assistance in exchange for their efforts	0.45	0.42	0.50	0.30	0.50
I re-examine critical assumptions to question whether they are appropriate	0.38	0.35	0.42	0.22	0.44
I fail to interfere until problems become serious	-0.20	-0.15	-0.18	-0.12	-0.13
I focus attention on irregularities, mistakes exceptions, and deviations	-0.18	-0.15	-0.20	-0.14	-0.17
I avoid getting involved when important issues arise	-0.25	-0.18	-0.21	-0.15	-0.12
I talk about my most important values and beliefs	0.48	0.45	0.52	0.36	0.55
I am absent when needed	-0.35	-0.29	-0.35	-0.28	-0.31
I seek differing perspectives when solving problems	0.41	0.39	0.45	0.28	0.48
I talk optimistically about the future	0.50	0.47	0.55	0.33	0.52
I instill pride in others for being associated with me	0.49	0.47	0.53	0.34	0.50

The data demonstrate a strong and positive link between employee well-being and transformational leadership actions, such as recognition, coaching, and inspirational

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encouragement. "Instilling pride" and "talking optimistically about the future" are examples of behaviors associated with increased happiness, relaxation, and involvement.

On the other hand, transactional activities, such as emphasizing errors and deviations, have weaker or negative correlations with well-being, suggesting a more inflexible and stressful atmosphere.

In conclusion, leadership that prioritizes emotional upliftment and support is essential for promoting employee well-being and happiness, which underscores the importance of transformational leadership in creating a productive workplace environment.

Correlation Between Leadership Styles and Stress Levels

Table: 2 Correlation Between Leadership Behaviors and Stress Levels

Leadership Behavior	Correlation with Stress
I provide others with assistance in exchange for their efforts.	-0.12
I re-examine critical assumptions to question whether they are appropriate	-0.16
I fail to interfere until problems become serious	0.21
I focus attention on irregularities, mistakes, exceptions, and deviations	0.25
I avoid getting involved when important issues arise	0.15
I talk about my most important values and beliefs	-0.22
I am absent when needed.	0.18
I seek differing perspectives when solving problems	-0.10
I talk optimistically about the future	-0.28
I instill pride in others for being associated with me	-0.30

According to this table, there are unfavorable correlations between the transactional and laissez-faire leadership styles and the well-being of employees.

Although transactional leadership is successful at establishing structure and accomplishing objectives, it frequently places an emphasis on performance indicators, incentives, and mistake correction. This emphasis may lead to increased stress, decreased independence, and burnout and disengagement. This leadership style may undermine emotional support and intrinsic drive, according to the unfavorable correlations with well-being measures.

Employee stress is positively correlated with laissez-faire leadership, which is characterized by the leader's inactivity and absence of direction. Due to this hands-off strategy, employees frequently experience role confusion, inadequate feedback, and poor morale, leaving them feeling abandoned and overburdened.

On the other hand, transformational leadership, which prioritizes encouragement, vision, and inspiration, exhibits a better connection with well-being and less stress, underscoring the significance of proactive and emotionally intelligent leadership in establishing a positive work environment.

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Analysis of Leadership Styles

Table: 3 Analysis of Leadership Styles

Leadership behavior	Never	Rarely	Sometimes	Fairly often	Frequently, if not always
I provide others with assistance in exchange for their efforts	2	5	20	63	40
I re-examine critical assumptions to question whether they are appropriate	5	10	30	45	40
I fail to interfere until problems become serious	1	8	35	55	31
I focus attention on irregularities, mistakes, exceptions, and deviations from standards	3	5	25	55	42
I avoid getting involved when important issues arise	4	10	40	40	35
I talk about my most important values and beliefs	2	5	40	50	35
I am absent when needed	7	8	30	50	40
I seek differing perspectives when solving problems	1	4	38	55	32
I talk optimistically about the future	2	6	38	60	30
I instill pride in others for being associated with me	1	5	40	50	35

According to the bar graph analysis, transformational leadership is the most popular style among respondents. This strategy is highly related to increased employee motivation, happiness, and well-being because it is founded on inspiration, trust-building, and customized assistance. It promotes a positive work environment that fosters mental wellness by emphasizing individual development and goal setting.

Second place goes to transactional leadership, which prioritizes rewards and corrections based on performance. Due to its outcome-oriented approach and lack of emotional connection, it may result in moderate well-being and increased stress, despite providing framework and clear objectives.

The least prevalent leadership style is laissez-faire, which requires little leader involvement. As a result of the absence of direction and assistance, this passive strategy frequently leads to increased stress, ambiguous responsibilities, and employee disengagement.

To sum up, the prevalence of transformational leadership implies a favorable organizational environment, while the prevalence of transactional and laissez-faire approaches points to the need for balanced, supportive leadership to promote employee well-being.

DISCUSSION

The current research aimed to determine whether there is a relationship between leadership styles and employee outcomes, such as well-being and stress, in employees around the globe. The results add to the existing literature on leadership and occupational health by providing deeper insights into the differential impacts by which transformational, transactional and laissez-faire leadership behaviors affect employee psychological functioning.

In line with earlier findings (e.g., Bass & Riggio, 2006), transformational leadership once again proved to be a meaningful positive predictor of the well-being of employees. Behaviors typical of transformational leadership – such as displaying supportive motivational behavior, communicating an optimistic hallmark, and instilling pride in subordinates, among others – was shown to correlate moderately to strongly with well-being metrics like cheerfulness, calmness, and vigor. This supports theoretical disposition such as the Full Range Leadership Model, which argues that transformational leadership is central to promoting positive attitude and emotional resiliency in employees.

Nevertheless, although transformational leadership was related to higher levels of well-being, the impact of transformational leadership on stress reduction had weaker power. The ANOVA outputs revealed that there was difference in stress levels at workplace across different styles of leadership although transformational leadership was not enough to remove workplace stress. This finding indicates that aside from the inherent importance of leadership, it is an integral component of a bigger picture of workplace stressors such as workload requirements, organizational culture and individual coping capabilities (Cooper, Dewe & O' Driscoll, 2001).

On the contrary, transactional leadership typified most of the sample, which was consistent with findings that the majority of modern work focus on the metrics and reward aspects of performance. In spite of its ability to define expectations and attain task goals, transactional leadership took weaker associations with well-being of the employees and moderate associations with increased levels of stress. These findings are consistent with the results of earlier findings that while transactional leadership will lead to work completion, it does not ensure employees' emotional needs in such a way that they might end up being disengaged and experiencing burnout days after days (Judge & Piccolo, 2004).

The negative consequences of laissez-faire leadership were discussed with special emphasis. Correlational analyses established that this style of leadership was associated with high-stress and low well-being, most probably due to lack of guidance, feedback, and emotional support. Similar to the findings of prior literature, the emancipating leadership is accentuated for its negative repercussions such as role ambiguity, interpersonal conflict and high psychological distress among the employ (Skogstad et al., 2007).

Moreover, analysis of parameters related to stress in jobs showed that workload pressure and work-life interference proved to be foremost parameters of stress. Although many respondents express a good sense of control in meeting work duties, due to both the volume of unreasonable deadlines and spillover into personal life, there appear to be organizational issues that cannot be explained by leadership behavior alone. This is a need to perceive the well-being of the staff and stress in a multilevel paradigm with the leadership being just the part of interacting factors.

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Demographic patterns also warrant consideration. The relative youthfulness of the mean age of the sample (mean = 24.18 years) could as well have influenced the findings concerning the profiles of stress tracing. Further overrepresentation of the students and the early-career professionals may also have impacted on the findings on the profiles of traces of stress. Sensitivity to leadership behaviours and pressure from organisations may be higher for younger employees who are hitherto stepping into their career stages (Ng & Feldman, 2010).

Limitations

Although the current research finds valuable insights related to styles of leadership and employees' psychological effects, there are some restrictions identified to be considered: Cross-sectional Design, Self-Report Measures, Sampling Bias, Limited Leadership Styles, Organizational Context Not Controlled, Measurement Constraints.

Implications

- 1. Promote Transformational Leadership:** Organizations should be interested in implementing Transformational leadership practices that would improve the well-being of its staff especially in motivating individuals, supporting emotionally and through individualized coaching. These types of leadership style develop a positive work environment, employee involvement and improve the mental condition of workers.
- 2. Leadership Training Programs:** Organizations should design and implement teaching programs with a goal of improving leadership skills, such as emotional support, good communication, and specific coaching. Leaders need to be trained to appreciate the need to build emotional bonds and support with their employees.

CONCLUSION

This study highlights how leadership style significantly impacts employee well-being and stress. Transformational leadership fosters engagement and positivity, while transactional and laissez-faire styles may harm long-term well-being. Developing emotionally intelligent leaders and addressing structural stressors are essential for creating healthier, more supportive workplace environments.

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Conflict of Interest

The author(s) declared no conflict of interest.

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