Mediation Effects

- At times, a variable's predicting power of an outcome is lost (complete mediation) or significantly reduced (partial mediation) when another predictor is introduced.
- This added variable mediates the initial effect by its absence and cancels the effect by its presence.



- Step 1: The initial variable is correlated with the outcome.
 - X is the predictor and Y the outcome variable (path c).
- Step 2: Show that the initial variable is correlated with the mediator.
- X is the predictor and M is the outcome variable in the regression equation (path a).
- Step 3: Show that the mediator affects the outcome variable.
 - X and M are both predictors and Y is the outcome variable (path b).
- X (and not just M) is included so that the initial variable could be controlled in establishing the effect of the mediator on the outcome.

Step 4: After introducing M the effect of X on Y controlling for M (path c') should be zero.