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The Art of Inspiring, Empowering, and Developing People

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and Developing People*

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The Art of Inspiring, Empowering, and Developing People



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Supervisory Management: The Art of Inspiring, Empowering, and Developing People, Ninth Edition

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*This edition is dedicated to Paul's grandchildren,
Lincoln and Anne Bennett, and Don's girls,
Meredith and Caroline.*



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Preface

The goal of this ninth edition of *Supervisory Management* continues to be that of preparing students to be effective supervisors and leaders. As in the prior edition, the common thread throughout this text is that supervision is working with people to inspire, empower, and develop them so that they become better and more effective in their working roles. Although coverage is provided of the management functions of planning, organizing, staffing, and controlling, the largest number of chapters is directly devoted to leading. Seven of the text's 16 chapters are leadership focused, including a chapter solely devoted to leadership, as well as chapters on communication; motivation; group development and team building; meetings and facilitation skills; coaching for higher performance; and managing conflict, stress, and time. These all are essential supervisory leadership tools.

As authors with strong real-world consulting backgrounds, almost all of our research and consulting has involved thousands of team leaders and supervisors in many for profit and not-for-profit organizations, including service, manufacturing, governmental, and entrepreneurial firms. We have found some of the most exemplary, creative, and exciting practices of supervision and leadership in these environments. Many of the examples in this book, including interviews, examples, and cases, are taken from our interactions with leaders in real organizations. We pass these experiences on to you, continuing to appreciate Kurt Lewin's statement that "nothing is as practical as good theory."

Like the previous edition, the ninth edition, aligns closely with the federal government's report of the Secretary's Commission on Achieving Necessary Skills (SCANS) requirements for workplace competencies. Specifically, skill-building exercises will help students develop their abilities in five key areas: identifying, organizing, planning, and allocating resources; working with others; acquiring and evaluating information; understanding complex interrelationships; and working with a variety of technologies. Additionally, the text provides students with a three-part foundation of skills and personal qualities needed for job performance. Our text was the first supervisory text to use icons in the end-of-chapter Skill Builder exercises to identify the SCANS competencies and skills targeted for development. This edition strives to maintain a workplace context and a practical emphasis throughout.

What's New in the Ninth Edition

This edition reflects a number of changes intended to keep its skills focus timely, fast paced, and relevant to the action-oriented environments facing today's supervisors.

- *Broader examples of supervisory/organizational settings.* In this edition, we have sought to provide balanced coverage of supervisory practices in the service, manufacturing, and not-for-profit sectors, in large, medium, and smaller entrepreneurial firms. For example, the Chapter 3 opening preview highlights the challenges and successes of Mark Zuckerberg, founder of Facebook, while Chapter 4 focuses on leading and supervising in a merchandising retail environment—Walmart the end-of-chapter cases provide broader coverage ranging from entrepreneurial ventures to service businesses, such as those in chapters 2, 7, 8, and 12. Students and those who

are presently supervisors reading this book will appreciate that many more of the supervisory concepts presented apply to supervisors of all organizations.

- *Significant revisions and coverage of new topics.* The challenges that supervisors face in working in today's diverse, technology-driven, and continuously changing organizational environment are emphasized throughout the book. The chapters have been updated and rewritten to include a number of new or significantly revised topics, including empowerment and self-management, leadership, employee engagement, coaching and diversity, creativity, supervisory ethics, benefits of employee mentoring, electronic communication technology, the impact of organizational staffing, employee training, and total quality management. The chapters have been updated with new actual organizational examples and statistics. Based on faculty and student feedback, chapters 14, 15, and 16 were significantly changed to include coverage of employee training, an emphasis on legal issues, and lean manufacturing principles.
- *Greater emphasis on skill development.* As in previous editions, chapter-ending Skill Builder exercises enable students to cultivate much-needed abilities for the workplace. Through the use of icons, instructors and students can see how each exercise correlates to the federal government's SCANS competencies. This system helps students effectively strategize a means to developing skills in each area and achieving competency in all five SCANS competencies.
- *Diversity coverage.* Throughout this book's chapters, emphasis is placed on the challenges supervisors and leaders face in managing a workforce that is increasingly diverse. Such diversity is included throughout the text, ranging from supervisory challenges in communicating with the growing number of Hispanic workers whose English speaking skills are limited to issues that arise when dealing with a temporary workforce. In addition to traditional coverage of diversity issues ranging from gender, ethnicity, and race, this edition also examines diversity issues posed by the different generations of workers—Traditionalists, Baby Boomers, Gen X, and Gen Y. Numerous examples and photos in each chapter reflect the diverse nature of the supervisor's work environment.
- *Continuing Emphasis on Ethics.* Although ethics is the central topic in Chapter 3 (Decision Making, Problem Solving, and Ethics), it is a key concept that is addressed as well throughout the book.

Features of the Book

We continue to strive to make the book reader-friendly. To facilitate understanding and retention of the material presented, each chapter contains these features:

- *Learning Objectives.* Each chapter begins with a statement of Learning Objectives. Icons identifying the Learning Objectives appear throughout the text material. The Chapter Review is also organized by Learning Objectives.
- *Opening Preview Case.* An Opening Preview Case sets the stage for each chapter by illustrating one or more major topics to be covered in the chapter. This piques students' interest in the chapter. Nine of the new edition's opening cases are either updated or new. Specifics from the opening case are often referred to within the chapter to reinforce key concepts discussed.
- *Key Terms and Phrases.* New terms and phrases are highlighted as each is introduced in a chapter. Marginal notes highlight definitions when they first appear in each chapter; the end of each chapter features an alphabetical listing of all key terms.
- *Text Enhancing Exhibits/Photos.* Numerous exhibits and photos add insights into the major concepts found in each chapter. They also give the text an inviting,

reader-friendly appeal. We have added over 15 new exhibits to the ninth edition. Our goal is to inject these strategically so that they enhance, rather than fragment, the chapter's continuity. Exhibits may be informational, such as Exhibit 1-11: "Changing Views of the Supervisor's Job"; skills-oriented, such as Exhibit 7-7 "Ways to Apply Expectancy Theory"; or assessment-oriented, such as Exhibit 6-15: "Rate Your Listening Habits."

- *Stop and Think.* Stop and Think questions appear several times within each chapter, allowing students to test their understanding of concepts as they learn new material. This feature also helps improve students' study routines by serving as a simplified self-study guide. Some instructors report that they use Stop and Think questions as a basis for class discussion.
- *Chapter Review, and Questions for Review and Discussion.* The Chapter Review and the Questions for Review and Discussion encourage students to reflect upon what they have read in a way that will help them better understand and learn the material. Each Chapter Review highlights answers to the Learning Objectives identified at the beginning of each chapter.
- *Skill Builder Exercises.* Skill Builder Exercises appear at the end of each chapter; each relates to the federal SCANS requirements followed by many schools. The eighth edition was the first supervisory textbook to use SCANS icons to help teachers and students easily identify the competencies targeted by each Skill Builder Exercise and ensure that students are developing skills in all five key areas. The ninth edition continues this practice. We have added eight new Skill Builder Exercises to bring the total to 55.
- *Cases.* Cases located at the end of each chapter can be used to synthesize the chapter concepts and stimulate the practice of supervision. Of the book's sixteen chapters, several new cases are provided in this edition.

Instructional Resources

Ancillary Material

- *Instructor's Manual.* The *Instructor's Manual* streamlines course preparation with its presentation of chapter outlines, teaching suggestions, and lecture notes correlated with the PowerPoint slides and videos (see Supervisory Management DVD below), as well as solutions to all end-of-chapter questions, Skill Builder exercises, and case questions.
- *Test Bank.* The Supervisory Management test bank is composed of multiple-choice, true/false, and essay questions. When used with the Cognero software provided on the instructor Web site, test preparation is a cinch. Instructors can add or edit questions, instructions, and answers, and can select questions by previewing them on the screen and selecting them randomly or by number. All questions have been correlated to the text's Learning Objectives to ensure students meet the course criteria.
- *PowerPoint slides.* A comprehensive set of PowerPoint slides assists instructors in the presentation of the chapter material and enable students to synthesize key concepts.

Web site

With the ninth edition of *Supervisory Management*, instructors and students alike have access to a rich array of teaching and learning resources at www.cengage.com/management/mosley. For students, the Web site will include resources such as the Glossary and Key Terms,

while instructors will find the Instructor's Manual, Test Bank, and PowerPoint slides available online.

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Don teaches Management Theory and Practice, Organizational Behavior, and High Performance Organizations at the undergraduate level, as well as the doctoral seminar in Organizational Behavior. He has published in such journals as *Educational and Psychological Measurement*, *Journal of Applied Social Psychology*, *Journal of Business Research*, *Journal of Managerial Issues*, and *Organization Development Journal*. Don is a member of the Academy of Management Association, Southern Management Association, Southwest Academy of Management, and Southwest Case Research Association.

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He has international teaching experience, having taught in Germany and France. His most meaningful consulting experience was an extended involvement to help a major U.S. manufacturer shift its culture. Over a six-year period, he logged 2,000 training hours with all managers and supervisors in the 1,500 employee firm, helping them accept and learn the new skills of empowering, developing, coaching, and facilitating.

Paul’s writings reflect his training and design experiences and have appeared in such publications as *Training*, *Organization Development Journal*, *Industrial Management*, *Journal of Business Communication*, *MSU Business Topics*, *Annual Handbook for Consultants*, and others. He enjoys continuing to teach students in the Mitchell College of Business and supervisors and managers in training programs throughout the south.



AP Photo/Francois Mori



PART **1**
Overview

Chapter 1
Supervisory Management Roles and Challenges

1

Supervisory Management Roles and Challenges

LEARNING OBJECTIVES

After reading and studying this chapter, you should be able to:

1. Explain why management is needed in all organizations.
2. Describe the different levels of management.
3. Discuss what managers do.
4. Explain the basic skills required for effective management.
5. Explain where supervisors come from.
6. Clarify the different relationships supervisory managers have with others.
7. Discuss the emerging position of supervisory managers.
8. Discuss some trends challenging supervisors.

Supervisors are linking pins who are members of, and link or lock together, independent groups within an organization.

—Rensis Likert



Ariel Stelley/Blend Images/Getty Images

Many supervisors in positions like Jackie Schultz's face the common challenge of achieving results through the efforts of others.

CHAPTER OUTLINE

- ◆ **The Need for Management**
 - What Is Management?
 - Levels of Management
- ◆ **What Do Managers Do?**
 - Functions Performed by Managers
 - How the Functions Are Related
 - Roles Played by Managers
- ◆ **Skills Required for Effective Management**
 - Conceptual Skills
 - Human Relations Skills
 - Administrative Skills
 - Technical Skills
- ◆ **The Transition: Where Supervisors Come From**
- ◆ **Supervisory Relationships**
 - Personal Relationships
 - Organizational Relationships
- ◆ **The Emerging Position of Supervisory Managers**
- ◆ **Some Current Trends Challenging Supervisors**
 - Dealing with a More Diverse Workforce
 - Emphasizing Team Performance
 - Coping with Exploding Technology
 - Adjusting to Occupational and Industry Shifts
 - Meeting Continued Global Challenges
 - Improving Quality and Productivity
 - Improving Ethical Behavior
 - Responding to Crises

Preview

JACKIE SCHULTZ, PANERA BREAD SUPERVISOR With 2012 sales volume of more than \$1 billion and profits of \$167 million from its 1600-store chain, Panera Bread continues to outperform in the casual dining industry. With its mission statement “A loaf under every arm,” CEO/owner Ronald Shaich states that the centerpiece of Panera’s vision is the highest quality experience for its customers—quality ingredients, quality preparation, quality presentation, and quality service. Let’s take a closer look within one of its stores to see how it happens.

Jackie Schultz joined Panera in one of its Southeast stores as an associate (as Panera employees are called) while a high school senior. A quick learner, she cross-trained for multiple associate jobs (Panera has nine areas of certification) and, within six months, was named an associate trainer. A year later, she was promoted to shift supervisor and training specialist. Her supervisory role is the focus of this case.

As one of three supervisor/managers who report to the overall store manager (Exhibit 1-1) Jackie has prime responsibility for the associates’ delivery of Panera quality to the restaurant floor. Associates in Jackie’s store are a diverse group: The 21 employees are mostly under 25, with the youngest being 17 and the oldest nearly 50. Thirteen of the 21 employees are females, 13 are white, seven are African American, and one is Asian.

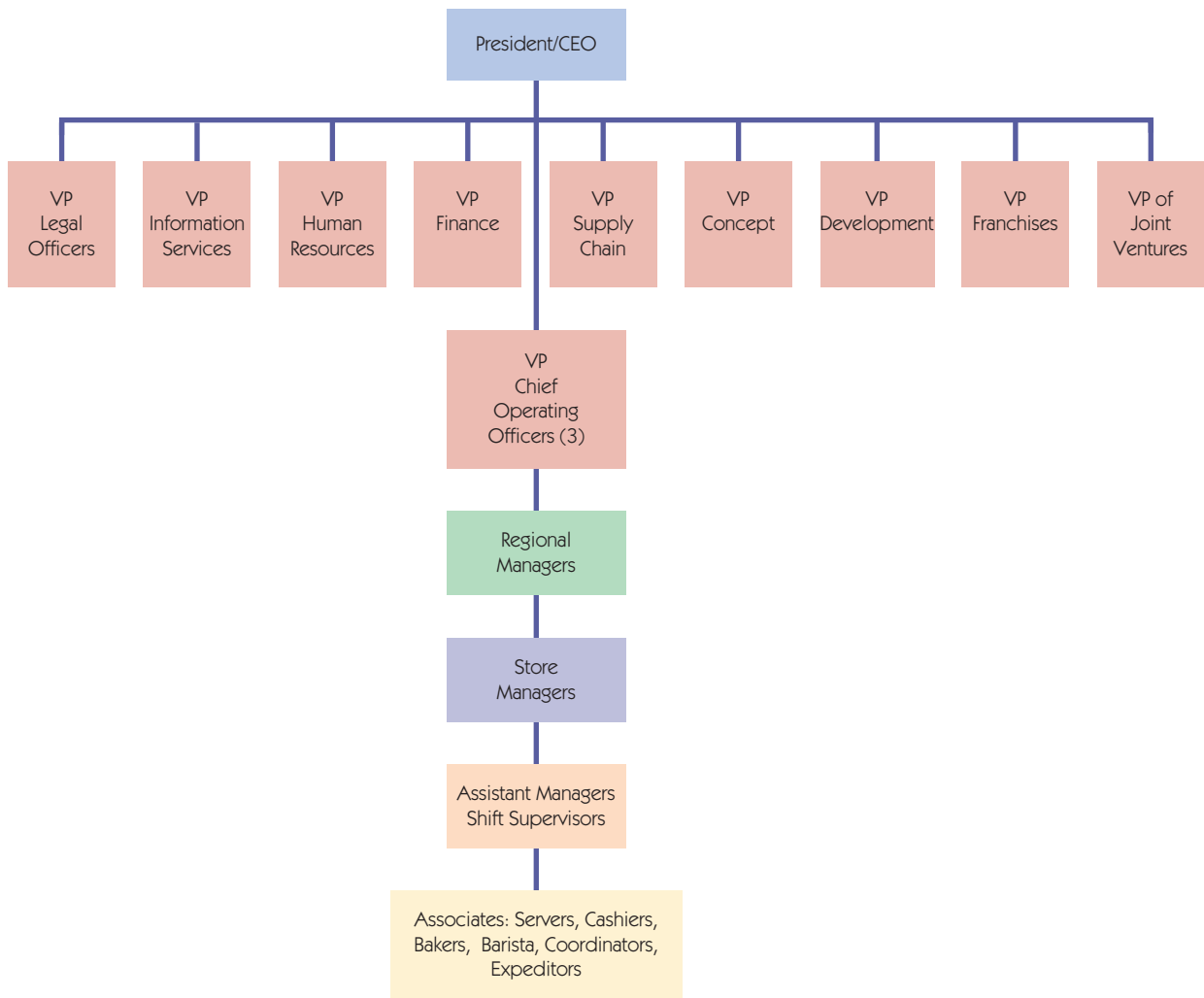
Twenty associates work full time (25 or more hours), one works part time, seven attend college, all are high school graduates or equivalent, and three are parents.

As a supervisor, the core of Jackie’s daily job is making sure Panera’s commitment to quality is reflected in her associates’ job performance. To control quality, Panera has standardized procedures for all important store activities. Its stores have consistent procedures for baking, food/beverage displays, customer greeting, order taking, cashiering, handling food, preparation and placement of food on a tray, kitchen and store sanitation, cleanliness, and others. Name an activity that is related to quality within the store, and Panera has an in-place procedure to achieve it.

Our associates are well trained and highly motivated in keeping up their performance. The challenge comes when we’re shorthanded or really busy. We often have large groups come in—tennis players participating in national/regional tournaments at

EXHIBIT 1-1

Partial Organization Chart for Panera Bread



local courts, or sometimes we get a busload of tourists or a high school group, such as cheerleaders. That's when our quality is tested. I will be right in there with my associates, on the line myself as needed, having someone redo a customer's order, clean a spill in the dining area, or bus a table. Regardless of how busy the store is, it's important for our customer's experience to be great. Greeting with a smile and making the connection is what we're about. We want to provide an everyday oasis for all of our customers.

Schultz wears a number of hats during the typical day, which is characterized by many different activities and multitasking—coordinating, communicating with, and encouraging associates; pitching in and helping on the line as needed; visiting customers; handling phone calls; meeting with a supplier or a corporate visitor; and meeting with her own general manager. Some store manager meetings may be formal, regarding such topics as new Panera policies to be relayed to associates or discussing food costs, new products, or profitability. Schultz may initiate a meeting with her own manager to get a question answered, to nominate an associate for special recognition, or to mention problems or concerns. She also spends time in her training role, encouraging and helping associates cross-train for certification in different associate jobs, as this is one objective that upper management has for each store. The certification system is completed by associates online, in the store. “I encourage my associates to be certified in as many areas as they can, as it helps them understand the whole store concept, which makes them more valuable, and in fact, earns them more money.” Jackie’s certification in all nine store areas enhances her own credibility as a supervisor.

Recognition plays an important part in associates’ buy-in to the Panera concept. There are formal recognition forms, such as a hat pin for reaching certification, formal “Wow” recognition by the store manager for special performance, and recognition with gift certificates at the three or four meetings attended by all employees, called “Bread Bashes.” Schultz believes strongly in giving praise and recognition on her shift, especially when she sees someone doing something special.

I'm really big on verbal praise. It might be a “Thank you for helping that couple,” to praise for an associate who without being asked brings an elderly couple’s food to their table, or a “Wow, I loved the way your bakery display is so clean, organized, and has a waterfall effect.” Recognition is especially important for new associates. I'm glad that I was an associate before I went into management. I know where they're coming from, what they appreciate, and how different everyone is. For example, I understand associates' different learning styles, such as visual, auditory, and hands-on. Visual learners can pick things up from a computer screen or out of a book of drawings and illustrations. To others you may be able to explain it, and they'll get it. Others learn best by actually doing it. It's important for a supervisor to clue into their preferences.

Looking back at how her management style has changed over the past four years, Jackie feels that she was perhaps too “soft” when she first assumed the supervisor role at age 18, and that being that young was a disadvantage. She recalls discussing with her dad the fact that associates seemed to test her authority quickly following her promotion to supervisor. He said, “Jackie, you’re the youngest, you’ve not been there long, you’re a female, you’re 4’10”, and you also happen to be half Asian. What do you expect?” Now she feels at ease in her role, enjoys leading others, and has no trouble being assertive as called for, as when discussing an associate’s tardiness or failure to follow a procedure or even when having to give a written reprimand. Her biggest assets are her communication skills, sensitivity to others, and technical expertise.

Jackie sums up her supervisory role as similar to that of a coach/facilitator in helping associates perform at their best. Many associates have developed a special relationship

with repeat customers. She states, “We’ve had customers send cards or gifts for special occasions to our associates, like when they’ve graduated, gotten married, or had a baby. Our store is a special place.”¹

This case illustrates well the many aspects of a supervisor’s job and some of the major challenges that supervisors face. Note that:

1. Jackie performs a broad set of duties, ranging from scheduling work, assigning tasks, coordinating workflow, monitoring performance, training, providing recognition, and disciplining when necessary.
2. She interfaces with people from multiple groups, including her associates, fellow supervisors, manager, corporate personnel, suppliers, and customers.
3. She uses a variety of skills, including her interpersonal skills, computer expertise, and technical skills/understanding of the primary tasks performed by associates.

Jackie faces a common challenge of supervisors—obtaining results through others. In a sense, her effectiveness is determined by how successful her personnel are. One way of looking at the supervisor’s job, then, is to think of it in terms of “helping your people be as good as they can be.” This preview case indicates some of the many factors that affect the work of supervisors and managers at all organizational levels, such as the need for excellent communication skills, the use of technology, and recognition of workforce diversity. At no time has the job of supervision been recognized as being so important. Likewise, at no time has it been more challenging. In reading this material, you will be introduced in more depth to the roles and challenges of being a supervisor.

The Need for Management

Whenever a group of people works together in a structured situation to achieve a common objective, they form an **organization**. The organization may be a student group, a business firm, a religious group, a governmental institution, a military unit, a sports team, or a similar group. The main objective of such organizations is to produce a product or provide a service. Other organizational objectives may be to provide satisfaction to members, employment and benefits to workers, a product to the public, and/or a return to the owners of the business (usually in the form of a profit). To reach these objectives, management must perform three basic organizational activities: (1) **operations**, or producing the product or service; (2) **marketing**, or selling and distributing the product; and (3) **financing**, or providing and using funds. These activities must be performed in almost all organizations, be they large corporations or small entrepreneur shops, whether they operate for profit or not for profit.

What Is Management?

Organizations are the means by which people get things done. People can accomplish more working together than they can achieve alone, but to combine and coordinate the efforts of the members of the organization, the process of management is required. Without management, people in the group would go off and try to reach the organization’s objectives independently of other group members. If small organizations lacked management, the members’ efforts would be wasted. If management were absent in larger, more complex organizations, objectives would not be reached and chaos would result. In summary, *managers are needed in all types of organizations*.

Management can be defined as the process of working with and through people to achieve objectives by means of effective decision making and coordination of available resources. The basic resources of any organization are **human resources**, which are the

organization

A group of people working together in a structured situation for a common objective.

operations

Producing an organization’s product or service.

marketing

Selling and distributing an organization’s product or service.

1. *Explain why management is needed in all organizations.*

financing

Providing or using funds to produce and distribute an organization’s product or service.

management

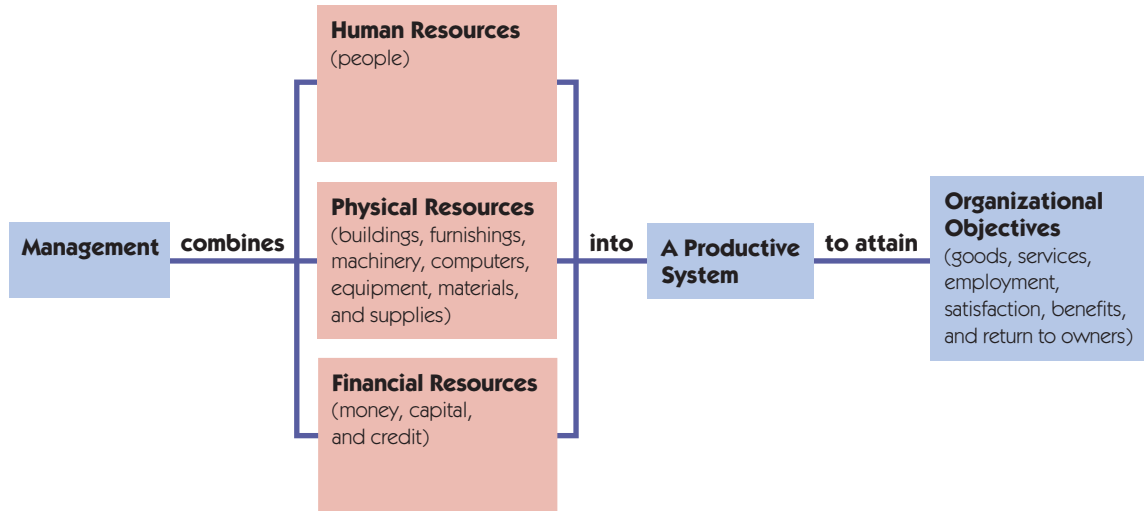
Working with people to achieve objectives by effective decision making and coordinating available resources.

human resources

The people an organization requires for operations.

EXHIBIT 1-2

How Management Combines the Organization's Resources into a Productive System



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physical resources

Items an organization requires for operations.

financial resources

The money, capital, and credit an organization requires for operations.

people involved; **physical resources**, which include buildings, furnishings, machinery, computers, equipment, materials, and supplies; and **financial resources**, such as money, capital, and credit. Exhibit 1-2 shows *the vital task of management: combining resources and activities into a productive system to attain organizational objectives*.

Consider this situation:

Pete Bolton, entrepreneur, operates a one-person shoe repair shop. Pete performs all the necessary activities, including repairing shoes, serving customers, ordering equipment and supplies, maintaining equipment, keeping records, paying bills, and borrowing money. He does it all. Would you say that Pete is performing management?

Our position is that he is not. On the one hand, he certainly employs **physical** and **financial resources**. On the other hand, while he does interact with customers, they are not an employed resource, because they do not perform work. The only **human resource** that Pete utilizes is himself. Now consider a new scenario for Pete:

Business is so good that Pete leases the adjacent office and removes the wall, creating five times more floor space for the shop. He hires four employees: Three perform shoe repairs and one is a counter clerk/repairer. Whereas in the first situation he was a doer, performing all activities himself, in the second situation Pete must manage, guide, and direct others who perform tasks. The skills required for Pete to perform successfully in the new situation differ markedly from those required in the first. Pete must now perform "management."

This simple example explains why many individuals perform successfully in nonmanagement positions such as entrepreneurs, technicians, operators, and professionals but often fail when placed in positions of supervision. The material you are reading will help you succeed in the second situation!

Levels of Management

Except in very small organizations, the different levels of management are usually based on the amount of responsibility and authority required to perform the job. Individuals at

2. Describe the different levels of management.



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authority

Given the right to act in a specified manner in order to reach organizational objectives; the right to tell others how to act to reach objectives.

responsibility

Occurs when key tasks associated with a particular job are specified. The obligation of an employee to accept a manager's delegated authority.

top management

Responsible for the entire or a major segment of the organization.

middle management

Responsible for a substantial part of the organization.

Supervisors help their employees learn, grow, and develop so that company objectives can be reached.

higher levels of the organization have more authority and responsibility than those at lower levels. **Authority** is the right to tell others to act or not act in order to reach objectives. **Responsibility** is the obligation that is created when an employee accepts a manager's delegated authority.

Large organizations usually have at least three levels of management, plus a level of operative employees. These levels are generally referred to as (1) **top management**, (2) **middle management**, and (3) **supervisory management**. In large organizations, there may be multiple levels of top and middle management.

STOP AND THINK

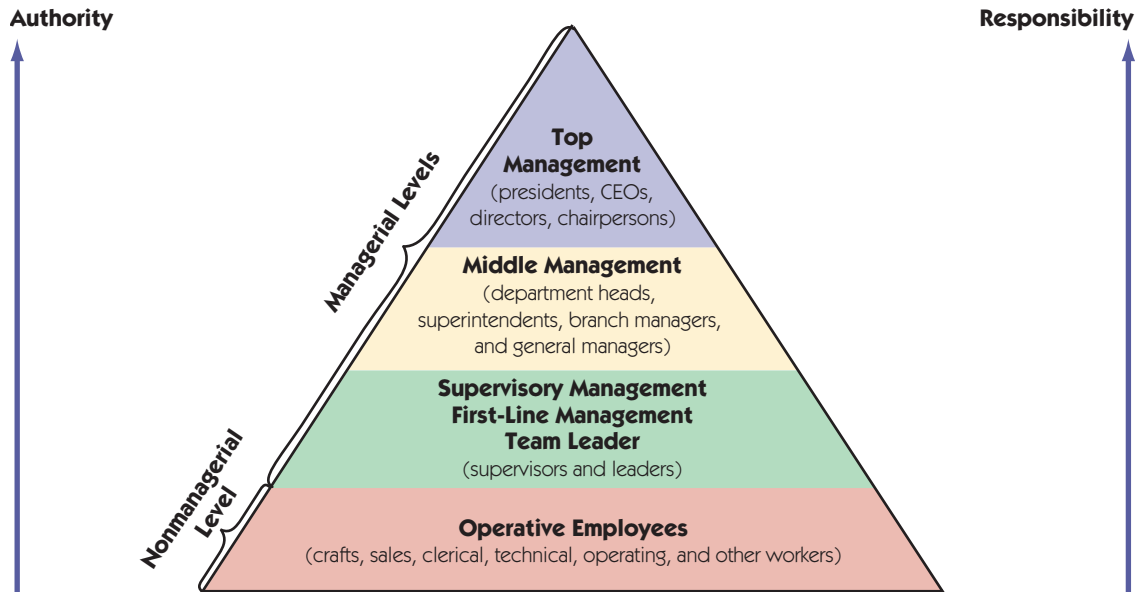
In the chapter preview, for example, note that five levels of management exist at Panera Bread. The president/CEO and vice president levels comprise top management, the regional manager and store managers comprise middle management, and supervisors comprise the supervisory management level.

Exhibit 1-3 shows that authority and responsibility increase as one moves from the nonmanagerial level into the managerial ranks and then into the higher managerial levels. The titles and designations listed are only a few of those actually used in organizations.

Although the duties and responsibilities of the various management levels vary from one organization to another, they can be summarized as follows. **Top management** is responsible for the overall operations of the entire organization or oversees a major segment of the organization or a basic organizational activity. **Middle management** is responsible for a substantial part of the organization (perhaps a program, project,

EXHIBIT 1-3

How Management Authority and Responsibility Increase at Higher Levels



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supervisory management

Controls operations of smaller organizational units.

division, plant, store, or department). Finally, **supervisory management** has control over the operations of a smaller organizational unit (such as a production line, operating unit, office, or laboratory). Managers in this last group, such as Jackie Schultz of Panera Bread (see chapter preview), are in charge of nonmanagerial or rank-and-file employees, and are the managers with whom most employees interact.

Our focus is primarily upon the first level of managers, who may be called *supervisory managers* or simply *supervisors*. This group is the organization's primary link with most of its employees. At BP Group, the large multinational energy company, they number 10,000 and are called first-level leaders, overseeing operations at retail outlets; managing crews at chemical plants, refineries, or drilling platforms; or supervising professionals in research and development (R&D), human resources, marketing, or accounting. About 75 percent of BP employees report to them, and as one BP executive states "in aggregate their decisions make an enormous difference in BP's turnover, costs, quality, safety, innovation, and environmental performance."² A study of 17,000 federal agency employees concluded that "frontline supervisors" are important determinants of federal agency performance: "they are key figures in building and sustaining an organization culture that promotes high performance and they influence many factors of agency performance and effectiveness."³ In some organizations, the term "team leader" may be used interchangeably with "first-line supervisor." In other organizations, it refers to a position quite different from that of a supervisor. For example, in organizations that use self-directed work teams, the work team itself performs many functions considered "supervisory" or "managerial," such as planning, scheduling, and evaluating its own work, and assigning tasks to members. "The team leader of such a group is a working team member who facilitates the team's effectiveness by encouraging members, helping resolve problems, scheduling and leading team meetings, serving as the team's spokesperson with other organizational groups, and so on. Although these types of team leaders lack the formal authority of a traditional supervisor, their roles are similar in many ways."⁴