Original Paper

The Influence of Employees’ Power Distance Orientation on Their Well-being—Moderating Effects Based on Generational Differences

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Received: February 10, 2022   Accepted: March 10, 2022   Online Published: March 30, 2022
doi:10.22158/jbtp.v10n1p27   URL: http://dx.doi.org/10.22158/jbtp.v10n1p27

Abstract

From the perspective of organizational behavior, the work reward obtained by workers is not limited to labor reward, but also should include psychological reward such as happiness at work. Through questionnaire survey, relevant data were obtained to explore the influence of power distance orientation on employees’ happiness at the individual level. The results show that there are significant intergenerational differences in employees’ power distance orientation, employees’ subjective happiness has a moderate positive impact on power distance orientation, and intergenerational differences have a negative moderating effect on the relationship between employees’ power distance orientation and employees’ happiness to some extent.

Keywords

generation difference, power distance orientation, employee happiness

Funds Supporting: Science and Technology Project of Chongqing Education Commission “Research on identification and Governance of New Labor relations under gig economy” (KJQN202000905); Chongqing Education Commission humanities and Social Science research project “Research on the governance mechanism of new Labor Relations from the perspective of new Business Forms” (21SKGH141); “Innovative research on the Precise governance mode of community led by Party Construction under the vision of Co-construction, Co-governance and Sharing” (21SKGH134, sisu202157). Research on the thought of socialist harmonious labor relations with Chinese characteristics in the new era (2021YBCS39).

I. Introduction

Amid the COVID-19 outbreak, competition among companies is intensifying, and one of them is competition for talent. It is particularly important to explore and study the happiness of enterprise employees. Employees have a strong sense of happiness in the process of work. Firstly, it reduces the motivation of employees to leave, and to a certain extent, it can also avoid the situation of massive brain drain in the organization. Secondly, it can effectively improve work efficiency. Employees’ happiness at work can be divided into two dimensions: cognitive happiness and emotional happiness. Cognitive well-being mainly reflects the quality of employees’ psychological functions at work.
Emotional well-being reflects employees’ emotional experience at work (Shi Kan, 2020). Zheng (2015), based on the perspective of integration, proposed that employee happiness is the cognition and perception of employees’ satisfaction at work and life levels, mainly including employees’ life happiness, employees’ work happiness and employees’ psychological happiness. Based on the existing research, this study will adopt Zheng et al.’s operational definition of employee happiness to conduct relevant research. At present, the relevant research on power distance has involved the national level, the organization level, the team level and the individual level. Hofstede pointed out in his theory of cultural dimension that Power Distance refers to the acceptance degree of people with low status in a society to the unequal distribution of Power in the society or organization. With the deepening of research, different scholars have defined and expanded the concept of power distance on different levels. Taking into account the studies and definitions of power distance by various scholars, this study defines power distance as the acceptance degree of individual employees to the unequal distribution of power in the organization. Based on the perspective of organizational behavior, this study explores the influence of employee power distance orientation on employee happiness and the moderating effect of intergenerational differences. At the theoretical level, it can make up for the deficiency of empirical research on power distance orientation and outcome output at the individual level. From the perspective of individual power distance orientation and generational difference, it can provide countermeasures and suggestions for the organization managers to improve the happiness of employees, provide suggestions and countermeasures for the organization to effectively improve the happiness of employees, and improve the attention of the society to the happiness of employees.

2. Hypothesis Proposal and Model Construction
(1) Employee power distance and generational difference
Because each intergenerational group is in different historical and social periods, it has experienced specific social, political, economic and cultural events. Scholars have found that the difference of power distance orientation in different age groups is related to individual living environment (Luan, 2017). Therefore, there may be different power distance orientation between different generational groups. For example, the generation that experienced the Cultural Revolution and the generation that experienced the reform and opening up at a specific age may have different perceptions of power distance. Therefore, the following hypotheses are proposed in this study:

H0: There are significant generational differences in employees’ power distance orientation.

(2) Employee power distance and subjective well-being
The lower the power distance orientation, the lower the degree of acceptance of unequal distribution of power in the organization. From the perspective of the relationship between authority and subordinates, individuals with high power distance orientation are more willing to establish a role binding relationship with superiors and are more willing to accept direct arrangement from superiors, while individuals with low power distance orientation are more willing to establish close personal contact with superiors. High power distance orientation of the individual, can accept more unequal distribution of power in the organization, more willing to accept based on seniority and produce superior to subordinate command, command, more able to accept themselves and the level of leadership or power difference, when the organization atmosphere with high power distance, individual employees are better able to accept and adapt to. Thus, it is speculated that they have higher happiness to a certain extent. Therefore, the following hypotheses are proposed in this study:
H1: Employee power distance orientation has a positive impact on employee subjective well-being.

(3) The moderating effect of intergenerational differences
Different age level perceived happiness will be in addition to the power distance orientation of the influence of many factors, such as: People born in the 1960s most could now be in a stable, abetted stage, its happiness may be relatively high, most is in the business start-up phase, People born in the 1990s, their life has more instability, its happiness may be relatively low. Different generational differences may also be moderating factors affecting employee happiness. Therefore, the following hypotheses are proposed in this study:

H2: Generational difference has a moderating effect on the relationship between employee power distance orientation and employee happiness.

(4) Model construction
This paper aims to study the influence of employees’ power distance orientation on their happiness and whether intergenerational differences have a certain moderating effect. The research model is constructed as follows:

![Figure 1. Research Model](image)

3. Research Methods

(1) Measurement of variables
This study designed the questionnaire by consulting relevant literature on the academic official website and selecting the main measurement scales of domestic and foreign studies on various variables as reference. In terms of the selection of individual power distance orientation scale, the single-dimension power distance scale developed by Dorfman and Howell is selected, with a total of 6 items, such as “Employees should not question the decisions of their superiors”. The Klonbach coefficient and KMO value of the scale are 0.832 and 0.833 respectively. The local employee happiness scale developed by Zheng et al., whose Krobach coefficient and KOM value are 0.958 and 0.955 respectively. There are 18 questions in total, including work happiness, life happiness and psychological happiness, to measure the comprehensive happiness of employees, such as “I am basically satisfied with the sense of achievement obtained from the current job”. SPSS software is used to conduct descriptive statistical analysis, difference analysis, correlation analysis and regression analysis on sample data to explore whether there is difference between generations in individual power distance orientation and whether employees’ power distance orientation affects their happiness, and test the hypotheses of this study.

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(2) Sample introduction
In this study, 291 samples were collected, of which 276 were valid with an effective rate of 94.8%. Among the samples studied, 63 people were born in the 60s, accounting for 22.8%, 64 people were born in the 70s, 23.2%, 61 people were born in the 80s, 22.1% and 88 people were born in the 90s, 31.9%. There were 151 males, accounting for 54.7%, and 125 females, accounting for 45.3%.

4. Data Analysis
(1) Descriptive analysis
According to the results of descriptive statistical analysis, in terms of the score of power distance, the average score of People born in the 1960s is 22.90, the average score of People born in the 1970s is 18.80, the average score of People born in the 1980s is 17.98, and the average score of People born in the 1990s is 17.17, as shown in Table 1. In terms of happiness score, the average score of People born in the 1960s is 72.94, the average score of People born in the 1970s is 65.47, the average score of People born in the 1980s is 60.41, and the average score of People born in the 1990s is 59.15, as shown in Table 2.

| Table 1. Descriptive Analysis Results of Individual Power Distance Score |
|---|---|---|---|---|---|---|---|
|   | N   | The mean | The standard deviation | Standard error | The lower limit | ceiling | minimum | maximum |
| 1960s | 63  | 22.90 | 5.354 | 0.675 | 21.56 | 24.25 | 6 | 30 |
| 1970s | 64  | 18.80 | 4.494 | 0.562 | 17.67 | 19.92 | 8 | 30 |
| 1980s | 61  | 17.98 | 6.754 | 0.865 | 16.25 | 19.71 | 9 | 30 |
| 1990s | 88  | 17.17 | 4.358 | 0.465 | 16.25 | 18.09 | 6 | 29 |
| total number | 276 | 19.04 | 5.644 | 0.340 | 18.37 | 19.71 | 6 | 30 |
Table 2. Descriptive Analysis Results of Happiness Score

| Age Group | N  | The mean | The standard deviation | Standard error | The lower limit | ceiling | minimum | maximum |
|-----------|----|----------|------------------------|----------------|----------------|--------|---------|--------|
| 60s       | 63 | 72.94    | 11.615                 | 1.463          | 70.01          | 75.86  | 18      | 90     |
| 70s       | 64 | 65.47    | 12.419                 | 1.552          | 62.37          | 68.57  | 42      | 90     |
| 80s       | 61 | 60.41    | 15.620                 | 2.000          | 56.41          | 64.41  | 38      | 90     |
| 90s       | 88 | 59.15    | 13.321                 | 1.420          | 56.33          | 61.97  | 29      | 89     |
| total     | 276| 64.04    | 14.294                 | 0.860          | 62.35          | 65.73  | 18      | 90     |

(2) Difference analysis

It can be seen from the comparison test in Table 3 that there are significant differences in individual power distance scores of different age groups. The individual power distance scores of People born in the 1960s are significantly different from those of People born in the 1970s, 1980s and 1990s, but there is no significant difference between the 1970s, 1980s and 1990s. This indicates that employees’ individual power distance orientation does have significant differences among different generations. The older the age group is, the higher the individual power distance orientation will be. Among them, the scores of power distance between the 1960s generation and other generations have greater significant differences. The difference of power distance orientation in different age groups may be related to individual living environment. As each intergenerational group has experienced different social events in different periods, for example, People born in the 1960s grew up in a relatively difficult environment, and they have obvious conservative and changing feelings, while People born in the 1990s are generally the only child. Due to the development and changes of The Times, the 1990s’ thoughts and concepts are quite different from those of the older generation. Therefore, there will be different power distance orientation between different generation groups. People born in the 1960s experienced the socialist preliminary stage and the early stages of the cultural revolution, in the scarce social materials, shaped by the values of this period may make, achievement, authority of individual pay more attention to the matter, more willing to role constraints relations and the authorities to help its access to material wealth and a higher status, to make a living. With the arrival of the period of reform and opening-up, improving continuously the level of national development and opening to the outside world, new social values continue to follow up, an individual’s guide to power distance decreases, on the basis of the basic survival needs, staff in relationships and other aspects such as work environment to have more demands, more willing to set up the relations of equality, and the authorities. This can also explain, to some extent, that with the decrease of age, the power distance orientation of employees born in the 1970s, 1980s and 1990s also gradually decreases.
Table 3. Individual Power Distance Score

| Year 1 | Year 2 | Mean Difference I - J | Standard Error | Significant |
|--------|--------|-----------------------|----------------|-------------|
| 1970s  |        | 4.108*                | 0.928          | 0.000       |
| 1960s  | 1980s  | 4.921*                | 0.939          | 0.000       |
| 1990s  | 1970s  | 5.734*                | 0.863          | 0.000       |
| 1960s  | 1970s  | 4.108*                | 0.928          | 0.000       |
| 1970s  | 1980s  | 0.813                 | 0.936          | 0.386       |
| 1990s  | 1970s  | 1.626                 | 0.859          | 0.059       |
| 1960s  | 1980s  | 4.921*                | 0.939          | 0.000       |
| 1980s  | 1970s  | 0.813                 | 0.936          | 0.386       |
| 1990s  | 1970s  | 0.813                 | 0.871          | 0.352       |
| 1960s  | 1980s  | 5.734*                | 0.863          | 0.000       |
| 1990s  | 1970s  | 1.626                 | 0.859          | 0.059       |
| 1980s  | 1970s  | 0.813                 | 0.871          | 0.352       |

(3) Correlation analysis

As can be seen from Table 4, the Pearson correlation coefficient between individual power distance score and happiness score is 0.547, indicating that there is a moderate positive correlation between individual power distance and happiness of employees. This indicates that to some extent, the higher the power distance orientation is, the higher the perceived happiness is. Employees with high power distance orientation are more willing to accept the dominance and command of superiors to subordinates based on their position, and are more able to accept the difference in rank or power between themselves and their leaders, thus they have higher happiness to a certain extent. To some extent, the moderate positive correlation between individual power distance orientation and happiness proves the influence of consistency degree between individual power distance orientation and power distance in the environment on employees. Just as some scholars believe that when the power distance between superior and subordinate is inconsistent, it can lead to emotional exhaustion of employees more than when they are consistent (Liu Haiyang, 2016). At the same time, the power distance and state power has the inevitable relation between distance, and the leadership of the power distance is a reflection of organization power distance, according to a number of research scholars at home and abroad, our country is to organize class power obviously, the environmental atmosphere with high power distance, China’s most power distance is high within the organization. Under the influence of such environmental orientation, individuals with higher power distance orientation can be more consistent with the power distance of their environment, which also promotes the improvement of employees’ happiness to a certain extent.
Table 4. Correlation Analysis Results of Individual Power Distance and Happiness Score

|                          | Individual power distance | Happiness score |
|--------------------------|---------------------------|-----------------|
| Individual power distance score |                           |                 |
| Pearson correlation       | 1                         | 0.547**         |
| Significance (bilateral)  |                           | 0.000           |
| N                        | 276                       | 276             |
| Happiness score          |                           |                 |
| Pearson correlation       | 0.547**                   | 1               |
| Significance (bilateral)  | 0.000                     |                 |
| N                        | 276                       | 276             |

(4) Stratified regression analysis
This study investigated the moderating effect of age on individual power distance and happiness by using SPSS to conduct regression analysis on the interaction term between age and individual power distance score and employee happiness. The analysis results are as follows: In the first model (excluding interaction terms), the standard coefficient of individual power distance score is 0.479, and the standard coefficient of age is -0.192, and the probability P value is approximately 0, indicating significant results. In the second model (including interaction item), the standard coefficient of individual power distance score is 0.469, the standard coefficient of age is -0.181, and the standard coefficient of interaction item is -0.086. It is believed that age plays a negative moderating role in the relationship between individual power distance score and happiness to some extent. With the decrease of age, the positive relationship between power distance orientation and happiness weakens. Different age level perceived happiness will be in addition to power distance orientation of the influence of many factors, most people born in the 1960s could now be in a stable, abetted stage, it could also be the cause of the happiness is relatively high, one of the 1970s and 1980s, compared to the 1990s after work and family also tend to be more stable. To some extent, their sense of happiness is higher than that of the 1990s generation. However, most of the 1990s generation are at the beginning of their career and their life is more unstable, which also makes them have a lower sense of happiness. From this perspective, it can be analyzed that employee happiness has a certain situational dependence.
### Table 5. Regression Coefficient Analysis Results

| model | Nonstandard coefficient | Standard error | The standard coefficient | T       | P values |
|-------|-------------------------|----------------|--------------------------|---------|----------|
|       | (Constant term)         |                |                          |         |          |
|       | 47.198                  | 3.621          | 13.036                   | 0.000   |          |
| 1     | Individual power distance score | 1.213 | 0.134 | 0.479 | 9.051 | 0.000 |
|       | Age                     |                |                          |         |          |
|       | 2.378                   | 0.656          | 0.192                    | 3.627   | 0.000   |
|       | (Constant term)         |                |                          |         |          |
|       | 46.857                  | 3.613          | 12.968                   | 0.000   |          |
| 2     | Individual power distance score | 1.188 | 0.134 | 0.469 | 8.842 | 0.000 |
|       | Age                     |                |                          |         |          |
|       | -2.243                  | 0.658          | 0.181                    | 3.409   | 0.001   |
|       | Int_1                   |                |                          |         |          |
|       | 0.201                   | 0.117          | 0.086                    | 1.716   | 0.087   |

### 5. Management Enlightenment

This study found that the power distance orientation of employees does have significant differences among different generations. The older the age group is, the higher the power distance orientation is, while the younger the age group is, the lower the power distance orientation is. The orientation of employees’ power distance has a moderate positive impact on their subjective happiness, and the perceived happiness of employees is somewhat dependent on the environment. The more the employee’s personal power distance orientation matches the atmosphere of the power distance in the environment, the higher the perceived happiness of employees will be. Therefore, the managers of the organization should carry out diversified management according to the power distance of different age groups, and try to meet the different needs of employees of different age groups. For example, compared with the older generation, employees born in the 1990s and 2000s may be more inclined to form friends with their superiors and hope to have fair opportunities to participate in the organization, gain more say and get more opportunities to authorize. However, the older generation of employees may prefer to follow the arrangement of their superiors and silently complete their work without violating the principle, so as to avoid too much interaction with their superiors. Organizational managers can formulate different incentive mechanisms according to the different characteristics of power distance orientation between different generations. At the same time, managers should also coordinate the cognitive deviation of power distance orientation between different generations and reduce the contradictions and conflicts caused by different power distance orientation between individuals, so as to improve the happiness of employees.
This study also found that age has a certain weakening effect on the relationship between employees’ power distance orientation and employees’ happiness, indicating that age also has a certain influence on employees’ current perceived happiness. Therefore, in order to improve the happiness of employees of different generations, managers should explore various needs of different age groups in the organization and carry out differentiated management to better meet the needs of different individuals. For example, with the increase of age and accumulation of social experience, the psychological state of employees will change. The older generation of employees may value the stability of work more, while the new generation of employees may value the growth opportunities in the organization more. The author suggests that the organization set up a professional functional department to explore how to improve the well-being of the organization’s employees and formulate specific strategies to improve the well-being of the employees in line with the organization itself.

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