

## IS LEADERSHIP POSITION RELATED TO MORE SOCIAL INCLUSION, HAPPINESS, AND SATISFACTION WITH LIFE? THE IMPORTANCE OF POWER DISTANCE INDEX

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**Abstract.** A leadership position is associated with influence, success, and power, especially in cultures with high power distance (Zheng et al., 2018). Yet, we still know little about leaders' wellbeing in different cultures. Therefore, the purpose of this paper is to investigate if a leadership position is related to more happiness, satisfaction with life and social inclusion. Additionally, it is presumed that this relationship could differ in countries with different power distance scores. European Social Survey (ESS) data from Round 9, edition 2.0 was employed to test research propositions. 23 079 currently working respondents' data whose main activity was paid work (7130 of them having leadership positions) were analysed. The study results showed that leaders were more satisfied with life, happier, and more socially included than people who did not have a leadership position in their workplace. The power distance index acted as a moderator only in the model of happiness prediction. However, this country related variable had a significant direct negative effect on predicting peoples' happiness and satisfaction with life, and direct positive effect on social inclusion. Regarding results, a shared leadership perspective could be proposed to have more satisfied with life, happy and socially active members in the organization.

**Keywords:** leadership position, happiness, satisfaction with life, social exclusion, power distance, European Social Survey (ESS) data.

**JEL Classification:** I31, J81, M12.

### Introduction

In mass media leadership position is presented as a dream job: most people aspire to it. But the question remains if this position is associated with the leaders' subjective well-being: more happiness, satisfaction with life, and social inclusion. Regarding Resource theories, certain leader behaviors could entail resources that positively relate to well-being. For example, Self-determination theory explains that leadership should fulfill leaders' innate psychological needs (autonomy, competence, and relatedness) and shape their well-being (Hetland et al., 2011; Ryan et al., 2008; Moore, 2007). Moreover, affect theories state that positive leader-follower interactions, which are essential in this position, should also improve leaders' well-being (Kaluza et al., 2020). However, this topic lacks empirical evidence. Therefore, we will investigate if a leadership position is related to more happiness, satisfaction with life and social inclusion. Both emotional and evaluative approach to personal wellbeing (Hupert et al., 2005): people's emotional

responses (happiness) and their cognitive or evaluative responses (satisfaction with life), will be considered together with social wellbeing (social inclusion) (Hupert et al., 2005). So, multidimensional approach to wellbeing will be analyzed in the study.

Research of different leadership theories (even the most popular one as transformational leadership theory) has predominantly focused on followers, especially their well-being, and ignored leaders (Lanaj et al., 2016). Nevertheless, leaders' happiness, satisfaction with life, and social relationships are worthy of studying. Experimental studies confirm that positive emotions lead to positive cognitions and pro-social behaviors (Hupert et al., 2005). Simultaneously, levels of happiness and satisfaction are closely related to social connectedness that is essential in leading the group of people (Hupert et al., 2005). Moreover, leaders are central mechanisms in the organization, responsible for its effective functioning, and their wellbeing matters worldwide (Kaluza et al., 2020; Lord et al., 2017).

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Leaders' wellbeing is important in different countries and continents. However, from the theoretical perspective, culture should be included in leadership research as an important contextual factor. Marques (2015, p. 1318) defines leadership as "a dynamic phenomenon which is strongly dependent on the needs and structures of societies" that may vary in different cultures. Power distance is among the most frequently discussed dimensions of national culture in the leadership literature (Schermerhorn & Bond, 1997). It could be that power distance works as a moderator in the relationship between leadership position and satisfaction with life, happiness, and social inclusion. Therefore, additionally, we will include the power distance index in our analysis.

Individual's evaluation of the quality of his or her own life will be analyzed in the context of leadership position and culture. Leadership position is understood as micro factor and power distance – as macro one. With reference to Kifer and colleagues (2013), greater power can allow people to be true to their desires that leads to greater wellbeing. In our study we will test this presumption with a European Social Survey data (Round 9) from 26 countries. The greater power will be understood both as a leadership position at work and as a cultural support of power distance in the country. Moderating effect of culture will get a significant consideration (Sutton, 2020). Moreover, wellbeing will be investigated not only as satisfaction with life and happiness, but also as social inclusion. Dimension of social wellbeing is a significant addition to global understanding of wellbeing (Lambert et al., 2020). Besides, social distancing has become a huge challenge in leadership and leading, especially, in the context of COVID-19 health crisis (Antonacopoulou & Georgiadou, 2021). So, our study will propose valuable insights into this topic, too. Finally, evidence-based recommendations related to leaders' wellbeing for practice will be provided.

## 1. Theoretical framework

### 1.1. Leadership position: leaders' happiness, satisfaction with life, and social inclusion

Grint with colleagues (2016) summarized leadership definitions into 5 categories: person, purpose, process, result, and position oriented. In this article, leadership will be understood as a position ("is it where leaders operate that makes them leaders" (Grint et al., 2016, p. 4)). More specifically, we will talk about the formal position on a vertical hierarchy in an organization. Besides, it relates to positional control over subordinates' networks, with power and responsibility (Grint et al., 2016).

Literature shows that leaders compared with other populations score very high on the subjective happiness and satisfaction with life (Moore, 2007). According to Self-determination theory, humans seek out relationships (psychological need for relatedness), psychological freedom (need for autonomy), and challenges (need for competence) (Ryan et al., 2008). A leadership position

(with reference to its definition above) should fulfill all these needs. Consequently, "accomplished individuals should, by all modern definitions, be happy" (Moore, 2007, p. 2). Links between daily leadership practices and leader emotions were confirmed by Lanaj and colleagues (2016): behaviors reflective of transformational leadership were associated with increases in positive and decreases in negative affect. Moreover, daily need fulfillment partially mediated these effects (Lanaj et al., 2016).

However, some authors (e.g., Kaplan et al., 1991) argue that those who ascend the hierarchy of leadership demonstrate a paucity of wellbeing. It seems that greater amounts of wealth create leaders' short-term satisfaction, but in the long-term perspective, the drive for wealth leads to exhaustion problems – leaders feel empty and cynical (Roche & Haar, 2013). Besides, their workaholic and workaholic behaviors relate to less life, family, and job satisfaction (Clark et al., 2016). Finally, leaders' satisfaction with life is less interesting to scientists in comparison with employees', and it is under-researched.

On the other hand, leaders' relationship aspiration could work as a buffer for exhaustion because it is negatively related to cynicism (Roche & Haar, 2013). Moore (2007) proposes additional evidence from the qualitative research with senior leaders that social relationships are one of the main components of leaders' happiness. Leaders invest in building and maintaining relationships and at the same time gain energy and motivation from exchanges with others (Moore, 2007). Therefore, they should experience more social inclusion that at some point pays dividends for leaders. Leader-member exchange quality is important for predicting leaders' positive affect and less job stress (Bernerth & Hirschfeld, 2016). Moreover, the meta-analytical results confirm that relation-oriented leadership accounts for more variance in leader well-being than task-oriented leadership (Kaluza et al., 2020).

Hence, regarding the literature presented above, it is hypothesized that leadership position is related to more well-being: leaders are more satisfied with life, happier, and more socially included than employees who have no leadership position.

### 1.2. Power distance among different cultures and value of leadership position

Although the value of leadership (both for the person and organization) is accepted worldwide, from the theoretical point of view, national culture should be included in the leadership research as an important contextual factor. For example, Clark with colleagues (2016, p. 22) argues that "specific cultures for competitiveness or achievement may exacerbate the workaholic leader-follower relationship." Additionally, Moore (2007) states that people aspire more towards power, authority, influence, and wealth in the American capitalist society. A leadership position should provide all these things and warrant happiness. However, in other countries, power is less important, and cultural values are based on other aspects.

Power distance and Individualism-collectivism are among the most frequently discussed dimensions of national culture in the leadership literature (Schermerhorn & Bond, 1997). Power distance is also highly relevant to ratings of leader effectiveness (Kossek et al., 2017). With reference to Daniels and Greguras (2014), power is fundamental to all relationships in hierarchical organizations, therefore understanding power distance is critical in organizational research. It may help to explain many organizational processes and outcomes. This dimension in Hofstede Culture Compass is defined as “the extent to which the less powerful members of institutions and organizations within a country expect and accept that power is distributed unequally” (hofstede-insights.com). Power is understood as influence over others. Besides, authority is associated with position power (Kossek et al., 2017).

Cultures with high power distance, where high inequality of power distribution among individuals in societies dominates, associate leadership position with greater influence and success. The owner of power is seen as privileged (Zheng et al., 2018). Moreover, it is stated that when power distance decreases in cultural tradition, the leadership behavior should be changed to fit employees’ beliefs about the effective leader (Zheng et al., 2018). Regarding Pasa (2000), western leadership influence tactics are not frequently used in a culture with high power distance. Besides, beliefs about social relationships that are crucial for leader-member exchange also vary among cultures (Kossek et al., 2017; Mittal & Elias, 2016). For example, House with colleagues (2004) mention that in higher power distance cultures, the unequal distribution of power is considered to provide social order. Social relationships are necessary to influence others. Finally, Mittal and Elias (2016) confirm that particularly harsh power bases are expected to be chosen for influencing subordinates in cultures that are high in power distance both due to leaders’ power needs and subordinates who accept such influence attempts. Leaders don’t need long preparation for influence attempts and quite often succeed because subordinates are psychologically ready for such power bases (Mittal & Elias, 2016).

Thus, the second hypothesis states that power distance is an important factor in the analysis of relationships between leadership position and happiness, satisfaction with life, and social inclusion. Power distance index has a moderating effect on the relationship between leadership position and happiness, satisfaction with life and social inclusion: the higher power distance, the stronger effect.

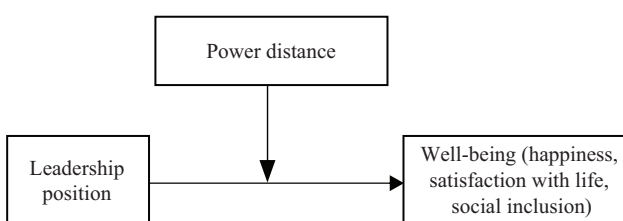


Figure 1. A diagram of the conceptual model

So, the main question of this research is if leadership position is related to more happiness, satisfaction with life and social inclusion depending on cultural dimension – power distance in the country. A diagram of the conceptual model is presented in Figure 1.

## 2. Methodology

### 2.1. Data collection and samples

The European Social Survey (further-ESS) data (ESS, 2018/2019, Round 9, Edition 2.0) were analyzed to test the hypotheses. ESS is a cross-national survey that has been conducted in Europe every two years since 2001. ESS data is collected using probability sampling via face-to-face interviews, where strict random probability methods select individuals in all countries.

A total of 23 308 currently working respondents’ data whose main activity was paid work were used in the analysis. 229 respondents refused to answer if they are responsible for supervising other employees or the information was not clear, so their data were excluded from the analysis. So, the final sample consisted of 23 079 respondents, 7130 of them having a leadership position. 51% of the sample were male, with the mean age of 44.57 and 14.04 of years of education completed on average. The majority of the sample worked in a private firm (60%), on average 40.73 hours per week, and had unlimited work contracts (see Table 1).

The same sample (except Cyprus data, for which no Hofstede dimensional scores of culture were available) was used to test the second hypothesis.

### 2.2. Measurement

ESS Core questionnaire includes the Personal and Social Wellbeing module, which seeks to evaluate European countries’ success at promoting the personal and social well-being of their citizens. Internationally comparable well-being indicators are used for the evaluation in ESS. The subjective dimension of well-being relates to a person’s experience of the quality of their life (Hupert et al., 2005). In ESS, this dimension is evaluated by personal hedonic (emotional aspect – happiness and cognitive aspect – satisfaction with life) and social eudemonic (social inclusion) approaches. The hedonic approach emphasizes positive feelings and eudemonic – positive functioning (Hupert et al., 2005).

The questions on subjective personal well-being and social inclusion from the Personal and Social Wellbeing module of ESS were employed in this study. Respondents’ happiness was evaluated with one item, as well as satisfaction with life. Both items were rated on an 11-point Likert scale (from 0 – “Extremely dissatisfied/unhappy” to 10 – “Extremely satisfied/happy”). Social inclusion was measured by responses to the question “How often socially meet with friends, relatives or colleagues” on a 7-point Likert scale (from 1 – “Never” to 7 – “Everyday”).

Table 1. Demographic and work-related descriptive statistics of respondents

		Total sample (N = 23 079)		
		Employees having LP	Employees without LP	Total
Age (mean ± SD)		45.32 ± 11.647	44.24 ± 12.697	44.57 ± 12.392
Gender (%)	Male	59.8	47.0	51.0
	Female	40.2	53.0	49.0
Years of education completed (mean ± SD)		14.96 ± 3.981	13.63 ± 3.643	14.04 ± 3.801
Type of organisation	Public sector (central or local government; other public sector; state-owned enterprise)	26.8	28.7	28.1
	A private firm	59.7	60.1	60.0
	Self employed	11.6	9.3	10.0
	Other	2.0	1.9	1.9
Working hours* (mean ± SD)		43.88 ± 14.920	39.31 ± 14.076	40.73 ± 14.498
Establishment size (%)	Under 10	27.3	32.8	31.0
	10–24	15.4	16.2	16.0
	25–99	22.3	23.2	23.0
	100–499	16.3	15.4	15.7
	500 or more	18.4	12.3	14.3
Number of people responsible for in job (mean ± SD)		13.38 ± 37.19	–	–
Employment contract** (%)	Unlimited	87.6	82.0	83.6
	Limited	9.1	14.1	12.7
	No contract	3.3	3.9	3.7

Note: LP = leadership position; \* hours normally worked per week in main job overtime included; \*\* the valid percent of employees with an employment contract included (self-employed not included).

The leadership position to a respondent was assigned if she/he stated that in the main job, he/she had responsibility for supervising the work (monitoring and being responsible) of other employees. And when asked about the number of employees, he/she referred to at least 1 employee. The countries' scores of Power distance were taken from Hofstede Culture Compass (hofstedeinsights.com). Power distance can range from 1 to 100 and is based upon answers of respondents in different countries. Table 2 explains each variable in more detail.

### 2.3. Data analysis

The ESS data were analyzed using IBM Statistical Package for Social Sciences (SPSS 23) and Hays' PROCESS macro (version 3.5) for testing moderation (Hayes, 2018). Normality tests showed that data related to the evaluation of happiness, satisfaction with life, and social inclusion were close to a normal distribution, based on the assessment of Skewness and Kurtosis for large samples (Ghasemi & Zahediasl, 2012; Kim, 2013; Gravetter & Wallnau, 2014; Islam, 2019). Well-being measures in the analysis were

Table 2. The main research variables and their measurement

		Definition	Measurement	
			Data	Instrument
Leadership position		the formal position on a vertical hierarchy in an organization with responsibility for supervising the work of other employees	ESS9	Sociodemographic question
Power distance		the extent to which the less powerful members of institutions and organizations within a country expect and accept that power is distributed unequally	Hofstede Culture Compass	6-D model: power distance dimension
Well-being	Happiness	emotional dimension representing personal hedonic approach of well-being – how happy a person is	ESS9	Happiness item
	Satisfaction with life	cognitive dimension representing personal hedonic approach of well-being – how satisfied with life a person is	ESS9	Satisfaction with life item
	Social inclusion	dimension representing social eudemonic approach of well-being – how often a person socially meets with others	ESS9	Social inclusion item

treated as continuous variables because the study sample is big, Likert scales have quite many categories and meet other assumptions of chosen analysis methods (Norman, 2010; Awang et al., 2016; Wu & Leung, 2017).

An independent sample Student t-test, one-way ANOVA, and Pearson correlation were used to test the relationships between demographic or work related and main study variables (satisfaction with life, happiness, social inclusion and leadership position). The variables that were significantly related to well-being (happiness, satisfaction with life, social inclusion) and leadership position were controlled when testing study hypotheses. These variables were respondent’s age, gender, years of education completed, type of organization where respondent works, working hours, establishment size, employment contract.

A general linear model (GLM) was used to test the hypothesis that leaders were more satisfied with life, happier, and more socially included than employees who did not have a leadership position. A moderated regression model was used to test the second hypothesis, which analyzed if power distance was an important factor in exploring relationships between leadership position and happiness, satisfaction with life, and social inclusion. A dummy variable was created for predictor and nominal covariates and a moderator was centered. R<sup>2</sup> change (extra variance explained) was calculated to get a moderation effect and an effect size. To explore the nature of the interaction, a simple slope test was

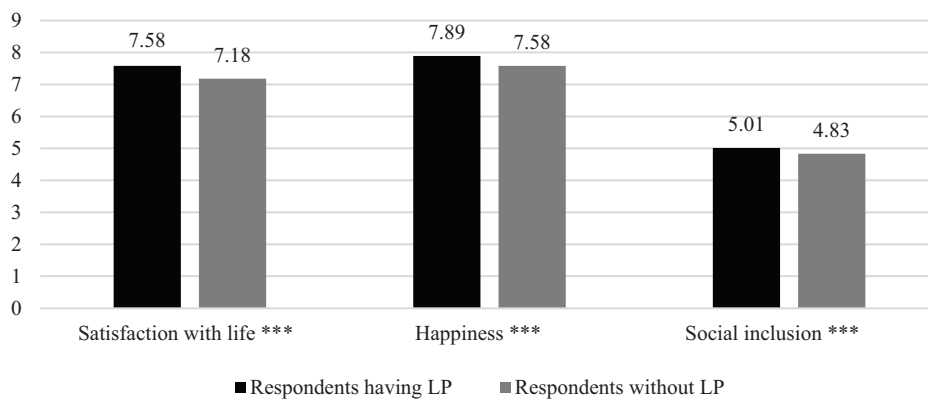
calculated as well; significant interactions were also plotted. 10 000 bootstrap samples and a confidence interval of 95% were selected for analysis.

All the ESS data were weighted by post-stratification weight in combination with population sign weight. This procedure “corrects for differential selection probabilities within each country as specified by sample design, for nonresponse, for noncoverage, and sampling error related to the four post-stratification variables (gender, age, education, geographical region), and takes into account differences in population size across countries” (Kaminska, 2020, p. 4). The chosen statistical significance level was 0.05.

### 3. Results

The comparison of satisfaction with life, happiness, and social inclusion of employees with and without leadership positions is presented in Figure 2. The analysis reveals that people having leadership positions are more satisfied with life, are happier, and more socially included than people who do not have a leadership position in their workplace ( $p < 0.05$ ).

The effect of power distance on the relationship between leadership position and satisfaction with life is presented in Figure 3 and Table 3. The results show that leadership position is related to higher satisfaction with life ( $B = 0.444$ ;  $p < 0.001$ ). Power distance is negatively



Note: LP – leadership position; \* $p < 0.05$ ; \*\* $p < 0.01$ ; \*\*\* $p < 0.001$ .

Figure 2. Comparison of satisfaction with life, happiness and social inclusion of employees with and without leadership positions

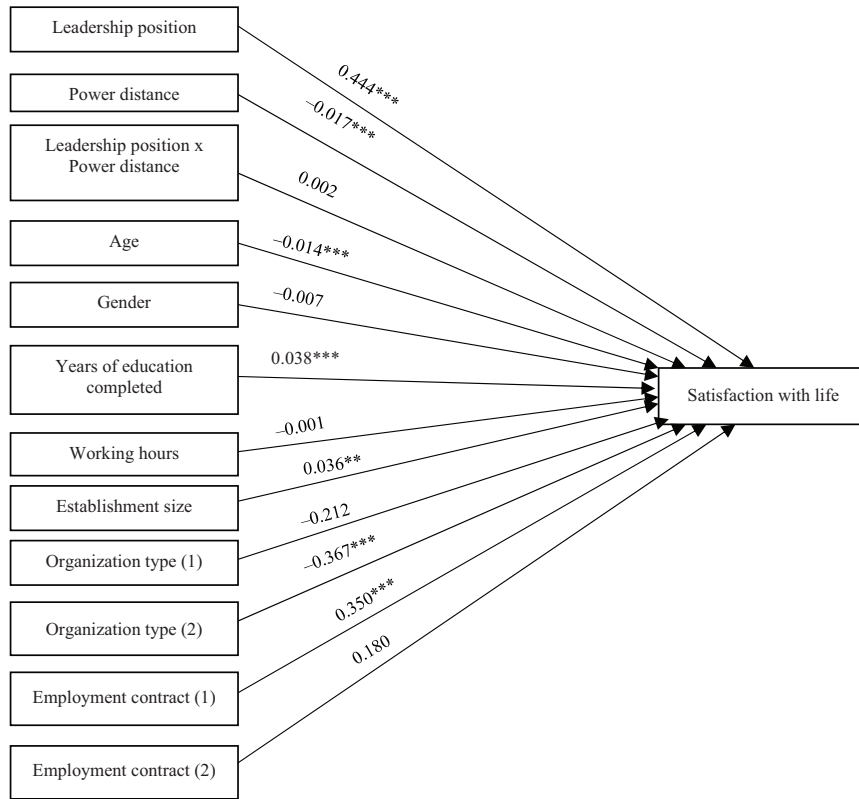
Table 3. The effect of power distance on the relationship between leadership position and satisfaction with life, happiness, social inclusion

	B	Est./S.E.	t	95% CI	p value
	Satisfaction with life				
LP	0.444	0.032	13.925	[0.382; 0.507]	<0.001
PD	-0.017	0.001	-20.746	[-0.019; -0.016]	<0.001
LP*PD	0.002	0.002	1.036	[-0.001; 0.005]	0.300
Gender	-0.007	0.029	-0.237	[-0.065; 0.051]	0.813

End of Table 3

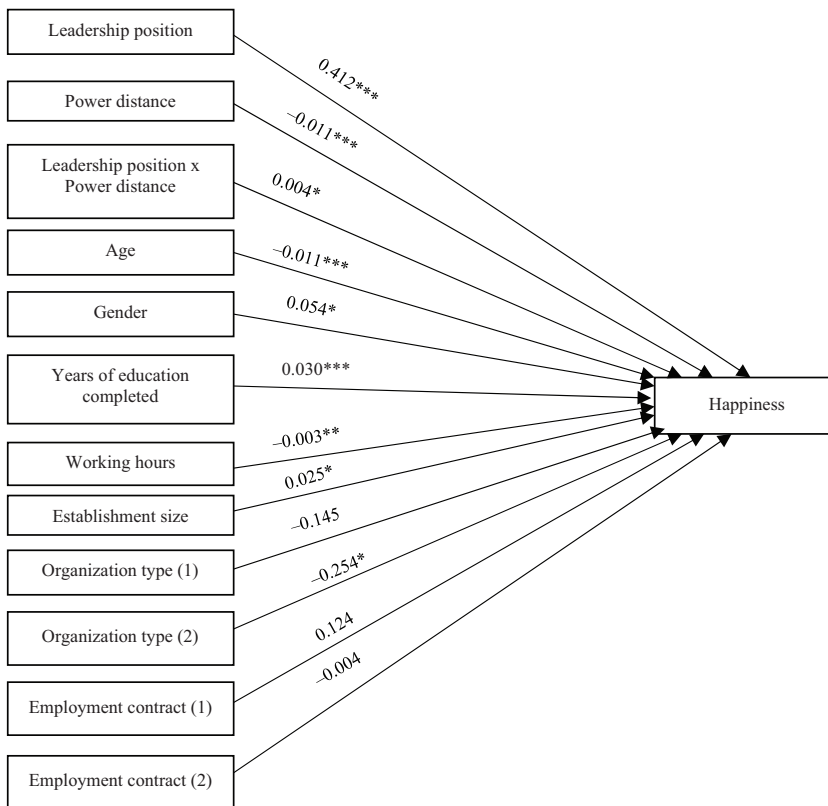
	B	Est./S.E.	t	95% CI	p value
Age	-0.014	0.001	-11.461	[-0.016; -0.011]	<0.001
Years of education completed	0.038	0.004	9.582	[0.031; 0.046]	<0.001
Working hours	-0.001	0.001	-0.411	[-0.003; 0.002]	0.681
Establishment size	0.036	0.011	3.198	[0.014; 0.058]	0.001
Organization type (1)	-0.212	0.135	-1.567	[-0.476; 0.053]	0.117
Organization type (2)	-0.367	0.133	-2.766	[-0.628; -0.107]	0.006
Employment contract (1)	0.350	0.089	3.958	[0.177; 0.524]	<0.001
Employment contract (2)	0.180	0.096	1.870	[-0.009; 0.369]	0.061
F	104.951				
R <sup>2</sup>	0.067				
	Happiness				
LP	0.412	0.028	14.705	[0.357; 0.467]	<0.001
PD	-0.011	0.001	-15.613	[-0.013; -0.010]	<0.001
LP*PD	0.004	0.001	3.208	[0.002; 0.007]	0.001
Gender	0.054	0.026	2.086	[0.003; 0.104]	0.037
Age	-0.011	0.001	-10.296	[-0.013; -0.009]	<0.001
Years of education completed	0.030	0.004	8.384	[0.023; 0.036]	<0.001
Working hours	-0.003	0.001	-2.874	[-0.005; -0.001]	0.004
Establishment size	0.025	0.010	2.496	[0.005; 0.044]	0.013
Organization type (1)	-0.145	0.119	-1.219	[-0.379; 0.088]	0.223
Organization type (2)	-0.254	0.117	-2.167	[-0.484; -0.024]	0.030
Employment contract (1)	0.124	0.078	1.589	[-0.029; 0.276]	0.112
Employment contract (2)	-0.004	0.085	-0.041	[-0.170; 0.163]	0.967
F	72.649				
R <sup>2</sup>	0.048				
	Social inclusion				
LP	0.316	0.025	12.751	[0.267; 0.365]	<0.001
PD	0.003	0.001	4.612	[0.002; 0.004]	<0.001
LP*PD	0.001	0.001	0.678	[-0.002; 0.003]	0.498
Gender	-0.053	0.023	-2.306	[-0.097; -0.008]	0.021
Age	-0.021	0.001	-22.203	[-0.022; -0.019]	<0.001
Years of education completed	0.011	0.003	3.597	[0.005; 0.017]	0.001
Working hours	-0.004	0.001	-4.179	[-0.005; -0.002]	<0.001
Establishment size	-0.020	0.009	-2.249	[-0.037; -0.003]	0.025
Organization type (1)	0.055	0.105	0.527	[-0.151; 0.261]	0.598
Organization type (2)	-0.084	0.103	-0.815	[-0.287; 0.118]	0.415
Employment contract (1)	0.066	0.069	0.960	[-0.069; 0.201]	0.337
Employment contract (2)	0.179	0.075	2.388	[0.032; 0.325]	0.017
F	66.448				
R <sup>2</sup>	0.044				

Note: CI – Confidence Interval; LP – leadership position, PD – power index. B values are the unstandardised coefficients, 95% CI also presented for unstandardised coefficients.



Note: \*p < 0.05; \*\*p < 0.01; \*\*\*p < 0.001; F = 104.951; R<sup>2</sup> = 0.067.

Figure 3. The effect of power distance on the relationship between leadership position and satisfaction with life when controlling respondent's demographic and work-related variables



Note: \*p < 0.05; \*\*p < 0.01; \*\*\*p < 0.001; F = 72.649; R<sup>2</sup> = 0.048.

Figure 4. The effect of power distance on the relationship between leadership position and happiness when controlling respondent's demographic and work-related variables

related to satisfaction with life ( $B = -0.017$ ;  $p < 0.001$ ). The higher the power distance in a country, the lower satisfaction with life. Moreover, power distance does not moderate the relationship between leadership position and satisfaction with life ( $B = 0.002$ ;  $p > 0.05$ ). Taking into account contextual variables, age is negatively related

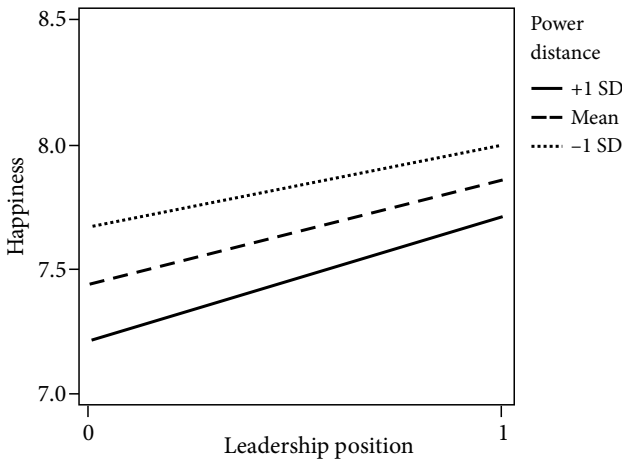
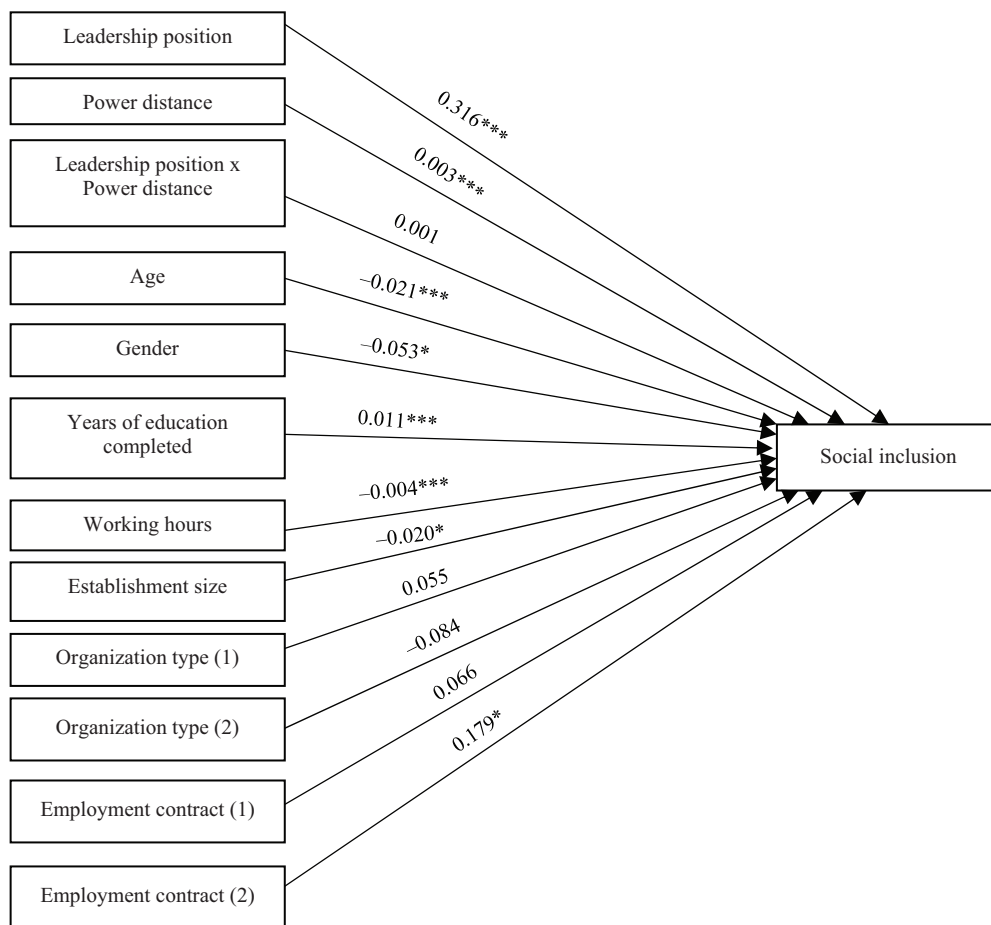


Figure 5. Interaction effect of leadership position and power distance on happiness

( $B = -0.014$ ;  $p < 0.001$ ), while education ( $B = 0.038$ ;  $p < 0.001$ ) and establishment size ( $B = 0.036$ ;  $p < 0.01$ ) are positively related with satisfaction with life. The older respondents are less satisfied with life, and the longer they study and in a bigger organization they work, the more satisfied with the life they are. Self-employed respondents are more satisfied with life than those working in private firms ( $B = -0.367$ ;  $p < 0.001$ ), and the ones who have unlimited working contracts are more satisfied with life than those who are working without having any contract ( $B = 0.350$ ;  $p < 0.001$ ). Overall, predictors account for 6.7 of the variance of satisfaction with life.

The results show that leadership position is also related with higher happiness ( $B = 0.412$ ,  $p < 0.001$ ). However, power distance in a country is negatively related with happiness ( $B = -0.011$ ;  $p < 0.001$ ) meaning that the higher power distance in a country the less happy respondents are. Moreover, power distance moderates the relationship between leadership position and happiness ( $B = 0.004$ ,  $p < 0.05$ ) (see Figure 4 and Table 3).

Simple slope tests were analyzed to explore the nature of the interaction. Simple slope tests were calculated between three levels of the moderator: higher power distance (+1SD), medium power distance (mean), and



Note: \* $p < 0.05$ ; \*\* $p < 0.01$ ; \*\*\* $p < 0.001$ ;  $F = 66.448$ ;  $R^2 = 0.044$ .

Figure 6. The effect of power distance on the relationship between leadership position and social inclusion when controlling respondent’s demographic and work-related variables



lower power distance ( $-1SD$ ). The results show that even though the relationship between leadership position and happiness is positive for all groups, but this relationship is stronger when the level of power distance is higher ( $B = 0.502, p < 0.001$ ), or medium ( $B = 0.412, p < 0.001$ ) than lower ( $B = 0.323, p < 0.001$ ) (see Figure 5). However, even moderation is statistically significant, the interaction effect explains only an extra 0.06% of the variance of happiness in a model.

Considering the contextual variables, the analysis shows that older people ( $B = -0.011; p < 0.001$ ) and those working longer hours ( $B = -0.003; p < 0.01$ ) are less happy. However, more educated people ( $B = 0.030; p < 0.001$ ) and those working in bigger organizations ( $B = 0.025; p < 0.05$ ) are happier. Also, those working in private companies are less happy than self-employed ( $B = -0.254; p < 0.05$ ) (see Figure 4).

The effect of power distance on the relationship between leadership position and social inclusion is presented in Figure 6. The results show that leadership position is related to more social inclusion ( $B = 0.316; p < 0.001$ ). Higher power distance in a country is also related to more social inclusion ( $B = 0.003; p < 0.001$ ). However, power distance does not moderate the relationship between leadership position and social inclusion ( $B = 0.001; p > 0.05$ ).

Taking into account contextual variables, age, working hours and establishment size are negatively related to social inclusion, while education – positively. Older people, those working longer and in bigger organizations are less socially included than younger people ( $B = -0.021; p < 0.001$ ), working less hours ( $B = -0.004; p < 0.01$ ) and in smaller organizations ( $B = -0.020; p < 0.05$ ). More educated people are more socially included than less educated ( $B = 0.011; p < 0.001$ ). Moreover, women are more socially included than man ( $B = -0.053; p < 0.05$ ) and those having limited duration work contracts are more socially included than those having no work contracts ( $B = 0.179; p < 0.05$ ) (see Figure 6 and Table 3).

#### 4. Discussion

Research findings showed that leaders were more satisfied with life and happier than employees without leadership positions. Besides, leaders experienced more social inclusion in comparison with employees that didn't have a leadership position. So, the first hypothesis was confirmed. Leadership was analyzed as the formal position on a vertical hierarchy in an organization that could grant status, power, and social networks (Grint et al., 2016). These advantages were significant for satisfaction with life and happiness, feeling of social inclusion. Previous research (e.g., Hetland et al., 2011) supported the idea that transformational leadership behavior was related to fulfilling the three basic employees' needs of competence, autonomy, and relatedness in a work setting. Leadership was identified as work-related factor that significantly contributed to fulfillment of employees' psychological needs and enhanced employees' wellbeing. Yet, there was a lack

of direct empirical evidence that leadership position was related to the higher subjective well-being of leaders themselves. We had a fragmented picture that leaders' need for fulfillment at work was important for their positive affect (Lanaj et al., 2016; Moore, 2007). Besides, leaders' satisfaction seemed to be only short-term outcome (Roche & Haar, 2013). Only the social relationships of leaders were researched more in depth. Social connectedness was named as essential in leading people (Hupert et al., 2005). Orientation towards relations was presented as one of four meta-categories of effective leadership behaviors (Yukl, 2012). Longitudinal data from Australian and Irish principles (Beausaert et al., 2021) also indicated that higher levels of external and internal social capital predicted well-being positively across time. Nevertheless, the newest research (Stavrova & Ren, 2021) confirmed that increasing the frequency of social interactions beyond a moderate level was no longer associated with better health and longevity and, in some cases, was even related to worse health and increased mortality risks. So, our findings added knowledge to leaders' wellbeing topic: leadership position was related to greater satisfaction with life, more happiness and social inclusion. Such a direct effect of leadership role occupancy on hedonic and eudaimonic well-being previously was confirmed in Japan sample, as well (Li et al., 2018). Both personal wellbeing (cognitive and emotional aspect) and social wellbeing were analyzed, integrated understanding of leader's wellbeing was introduced in this research.

Moreover, an additional factor was included in the analysis of the relationship between leadership position and wellbeing. The cultural context was considered as an important moderator proposing that the power distance index could moderate the relationships between leadership position and happiness, satisfaction with life and social inclusion. This assumption was confirmed only partially. When leadership position was associated with happiness, both moderately and highly unequal power distribution strengthened the relationship the most (as it was hypothesized). Emotional response (happiness) could be less reasoned and more intuitive – if my leadership behaviors were accepted (according to Mittal & Elias (2016)), subordinates are psychologically ready for different power bases based on their cultural background), my feelings became positive. The moderation effect was not significant when a cognitive aspect of personal well-being and social wellbeing were analyzed. These wellbeing aspects are usually related to deeper evaluative processes and more objective criteria (Hupert et al., 2005). Additionally, findings showed that leadership position was directly related to satisfaction with life, happiness, and social inclusion: leaders were more satisfied, happier, and socially included (more insights about that in the paragraph above). The newest research (Lanaj et al., 2022) also found that activated leader identity and goal progress enhanced leader wellbeing. Moreover, higher power distance was related to less satisfaction with life, less happiness, and more social inclusion. Daniels and Greguras (2014) argued that several

theoretical reasons (e.g., the experience of inequality, lack of social progress) could be associated with the notion that power distance negatively relates to well-being across nations. Steel with colleagues (2018), also confirmed that power distance negatively correlated to satisfaction at the individual level and happiness at the national level. However, unequal power distribution could work as a motivator to communicate with friends, relatives, colleagues and strengthen ties with others on purpose to have social order (House et al., 2004). The culture dimension was an important contextual factor in our research as well. Its direct links to well-being were more common in comparison with the moderation effect (that was confirmed only in the model of happiness prediction). However, previous research in Japan and US samples showed that there were significant indirect effects of leadership role occupancy on hedonic and eudaimonic well-being through job demands and job control (Li et al., 2018). Additionally, as proposed in other wellbeing studies (e.g. Mayungbo, 2017; Al-Windi et al., 1999), significant sociodemographic characteristics were added to the model as controlled variables.

To conclude, well-developed and empirically validated theoretical constructs comprised the research model. Besides, ESS data that is of high quality and enables comparability among different countries was employed. Thus, our findings add significant insights into leadership and well-being research, propose evidence-based practical implications and directions for future studies.

#### 4.1. Limitations

Several limitations should be acknowledged. First, we could not include all sociodemographic and work-related variables that might be important to well-being, such as income or relationship/marital status (Al-Windi et al., 1999), because they are quite fragmented in ESS (e.g. income) or multivariate (e.g. relationship/marital status is comprised of several questions with filters). Besides, leadership position characteristics (level, length of work experience in a leadership position, etc.) were not included as well because they are not in ESS. Therefore, future research should deliberate about the inclusion of proposed factors. Also, well-being components were measured by single items, not scales. Data were cross-sectional, and the direction of the relationships was based on theoretical assumptions. Thus, we cannot talk about causal relationships. An experimental or longitudinal design would solve this issue. Another limitation is related to the small effect size of tested moderated models and the small moderation effect. Finally, the cultural dimension – power distance, was evaluated with the country index. However, “it may well be that the differences among individuals in one country culture are bigger than the differences among all country cultures” (<https://www.hofstede-insights.com>). Individual assessment of the cultural dimension could be added to the survey instrument. Finally, the analysis was made using sample of EU countries, so our

findings may not be generalizable in other cultural and geographical contexts (e.g., African, Asian or Middle Eastern contexts).

#### Conclusions and implications

Findings confirm popular beliefs and the theoretical assumption that leadership position is related to higher subjective well-being – greater satisfaction with life, more happiness, and social inclusion. Regarding results, a shared leadership perspective could be proposed in order to have a bigger amount of satisfied with life, happy and socially active members in the organization. Moreover, the practical value of shared leadership in work teams has already been confirmed by other researchers (Edelmann et al., 2020). Organizations could also think about different ways how to fulfill those primary innate psychological needs related to a leadership position. According to Hetland with colleagues (2011, p. 508) “the workplace is an arena which clearly can both meet and thwart employees’ need in terms of autonomy, competence and feelings of relatedness to others”. Choice and decision opportunities at work are important for autonomy; encouragement of professional efficacy and development opportunities can advantage competence need; attention to work team climate and social support instruments help meet relatedness need. Higher education has positive links with all three aspects of wellbeing: satisfaction with life, happiness and social inclusion. This could be an important notice both to policy makers and human resource managers in organizations. Bigger opportunities for learning and development can help to increase wellbeing of employees. Finally, results show that the power distance factor moderates the relationships between leadership position and happiness. This culture dimension predicts satisfaction with life, happiness, and social inclusion directly, as well. Therefore, culture should be included in leadership and wellbeing research as an important contextual factor. Further research with other cultural dimensions would be a valuable input.

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#### Author contributions

AS was responsible for theoretical background of the paper, data interpretation, wrote the first draft of the article, reviewed the final version of the article. GJF was responsible for methodology and data analysis, data interpretation, reviewed the final version of the article.

#### Disclosure statement

The authors reported no potential conflict of interest.

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