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1.0 Introduction

Performance management is a way through which employees and their supervisors engage in conversations throughout the year. That is supposed to identify a concrete way through which strategic objectives can be achieved in the organisation. In this report, the difficulties that can arise while undertaking better performance management practices, especially when remote working has become a modern work culture will be the primary consideration. The context of American-based online short-term travel and accommodation distributor Airbnb will be aligned to the above setting in creating a business proposal that looks to improve the problems. During the discussion, the contributions made by line managers will be a specific point analysis. Along with the application of different human resource tools that can complement better development in strategic management perspectives. Each point raised within the report will be backed up with scholarly evidence and other commercial articles bringing alternative proof. That will fulfil the pre-conditions of the proposal.

2.0 Critical discussion of performance management as an integrated strategic management process using HR tools

According to scholars (Banfield, Kay and Royles, 2018), performance management is considered to be a strategic and integrated approach that is intended to ensure lasting success within any organisation. This not only considers improving the performances of teams and specific individuals but instead, relies upon the organisation as well to complement the above performances (Armstrong and Baron, 1998). This allows the concept to be seen as a continuous process, granting special techniques to the managers whereby normal management practices that create hindrances are limited.

In the context of Airbnb, a model as identified by Dave Ulrich and Wayne Brockbank in the year of 1995 can be used for organising HR functions (Ulrich, 1998). The framework is typically meant for larger corporations with many workers who might prove to be unwieldy. This helps in streamlining ways of working for the teams, ensuring that all the team members are clear on their goals. Airbnb has considered maintaining the same consistency from which it derived its productivity. That might allow the employees to be persistent concerning their commitment. That proves that certain factors embedded within the model will benefit the organisation in dealing with its workers. That does not compromise productivity but only improves their capacity to keep performing.

Strategic Partner: An integral part of any human resource department to consolidate performance is a strategic partner. In this case, the CEO Brian Chesky was seen as a similar figure within the company. This brought into light an idea which verged flexibility, by granting workers to work on open platforms, with on-site perks, and other added advantages (Bovim, 2019). The CEO decided to place a few critical positional roles like relationship manager, strategic manager, and other leaders to the central point of operations for Airbnb. Whereas, the other smaller roles were granted the flexibility to determine their own preferred work location. This idea reaped success for the company after 2021, whence 20% of the night stays began to get booked completely courtesy of the freedom of communication accessed by the workers (Bovim, 2019).

Administrative Expert: In association with the financial director Vivek Arya, Airbnb managed to create among its administrative management a select few members. These members collaborated after the company partnered up with e-commerce giant Amazon, and accessed their business through cloud services or AWS (Amazon Web Services). Meanwhile, the CEO and their administrative heads decided to implement a two-step plan that not only saves money. It also allows 7000 workers to diversify their roles (Airbnb, 2022). The elimination of costs was decided as reducing the undue expenditure involved towards Airbnb marketing (Airbnb, 2022). This made way for shortages that were experienced especially when staff demanded better pay. Also, the savings could then be capitalised towards performance management functions. For instance, training the workers to apply themselves better while dealing online with customers. The company managed to save approximately $800 million through this endeavour alone. This showed that better than considering layoffs, the company managed to persist with what little effort the workers were able to provide.

Change Agent: Sometimes an existing organisational culture might require changing, which can be perceived both professionally and personally in the case of workers. Recently, Airbnb has increased its importance on technologies that mainly include their chief innovation Spinnaker (Mcpherson, 2020). This CI/CD orchestrator conducts an automated canary analysis during deployment after workers have contributed their share of required skills. The workers who were still dependent on manual handling of microservice traffic by comparing different codes tried to collate customer stays in terms of performance for the enterprise. However, currently, all the workers are required to get acquainted with the technology, especially as it facilitates internal content management (Mcpherson, 2020). That plays an important part to persuade customers within the IOS platform-based applications, and Android platform-based applications (Lin, 2022). This allows targeting of a specific country

and ensures customers come in droves. Thus, it tested the employee skill sets as well to ensure that the application performed as per consumer expectations. The current adaptation has thus completely applied this innovation to be mastered by different executive teams.

Employee Champion: Employees feel the need to be heard and respected within any organisation. This creates a direct proportion of the levels of productivity and the payment expectations of the workers. Approximately 52% of the workers have benefited from the pay scheme, rewards, recognition, and perks available at work (Employee Benefits, 2022). Airbnb has managed to keep a close eye on employee performance based on the available data exhibited within the software. This specifically considered 62% of their US-based workforce who were united through remote working, and at the same time enjoyed perks like affording clothing, personal items that might interest workers, and others at the expense of the enterprise (Employee Benefits, 2022). The other workers were also allowed to bask in each other's successes, which were updated through the system. In short, Airbnb used the application as a means to motivate their staff by showing better performance.

3.0 Critically comment on how line managers play an effective role in performance management

To determine how line managers can play a significant role in the performance management of the employees, it is necessary to first define a line manager's role and responsibilities. Line managers serve as the intermediary or first point of contact between the employees and the middle or senior manager. Line managers, therefore, interact with HR representatives as well as senior leaders, and are responsible for communicating essential information between senior managers and leadership to the employees (CIPD, 2022). This includes communicating objectives, conducting recruitment and exit interviews alike, performance analysis, coaching and training as well as communicating changes downstream. Therefore, performance management as a whole comes within the purview of responsibilities that defines a line manager's role (Harney and Cafferkey, 2014). This immediately shows that line managers are critical for ensuring positive performance management outcomes, as they are responsible for disseminating objectives and strategic goals to the teams and employees. Employee performance is negatively affected when clarity of goals, expectations and individual responsibilities are not communicated effectively (Harney and Cafferkey, 2014). Line managers are also responsible for implementing strategy in a manner that maximises employee engagement and peak performance. This is inferred from the Yerkes-Dodson Law

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which states that there is a balanced state of pressure and performance that determines the peak performance levels of employees (Teigen, 1994). Line managers will therefore create a healthy workplace climate that fosters responsibility and goal awareness in team members, resulting in a higher level of focus and intent towards fulfilling their job responsibilities. Line managers influence performance management by maintaining a healthy workplace climate where the well-being of staff is met satisfactorily. Through policies, processes and direction, the employees are motivated to a higher level resulting in greater job satisfaction at the workplace (Shkoler and Kimura, 2020). As a team, employees function better when there is trust and no fear of conflict that can arise from autocratic micromanagement styles or abuse, which comprises two of the five elements of Lencioni's model of team dysfunctions (Lencioni, 2002). The other dysfunctions are termed a lack of commitment, accountability and inattention to results (Lencioni, 2002). Through the aforementioned approaches such as building a positive workplace climate and communicating objectives clearly, potential dysfunctions like a lack of accountability and commitment are eliminated by the line manager's performance. The last dysfunction of inattention to results is summarily eliminated through regular performance reviews and appraisals. Line managers foster responsibility and autonomy in staff members by including them in meetings related to goal achievement, such as identifying performance bottlenecks (Suhail and Steen, 2021). Employees become more committed through their motivation, job satisfaction and feeling of being involved in meetings that publicly acknowledge their roles and contributions in the workplace (Lee and Raschke, 2016). As a result, they develop a higher level of autonomous performance including a committed approach to attaining results. Line managers can intervene as needed, such as in the role of a mentor or a coach to help employees with overcoming their performance limitations (Smith, 2019). The availability of such guided support towards their growth and professional development empowers employees to work at a higher performance level (Wang et al., 2021), thereby illustrating the direct link between line managers' roles and behaviours in effective performance management practices.

Performance outcomes are sustained when the workforce operates at a high-performance level in continuity. For this to happen, employees must be satisfied and engaged to safeguard the organisation from adverse developments in the staff's collective performance levels. Employee retention is affected by the perception of stress in the workplace as well as abusive conduct from line managers (Akram, Li and Akram, 2019). Their turnover intention may not develop to its full extent, however, it can still result in outcomes like absenteeism which degrades the collective performance of the team (Morrow et al., 1999). Employees can also

be dissatisfied if line managers are not attentive to their grievances, concerns or feedback (Bos-Nehles, Van Riemsdijk and Kees Looise, 2013). Other negative performance outcomes can develop due to an inadequate rewards system which does not provide equitable rewards, financial and non-financial, to the employees (Güngör, 2011). The effective performance of a line manager as shown in this section accounts for these eventualities that can threaten the continuity of workplace peak performance levels. Therefore, the role of line managers is proactive in raising staff performance while being preventive of outcomes that can threaten the stability and well-being of staff members.

4.0 Analyse the challenges of assessing the performance of remote teams

The decentralisation of the workplace environment has been a lasting outcome of the Covid-19 pandemic, as workplaces during the pandemic-led lockdowns were forced to operate virtually. This habit has been sustained throughout the pandemic, with various industries across diverse sectors reporting decentralised workforce participation that is indicated by behaviours such as work-from-home, remote work, hybrid work and other remote team performances (Abarca, Sanchez and Camacho, 2021). Before this, remote team development was also increasing through outsourcing of tasks to offshore and foreign counterparts, which was made feasible owing to the digital transformation of business activities (Ferrazzi, 2014). Therefore, these developments have led to their unique challenges in the context of managing the performance of remote teams, which can be illustrated individually as follows.

Firstly, remote teams can be disconnected from the organisational culture and the mission of the company. Due to remote work performance, teams are not observing the impact of their daily work in a physical workplace environment that presents a corporate hierarchy and upstream communication. This results in a decrease in the team's accountability and responsibility towards the bigger picture of objectives. This reason was cited by Tesla CEO Elon Musk as well, for justifying his decision behind mandating workplace attendance for a minimum of 40 hours weekly for all Tesla employees (Medema, 2022).

Secondly, the participation of remote teams may not follow a standardised approach that would be present in a physical workplace environment. For instance, some teams might be operating with greater autonomy resulting in fewer daily check-ins or availability for remote communications (Smith and Ruiz, 2020). Other teams may be affected by micromanagement resulting in a higher frequency of answering emails and attending virtual meetings, which is a proven detractor of work performance for employees. Standardising the performance review

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across such variable team behaviour, therefore, becomes impossible to perform by the manager.

Thirdly, remote teams may exhibit lower performance due to a breakdown in communication across formal and informal channels. A lack of formal regular communications may create a silo phenomenon that isolates remote teams from the organisation's objectives, downstream communication and strategic changes (Yang et al., 2021). This results in a disconnection between corporate expectations of team performance and actual team performance in remote teams. The lack of informal communications, colloquially termed as 'water cooler talk', prevents remote teams from gaining workplace information across informal or grapevine channels that are present in a physical workplace environment (Bindley, 2020). This is evidenced by the findings of remote teams need more dialogue input to understand new information compared to physical workplace teams (Methot et al., 2021).

Fourthly, managers may find it challenging to balance the autonomous behaviour of remote teams with the need to compensate for managing them remotely (Shirmohammadi, Au and Beigi, 2022). This can lead to micromanagement across the virtual environment that can intrude on the privacy or well-being of the remote team members. For instance, some managers may require hourly check-ins online from remote teams as evidence of their daily participation, which can create fear in employees that their perceived organisational commitment is not satisfactory to the manager (Kalischko and Riedl, 2021). It can also impede their work-life balance by intruding on their domain of privacy due to the remote team performance (Shirmohammadi, Au and Beigi, 2022).

In summary, these challenges present performance management hindrances for managers in the contemporary business environment which are characterised by digital transformation and globalisation of workplace practices. The subsequent recommendations address these challenges to improve the overall performance management process, with an emphasis on addressing these contemporary challenges presented by decentralised work routines.

5.0 Recommendations

Firstly, performance management practices can include a top-down mentality of creating clarity through communication for remote team workers. This can be used digitally by creating a cloud-hosted platform in the intranet that is accessible to remote teams of the organisation (Wertz, 2020). Through this approach, a single point of access is created that efficiently guides remote teams to the internal platform that disseminates communications

daily. This ensures the silo phenomenon is eliminated while providing remote teams with a digital forum for informal interaction, such as group chat rooms. This simulates the informal grapevine network of communications present in a physical environment (Methot et al., 2021).

Secondly, the company culture can be kept engaged with the remote teams by increasing the public or broader perception of culture across the workforce. For instance, the cultural values, beliefs, practices and processes can be listed in an inspirational manner that articulates the cultural variables to remote teams. An instance is noted in Netflix which published its company culture practices publicly to attain this same result of cultural linkage with the workforce across the company's presence (McCord, 2014).

Thirdly, performance management software must be used to standardise the performance management processes across different teams. This ensures that the same benchmarks such as KPIs and other metrics are used to evaluate diverse remote teams (Smith and Ruiz, 2020). Line managers across departments can optimise the benchmarks to adapt to their team needs, ensuring that performance evaluation meets the divergent needs of different teams and departments satisfactorily.

Fourthly, managers must develop values that reflect their positive support of remote team performance. The autonomy of teams must be sustained with clear expectations that team performance will be measured across KPIs and expectations. As teams continue to perform optimally, managers will be reassured and prevented from practising micromanagement techniques that would negatively impact the work-life balance as well as the performance of remote teams (Reisinger, Sephton and Fetterer, 2022).

6.0 Conclusion

The report has analysed human resources management with an emphasis on performance management through the Airbnb instance, where the workforce participates remotely at a higher level. The integrated process of performance management was explained to determine the scope of HR functions in a holistic performance management capacity. The impact of line managers on effectively influencing performance management was summarily shown across different perspectives of employee motivation, retention and engagement that results in sound performance management as a whole. The challenges of managing the performance of virtual teams considered the barriers of distance from the physical workplace cultural artefacts and other issues that limit virtual team performance, as well as references to real-world

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companies experiencing similar problems. The stated recommendations address the problems and fulfil the report's aim of improving the performance management process of the company in the digital environment.

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