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Relationship Between Leadership Styles and Employee Depression among Working Professionals in India: A Cross-Sectional Study

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Abstract: ***The workplace environment plays an important role in employees' psychological well-being, and leadership is one of the organizational factors that may shape employees' experiences of stress, support, and psychological safety. This study examined the relationship between transformational, transactional, and laissez-faire leadership styles and employee depression among working professionals in India. A quantitative, cross-sectional, correlational research design was adopted. Primary data were collected through an online questionnaire from 60 working professionals recruited using convenience and snowball sampling. Leadership styles were assessed using a researcher-developed questionnaire based on the dimensions of Full Range Leadership Theory, while depressive symptoms were assessed using the Patient Health Questionnaire-9 (PHQ-9). Data were analysed using descriptive statistics, Cronbach's alpha, Pearson's product-moment correlation, and multiple linear regression in IBM SPSS Statistics. Transformational leadership showed a significant negative relationship with employee depression ($r = -0.328$, $p = .010$), and transactional leadership also showed a significant negative relationship ($r = -0.282$, $p = .029$). Laissez-faire leadership demonstrated a significant positive relationship with employee depression ($r = .379$, $p = .003$) and was the strongest of the three bivariate associations. The combined regression model was significant, $R^2 = .167$, $F(3, 56) = 3.755$, $p = .016$; however, none of the individual leadership styles was a statistically significant independent predictor after the three styles were entered simultaneously. The findings suggest that supportive and structured leadership behaviours are associated with lower reported depressive symptoms, whereas passive leadership is associated with higher reported depressive symptoms. The results highlight the importance of leadership development and psychologically supportive workplace practices while recognizing that the cross-sectional design does not establish causality.***

Keywords: Leadership styles; Transformational leadership; Transactional leadership; Laissez-faire leadership; Employee depression; PHQ-9

1. Introduction

Organizations increasingly operate in environments characterized by technological change, globalization, digital transformation, competitive pressures, and evolving work arrangements. These developments have increased opportunities for innovation while also creating greater demands for adaptability, productivity, and continuous performance. Within this context, employee psychological well-being has become an important organizational concern because employees' mental health is closely connected with their ability to maintain effective functioning, relationships, motivation, and work performance.

Depression is among the major mental health concerns relevant to working populations. Depressive symptoms may involve persistent low mood, reduced interest or pleasure, fatigue, impaired concentration, sleep or appetite changes, hopelessness, and reduced motivation. In occupational settings, depressive symptoms may affect productivity, absenteeism, presenteeism, interpersonal functioning, job satisfaction, and organizational commitment. Workplace conditions do not operate in isolation from individual factors; however, psychosocial characteristics of the work environment can influence the degree of stress and support experienced by employees.

Leadership is one such organizational factor. Leaders influence employees' daily work experiences through communication, feedback, decision-making, recognition, performance management, conflict resolution, and interpersonal support. The nature of these behaviours can shape employees' perceptions of trust, fairness, psychological safety, autonomy, and organizational support. Consequently, leadership is relevant not only to conventional outcomes such as performance and satisfaction but also to employee psychological well-being.

The Full Range Leadership Theory provides a useful framework for understanding different patterns of leadership behaviour. The framework distinguishes transformational leadership, transactional leadership, and laissez-faire leadership (Bass & Avolio, 1994). Transformational leadership emphasizes vision, inspiration, intellectual stimulation, and individualized consideration. Transactional leadership emphasizes clear expectations, performance monitoring, contingent rewards, and corrective action. Laissez-faire leadership represents a more passive approach characterized by limited involvement, delayed decision-making, and avoidance of leadership responsibilities.

These leadership styles may create different psychological conditions for employees. Transformational leadership may foster support, meaning, trust, recognition, and opportunities for development. Transactional leadership may provide structure and clarity when expectations and rewards are fair and consistently communicated. In contrast, passive leadership may reduce access to guidance, feedback, and supervisory support. The Job Demands–Resources (JD-R) model provides a complementary explanation: supportive leadership can function as a job resource that helps employees manage work demands, whereas inadequate

support may leave employees exposed to demands without sufficient resources (Demerouti et al., 2001; Bakker & Demerouti, 2007).

Empirical research has provided evidence that leadership is related to employee well-being. Judge and Piccolo (2004) reported strong associations between transformational leadership and favourable employee outcomes and identified negative outcomes associated with laissez-faire leadership. Montano et al. (2017), in a comprehensive meta-analysis, concluded that leadership behaviours are important occupational factors associated with followers' mental health. Skogstad et al. (2007) specifically identified laissez-faire leadership as a potentially destructive form of passive leadership associated with role ambiguity, interpersonal conflict, and psychological strain. Research on transformational leadership has also linked supportive leadership behaviours with positive psychological experiences and employee well-being (Arnold et al., 2009; Breevaart et al., 2014).

Despite this evidence, comparatively fewer studies have examined the relationship between the three Full Range Leadership dimensions and employee depression as the principal psychological outcome, particularly among working professionals in India. Much of the existing evidence has focused on employee performance, job satisfaction, engagement, burnout, or general mental health. In addition, findings from other cultural and organizational contexts cannot automatically be assumed to apply to Indian workplaces, where organizational structures, expectations, communication norms, and employment conditions may differ.

The present study therefore examined the relationship between transformational, transactional, and laissez-faire leadership styles and employee depression among working professionals in India. Specifically, the study assessed whether each leadership style was significantly related to depressive symptoms and examined the collective contribution of the three leadership styles through multiple linear regression. Based on the literature and theoretical framework, transformational and transactional leadership were expected to show negative relationships with employee depression, whereas laissez-faire leadership was expected to show a positive relationship.

2. Method

2.1 Research Design

A quantitative, cross-sectional, descriptive, and correlational research design was adopted. Data were collected at one point in time, and no variables were experimentally manipulated. The design was selected to examine naturally occurring relationships between employees' perceptions of leadership behaviour and their reported depressive symptoms.

2.2 Participants and Sampling

The final sample comprised 60 working professionals from different industries in India. Participants were recruited using convenience and snowball sampling. Eligible participants were adults aged 18 years or above who were currently employed in a public or private organization, worked under a reporting manager or team leader, could understand English, and provided informed consent. Unemployed individuals, full-time students without employment, self-employed individuals or business owners without a reporting manager, participants submitting incomplete questionnaires, and individuals not providing informed consent were excluded.

The sample included 29 participants aged 25–34 years (48.3%), 16 aged 35–44 years (26.7%), 6 aged 45–54 years (10.0%), 6 aged 55 years and above (10.0%), and 3 aged 18–24 years (5.0%). There were 31 female participants (51.7%), 28 male participants (46.7%), and 1 non-binary participant (1.6%). The largest industry groups were manufacturing (25.0%), information technology (25.0%), and consulting (23.3%).

Sample characteristic	n	%
18–24 years	3	5.0
25–34 years	29	48.3
35–44 years	16	26.7
45–54 years	6	10.0
55 years and above	6	10.0
Female	31	51.7
Male	28	46.7
Non-binary	1	1.6

2.3 Instruments

The online questionnaire consisted of demographic questions, a leadership-style assessment, and the Patient Health Questionnaire-9. Demographic information included age, gender, educational qualification, industry, work experience, work arrangement, weekly working hours, and team size.

Leadership styles were assessed using a researcher-developed questionnaire based on the theoretical dimensions of Full Range Leadership Theory. The questionnaire contained four items for each of the three leadership styles: transformational leadership, transactional leadership, and laissez-faire leadership. Responses were recorded on a five-point Likert scale ranging from 1 (Strongly Disagree) to 5 (Strongly Agree), with higher scores indicating stronger perceptions of the respective leadership behaviour.

Employee depression was assessed using the Patient Health Questionnaire-9 (PHQ-9), developed by Kroenke, Spitzer, and Williams (2001). The PHQ-9 contains nine items assessing depressive symptoms during the preceding two weeks. Responses range from 0 (Not at all) to 3 (Nearly every day), producing a total score from 0 to 27; higher scores indicate greater severity of reported depressive symptoms. The PHQ-9 is a screening measure and does not by itself establish a clinical diagnosis.

2.4 Procedure and Ethical Considerations

Primary data were collected through Google Forms. Before beginning the questionnaire, participants received information about the purpose of the study, voluntary

participation, confidentiality, and the use of responses for academic research. The questionnaire link was distributed through professional and personal networks, including WhatsApp, LinkedIn, and email. Participants could withdraw without providing a reason. No personally identifiable information such as names, phone numbers, email addresses, or organizational identities was collected. Responses were stored and reported in aggregated form.

The cleaned dataset was exported from Google Forms to Microsoft Excel and subsequently analysed using IBM SPSS Statistics. The study adopted a significance level of .05 for statistical tests.

2.5 Statistical Analysis

Frequency and percentage analyses were used to describe the sample. Means and standard deviations were calculated for the study variables. Cronbach's alpha was used to examine internal consistency. Pearson's product-moment correlation was used to assess the direction and strength of the relationships between leadership styles and employee depression. Multiple linear regression was conducted as a supplementary analysis to examine the collective contribution of transformational, transactional, and laissez-faire leadership to PHQ-9 scores.

3. Results

3.1 Reliability Analysis

All four scales demonstrated satisfactory internal consistency. The transformational leadership scale showed excellent reliability (α = .918), while the transactional leadership (α = .832), laissez-faire leadership (α = .882), and PHQ-9 (α = .881) scales demonstrated good internal consistency.

Scale	Items	Cronbach's α	Interpretation
Transformational Leadership	4	.918	Excellent
Transactional Leadership	4	.832	Good
Laissez-faire Leadership	4	.882	Good
PHQ-9	9	.881	Good

3.2 Descriptive Statistics

Variable	M	SD	Minimum	Maximum
Transformational Leadership	3.50	1.14	1.00	5.00
Transactional Leadership	3.45	0.95	1.00	5.00
Laissez-faire Leadership	2.45	1.01	1.00	4.75
Employee Depression (PHQ-9)	7.07	5.45	0.00	26.00

Transformational leadership had the highest mean score (M = 3.50, SD = 1.14), followed closely by transactional leadership (M = 3.45, SD = 0.95). Laissez-faire leadership had a lower mean score (M = 2.45, SD = 1.01). The mean PHQ-9 score was 7.07 (SD = 5.45), indicating variability in reported depressive symptoms across participants.

3.3 Pearson Correlation Analysis

Leadership style	r with PHQ-9	p	Interpretation
Transformational Leadership	−.328	.010	Significant negative
Transactional Leadership	−.282	.029	Significant negative
Laissez-faire Leadership	.379	.003	Significant positive

Transformational leadership was significantly and negatively related to employee depression, r = −.328, p = .010. Transactional leadership also demonstrated a significant negative relationship with employee depression, r = −.282, p = .029. Laissez-faire leadership demonstrated a significant positive relationship with employee depression, r = .379, p = .003. Thus, higher perceived transformational and transactional leadership were associated with lower reported depressive symptoms, whereas higher perceived laissez-faire leadership was associated with higher reported depressive symptoms. The laissez-faire relationship was the strongest bivariate association among the three leadership styles.

3.4 Multiple Linear Regression

A simultaneous multiple regression was conducted with PHQ-9 total score as the dependent variable and the three leadership styles as predictors. The overall model was statistically significant, R = .409, R^2 = .167, adjusted R^2 = .123, F(3, 56) = 3.755, p = .016. Thus, the three leadership dimensions collectively explained 16.7% of the variance in employee depression.

Predictor	B	SE B	β	t	p
Constant	5.274	4.130	—	1.277	.207
Transformational Leadership	−.499	.828	−.129	−.602	.550
Transactional Leadership	−.350	.945	−.074	−.370	.713
Laissez-faire Leadership	1.510	.758	.309	1.993	.051

Although the overall regression model was significant, none of the individual leadership styles was a statistically significant independent predictor at the .05 level after the three leadership dimensions were entered simultaneously. Transformational leadership retained a negative coefficient (B = −.499, p = .550), transactional leadership retained a negative coefficient (B = −.350, p = .713), and laissez-faire leadership retained a positive coefficient (B = 1.510, p = .051). The difference between the significant bivariate correlations and non-significant individual regression coefficients suggests that the leadership dimensions shared explanatory variance.

3.5 Hypothesis Testing

Hypothesis	Test	Result	Decision
H1: Transformational leadership is significantly related to employee depression	Pearson correlation	r = −.328, p = .010	Supported
H2: Transactional leadership is significantly related to employee depression	Pearson correlation	r = −.282, p = .029	Supported
H3: Laissez-faire leadership is significantly related to employee depression	Pearson correlation	r = .379, p = .003	Supported

All three proposed alternative hypotheses were supported by the Pearson correlation analysis. The regression analysis, however, indicates that the individual leadership dimensions did not make statistically significant unique contributions when considered simultaneously.

4. Discussion

The present study examined the relationship between transformational, transactional, and laissez-faire leadership styles and employee depression among 60 working professionals in India. The results demonstrated a consistent pattern at the bivariate level: transformational and transactional leadership were associated with lower reported depressive symptoms, whereas laissez-faire leadership was associated with higher reported depressive symptoms. The overall regression model was significant, although the individual predictors did not remain statistically significant after controlling for the overlap among leadership dimensions.

The significant negative relationship between transformational leadership and employee depression ($r = -.328$, $p = .010$) is consistent with the broader literature on supportive leadership and employee well-being. Transformational leaders emphasize vision, individualized consideration, intellectual stimulation, and encouragement. These behaviours may provide employees with social and psychological resources that help them cope with workplace demands. Montano et al. (2017) similarly found that transformational and high-quality leader–follower relationships were associated with more favourable mental-health outcomes. Arnold et al. (2009) also reported a relationship between transformational leadership and psychological well-being. The present findings therefore support the proposition that employees who perceive greater supportive and developmental leadership may report fewer depressive symptoms.

The significant negative relationship between transactional leadership and employee depression ($r = -.282$, $p = .029$) suggests that structured leadership may also have psychological value. Transactional leadership is commonly associated with clear expectations, performance standards, feedback, and contingent rewards. When such practices are fair and predictable, they may reduce uncertainty and role ambiguity. Judge and Piccolo (2004) found that contingent reward, a key transactional component, was positively associated with several favourable employee outcomes. The present result should nevertheless be interpreted carefully because transactional leadership was a weaker correlate of depression than transformational leadership and did not emerge as an independent predictor in the regression model.

Laissez-faire leadership showed the strongest bivariate association with employee depression ($r = .379$, $p = .003$). This positive relationship indicates that employees who perceived greater passive or avoidant leadership also reported higher depressive symptoms. The finding is consistent with Skogstad et al. (2007), who linked laissez-faire leadership with role ambiguity, interpersonal conflict, reduced job satisfaction, and psychological strain. Passive leadership may reduce employees' access to guidance, feedback, problem-solving support, and timely decision-making. From the JD-R perspective, inadequate leadership may represent a reduction in available job resources while workplace demands remain present, potentially increasing psychological strain (Demerouti et al., 2001; Bakker & Demerouti, 2007).

An important finding is that the three leadership styles collectively explained 16.7% of the variance in PHQ-9 scores, and the overall regression model was significant, $F(3, 56) = 3.755$, $p = .016$. However, none of the individual regression coefficients was statistically significant at $p < .05$. This pattern should not be interpreted as a contradiction of the correlation findings. Rather, it indicates that the leadership dimensions share explanatory variance. When each style is examined separately, significant associations with depression are observed; when all three are entered simultaneously, their overlapping variance makes it more difficult for any single predictor to demonstrate a unique contribution. The laissez-faire coefficient approached significance ($p = .051$), but it should not be labelled statistically significant under the pre-specified .05 criterion.

Taken together, the findings suggest that leadership should be considered as part of the broader psychosocial environment in which employees work. The results do not establish that leadership causes depression, because the study was cross-sectional and relied on self-reported measures. Instead, they indicate that employees' perceptions of leadership are associated with their reported depressive symptoms. Other factors such as workload, job insecurity, organizational support, work-life balance, individual vulnerability, and organizational culture may also contribute to depression.

The practical interpretation is therefore not that one leadership style alone determines employee mental health. Rather, the findings support the value of active, supportive, fair, and responsive leadership behaviours while highlighting the potential risks of persistent managerial passivity. Leadership development programmes that strengthen communication, recognition, individualized support, constructive feedback, and timely decision-making may contribute to healthier workplace experiences.

5. Practical Implications

Organizations can incorporate employee psychological well-being into leadership-development programmes. Training can emphasize communication, individualized consideration, constructive feedback, emotional support, conflict management, and recognition.

Managers should provide clear expectations and fair performance feedback. Structured performance management may reduce uncertainty, particularly when employees understand how performance is evaluated and how recognition is allocated.

Organizations should identify and discourage persistent laissez-faire behaviours such as avoiding decisions, delaying responses, and failing to provide necessary guidance. Managerial coaching and periodic leadership assessments can be used to identify areas for improvement.

Human resource functions can complement leadership development with employee assistance programmes, confidential counselling access, mental-health awareness initiatives, and mechanisms through which employees can safely communicate workplace concerns.

Because the study demonstrates associations rather than causation, organizational interventions should not treat leadership as the sole explanation for employee depression. Leadership practices should instead form one component of a broader workplace mental-health strategy.

6. Limitations and Future Research

The study has several limitations. First, the cross-sectional design prevents causal conclusions and captures perceptions at a single point in time. Second, convenience and snowball sampling may limit the generalizability of the findings to the wider Indian working population. Third, the sample size of 60 is relatively small and limits statistical power, particularly for multivariable analyses. Fourth, all measures were self-reported, which may introduce common-method or response bias. Fifth, the PHQ-9 is a screening measure of depressive symptoms rather than a clinical diagnostic assessment; therefore, the results should not be interpreted as clinical diagnoses of depression. Finally, the study focused on transformational, transactional, and laissez-faire leadership and did not examine other leadership approaches such as servant, authentic, ethical, or inclusive leadership.

Future research should use larger and more diverse samples across industries, organizational levels, and geographical regions. Longitudinal designs could clarify temporal relationships between leadership experiences and employee mental health. Future studies could also examine mediating or moderating mechanisms such as perceived organizational support, work stress, psychological safety, resilience, organizational culture, and job demands. Comparative research across public and private organizations and across cultural contexts may further clarify how organizational environments shape the relationship between leadership and employee mental health.

7. Conclusion

The present study examined the relationship between leadership styles and employee depression among working professionals in India. Transformational leadership was significantly and negatively related to reported depressive symptoms, as was transactional leadership. Laissez-faire leadership demonstrated a significant positive relationship and showed the strongest bivariate association with employee depression. The three leadership styles collectively explained 16.7% of the variance in PHQ-9 scores, although none of the individual predictors was statistically significant in the simultaneous regression model. Overall, the findings suggest that supportive, structured, and actively engaged leadership behaviours are associated with more favourable employee mental-health outcomes, while passive leadership is associated with higher reported depressive symptoms. The findings reinforce the importance of considering leadership as one component of a broader organizational approach to employee well-being. Further research using larger, longitudinal, and more diverse samples is needed to clarify the mechanisms underlying these relationships.

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