

The Role of the Supervisor

Imagine yourself in the following situation. You have just been offered a promotion to your first supervisory position. Your boss tells you to consider the offer carefully overnight and to come in the next day with any questions and concerns you might have about accepting the promotion. You are thrilled with the opportunity, but even before you walk out of the office, you begin to have second and third thoughts. Will you really like supervisory work? Just what does supervisory work entail, and how does it differ from nonsupervisory work? If you do take the job, what can you do to make your transition as smooth as possible?

These concerns are held by many who contemplate making the move to a supervisory position. This chapter will discuss these concerns and other concepts related to supervision.

THE NATURE OF SUPERVISION

Supervision is defined as guiding the activities of people who perform the work. It includes planning, organizing, directing, and controlling the work and the activities of subordinates or employees—the so-called four functions of management. Supervisors are defined as members of management; therefore, they must perform these four general functions. More specifically, the supervisor does the following: interviews prospective employees; trains, evaluates the performance of, and counsels subordinates; and performs other activities that help to accomplish the general management functions. Supervision also includes the idea of unit task accomplishment; that is, the supervisor is responsible for the accomplishment of the unit's objectives through others.

Let's now look at the major parts of this definition more closely:

1. Supervision is defined as guiding the activities of people who perform the work.

Literally hundreds of technical and clerical positions exist in the insurance industry, which are filled by people with varying skills

and talents. In this book, we are concerned with the broad range of supervisory settings in the insurance industry—from supervising technical jobs requiring considerable training to supervising clerical tasks that may be filled by new employees.

2. Supervision includes planning, organizing, directing, and controlling the work and activities of unit employees. Following are examples of these supervisory functions:
 - Planning—setting annual objectives for your unit
 - Organizing—determining whether to replace a part-time filing clerk who quits
 - Directing—instructing an underwriter on how to use a personal lines rating software package on a PC
 - Controlling—reviewing the claim files your unit completed for completeness and accuracy
3. Supervision also includes the concept of unit task accomplishment; i.e., the supervisor is responsible for accomplishing the unit's objectives through others.

These objectives could include increasing commission income in an agency sales unit, improving quality control in a personal lines underwriting operation, or converting some data for use on a new information technology system by an agreed target date.

Insurance supervisors often have nonsupervisory tasks mixed in with their supervisory duties. To highlight this, and to further illustrate supervisory duties, we present the following list of tasks contained in supervisors' workloads. Place a check mark in front of each task that you consider to be supervisory rather than technical or clerical.

- 1. Reviewing the salary records for the eight commercial underwriters who work for you
- 2. Adjusting a particularly difficult fire claim with one of your company's insureds
- 3. Writing a weekly report on the activities of the six external agency sales representatives who report directly to you
- 4. Underwriting applications for small commercial business package policies
- 5. Notifying one of the ten claim representatives who report to you that he or she is to be promoted to senior property claim representative
- 6. Rating private passenger automobile policies
- 7. Preparing renewal billings for your agency's insureds
- 8. Outlining an employee orientation program to a new premium auditor just hired into your unit
- 9. Programming a computer system that will rate and issue homeowners policies

- ___10. Preparing an annual salary budget for your public relations unit
- ___11. Counseling one of your commercial raters who has been tardy twice in the past week
- ___12. Making a loss prevention inspection of the premises of one of your company's insureds

Six of these tasks should be categorized as supervisory. This is shown in Exhibit 1-1.

Exhibit 1-1

Supervisory Tasks

Task Number	Activity	Function
1	Reviewing salary records of underwriters	Controlling
3	Writing a weekly report	Controlling
5	Notifying a claim representative of a promotion	Organizing
8	Outlining an employee orientation program to a new premium auditor	Directing
10	Preparing an annual salary budget	Planning
11	Counseling a tardy commercial rater	Directing

In all of the preceding tasks, which are performed as part of your supervisory role, you are supervising or guiding the activities of those who performed the work—underwriters, outside sales representatives, claim representatives, premium auditors, or raters. You accomplish your general supervisory task through the supervisory management functions of planning, organizing, directing, or controlling the work activities of subordinates. As we will see later, the scope and execution of these supervisory functions will vary greatly among insurance companies, agencies, and other organizations in the insurance industry.

As for the other tasks, Task 7 requires you to perform a clerical function. Tasks 2, 4, 6, 9, and 12 require you to perform technical tasks rather than supervise the work of people who are trained in a particular area. Although these six tasks require special skills and abilities, they do not require you to function at a supervisory level—you perform the task *yourself* rather than supervise/guide those who report to you.

The dictionary defines supervision as “a critical watching (and directing) of activities or a course of action.” The essence of supervision, then, involves accomplishing results through others—the people who do the actual work. We will return to this key idea in this chapter and in subsequent chapters.

Supervisory Work

What do we mean by the term “supervisor,” that is, the person performing the function of supervision? A supervisor is a member of the

management team who has authority over technical or clerical employees and who is accountable for the results of their performance.

Let's examine the major components of this definition in detail:

1. “. . . a member of the management team . . .”

The supervisor is a member of the body of managers that guides the organization on its general course. Depending on its size, an organization may have senior executives and layers of middle-level managers in addition to first-line supervisors in its management group. The supervisor is the only one who guides the people who actually do the work of the organization. Those who supervise supervisors are usually called managers.

2. “. . . who has authority over . . .”

Authority is the right to give directions to others—underwriters, claim representatives, loss control specialists, outside sales representatives, systems analysts, accountants, raters, general clerks, and so on.

3. “. . . and is accountable for the results of technical or clerical employees.”

This aspect of the definition relates to part of the definition of supervision just examined; that is, the supervisor is responsible for the accomplishment of the unit's task through the efforts of others.

Although we will analyze some of the major differences between supervisory and technical work in detail in the next chapter, let's identify several of them now. What do you think these differences are? Take a moment and list them on scratch paper.

Here are some of the differences identified by new and potential supervisors from both insurance companies and agencies and brokerage organizations. Although your words may be different from those shown, you can compare your answers with theirs.

1. The nature of the job itself changes greatly when you become a supervisor. As a supervisor, your effectiveness will be judged primarily on the results achieved by your technical or clerical staff rather than on how technically proficient you are as an individual underwriter, rater, or claim representative.
2. The skills demanded of you in a supervisory job are different. Assuming that your span of control (the number of people reporting directly to you) is large enough, you will be removed from the technical or operating work of the unit.

For example, your prior strength may have been expertise in group health insurance claims or technical knowledge of information technology. If you are now supervising ten or so health insurance claim specialists or systems analysts, you will have to become proficient as a planner or organizer rather than a technical