

Supervisor Responsibilities and Expectations



**PRINCIPLE
BASED**
Management™

A MESSAGE TO ALL SUPERVISORS:

If you have direct reports, then no matter what your title or role, you're a supervisor. That means your primary responsibility is to help your employees develop and maximize their contributions by applying Principle Based Management™.

You are to develop trusted relationships and know your employees well enough to help them self-actualize. This includes providing honest, direct and timely feedback, helping employees understand their strengths and weaknesses, and dealing with poor performance.

While we don't expect perfection, continually improving your effectiveness is essential for your – and the company's – success.

If, after reviewing these responsibilities, you realize that supervising isn't for you, that's okay. Explore with your supervisor and others what roles may be a better fit. It is critically important that everyone, including you, be in the right role.

Charles Koch
Chairman & Co-CEO

Dave Robertson
Vice Chairman & Co-CEO

Jim Hannan
KII President & COO

Supervisor Responsibilities and Expectations

Vision

Help each employee better understand and embrace the team/business vision (and associated strategies and priorities) so they can make the greatest contribution to Koch.

- Work with your team to close gaps between today's performance and what is possible. Continually seek to transform.
- Engage with your team and your own supervisor to better identify and stop or modify activities that are not profitable.
- Think long term. Build, acquire or develop the team capabilities needed to make the greatest contribution.

Virtue and Talents

Hire, develop and retain contribution-motivated employees with a diversity of aptitudes so your team's culture more fully exemplifies Our Values. Work with your employees so each is in the right role with the right responsibilities and opportunities to self-actualize.

- Treat your team members as individuals. Personalize your coaching of each, including high performers, to help them learn what they are and aren't good at so they can self-actualize and increase their contribution.
- Continually make changes so your team has the right combination of perspectives, experiences, aptitudes, knowledge and skills to drive profitable transformation.
- Lead by example. Use and ensure your team uses our principle-based framework to guide what everyone does.

Knowledge

Enable every team member to learn and improve so they can better help us succeed in a rapidly changing world.

- Create an inclusive team environment where decision making is improved by soliciting and providing challenge, seeking and sharing knowledge, and identifying and closing gaps.
- Help your team experiment effectively, take profitable risks and develop good economic thinking skills.
- Develop and modify your team's measures so they provide the information required for marginal analysis and insights that improve stewardship and profitability.

Comparative Advantage

Maximize what your team and Koch can accomplish by applying division of labor by comparative advantage so each employee makes the greatest contribution relative to the contributions of others.

- Seek mutual benefit. Help each team member pursue work they are good at and care about in a way that maximizes the team's overall results. Proactively revisit comparative advantage as team members and conditions change.
- Foster a clear, shared understanding of responsibilities, expectations and decision rights with each employee. Hold yourself and team members accountable for results and behavior consistent with Our Values.
- Remove barriers that stifle good decision making, collaboration and employees being in roles where they can best contribute.

Motivation

Motivate each employee to make the maximum contribution to the team and Koch's long-term success by realizing their potential.

- Know your employees well enough to motivate each based on what is important to them, such as pay, meaningful work they have some control over and care about, and opportunities to develop and be creative.
- Encourage employees through your actions as well as words so they proactively create value in new ways.
- Recognize and reward value creation, not activities. Communicate with each team member so they understand how they earned their compensation and can increase it by contributing more.