PROPERTY MANAGEMENT PRACTICES
IN CHAIN & INDEPENDENT HOTELS
OF NATIONAL CAPITAL REGION (NCR)

SUMMARY OF Ph.D THESIS

BY
Manish Anand

UNDER THE SUPERVISION OF
Dr. MOHINDER CHAND

DEPARTMENT OF TOURISM AND HOTEL MANAGEMENT
KURUKSHETRA UNIVERSITY, KURUKSHETRA
JUNE -2012
INTRODUCTION

During recent past property management practices has emerged an important aspect in the international hospitality industry. In fact, hospitality sector has generated huge revenue and employment opportunities in developing counties and India is no exception in this context. Thus, it has become important for the service providers to understand user’s and customer expectations and perceptions as well as the factors that influence their evaluation and satisfaction with the provided service. The enormous changes have been noticed during the recent years in systems used in terms of organizational structure, revenue, innovativeness and information technology etc, of this information technology has dramatically affected the environment hotel operational practices worldwide and India is no exception to this. Today, the nature of hotel industry has changed entirely to cope with the diversity of changes in requirements of guests such as reservations through internet and mobile applications and hassle free check in check out, online feedbacks.

The PMS is fully integrated with sales and catering, accounting, quality management system, central systems reservation system; and customer information system. For most hotels the key technology is the Property Management Systems (PMS) which is defined as “a set of application programs that directly relate to hotel front office and back office activities e.g. revenue management, reservation management, room and rate assignment, check-in & out management, guest accounting, folio management, account settlement and room status management” (Kasavana & Cahill, 2003, p.4). For the last few decades, the hospitality industry has been identified as a key driver in the growth of the service industry, which in turn, is one of the three main industrial components of a developed and/or developing economy (Kotler and Keller, 2006).

(Kokaz & Murphy 2008, 2009) have shown that almost all hotels have a property management system however the data used by the PMS is not always “visible” or available for cross functional activities and requires a level of investment in interfaces to fully maximize the benefits of the PMS data, and related data sources e.g. Central Reservation System (CRS), and other relevant data sources.
(Chand & Anand, 2011) suggested that in the case of implementing property management practices, the owners seem to consider heavily on planning, information collection and pursuing goals and objectives, along with quality and control. Further, According to World Travel and Tourism Council (2011) travel- and tourism-related activities account for over 230 million jobs, or 8.7 per cent of jobs worldwide. Similarly, the hospitality industry is the largest and rapidly growing industry in India, employing over 27 million people, accounting for 8.5% of the total workforce, and generating over 5.9% of GDP (Ministry of Tourism, India, 2011)]. However, hotel organizations and managers face real challenges in attracting and retaining tourist as unable to offer a high-quality ‘service’ to the increasingly demanding and discerning tourists.

The present era is marked by the revolutionary changes in the property management systems used by the hotels. A vast variety of services ranging from GDS, CRS, Online Booking Vending machines for check-in check out and epos systems have become part and parcel of today’s hospitality industry. Bardi et al (2003) suggested that PMS as a network of various hardware and software applications used to manage a hotel; sales & marketing, human resource management, guest handling, reservations, food & beverage, electronic mails etc. Thus, it has become imperative to explore right type of property management practices to use and to ensure more guest wiz-a-wiz revenue.

In light of the above, the decision to target the Indian hotel organisations reflects desire to add exploratory data to the emerging area i.e. property management practices in hotel industry. In this context, the present search study has been undertaken on the applied topic entitled “

OBJECTIVES OF STUDY

The main objectives of the study are:

Objectives:

Main Objectives of the study are:

1. To examine the existing Property Management Practices in the selected Chain and Independent hotels.
2. To evaluate the variations in Property Management Practices in different properties according to their demographic characteristic

3. To compare the Property Management Practices in selected chain and Independent hotels.

4. The study aims at examining how the Property Management Practices contribute to organization performance.

5. To suggest some practical remedies for making the Property Management Practices more effective.

**HYPOTHESIS OF STUDY**

Consequently, considering the importance of property management practices in the Indian hotel industry, we may hypothesise that:

H1. There is a positive relationship between the importance of Property Management Practices and the adoption of property management practices

H2. There is a positive association between the control variables (demographic) of the hotels and the adoption of property management practices.


H4. There is a positive impact of Property Management Practices on hotel organization performance.

**RESEARCH METHODOLOGY**

*Sampling and data collection*

During December 2009, sample hotels were identified from the highly respected directory of the Ministry of Tourism, Govt. of India and FHRAI that serves as a resource centre for business information and maintains relevant databases of hospitality firms. Thus, to initiate the sample 450 Managers were contacted through mail and personally, only 320 managers responded and agreed to participate in the survey, all of which were sampled. They represented a mix of industry, size and operation. A survey methodology was chosen because it was deemed to be the most efficient way of reaching a large number of respondents, whereas the data required
facilitated the use of a mail-administered questionnaire with close-ended questions. Of the total sample, usable questionnaires were returned by 200 respondents. Table 1 presents the number and percentage of respondents for this study.

**Research instruments**

*Property Management Practices:* the research used existence of 27 property management practices (see Table 2) measured on a Likert-type 5-point scale ranging from 1=never 5= Always) for usages. The scale includes the central attributes of Front Office practices, *Food & Beverage Practices, Accounts & Finance Practices* as discussed in the literature. For the classification of the property management practices we followed the methodologies of past studies (Vich-i-Martorell , 2004; Jogaratnam, 2005; cheyne, et al, 2006; and kokaz & Murphy, 2008 & 2009).

**Measures**

*Property Management system Practices: We used existence of 27 property management system practices (see first column of Table 1) measured on a Likert-type 5-point scale ranging from 1=never 5=very often in case of usage and 3-point scale (1=not important, 2=moderately important, 3= important) for importance. For the classification of the property management system practices we followed the methodologies of past studies (Vich-i-Martorell, 2004; Jogaratnam, 2005; Cheyne, et al., 2006; and Kokaz & Murphy, 2008 & 2009).*

Organisational performance variables : The research used the existence of 8 performance variables (Profitability compared to business unit objectives, Market share compared to business unit objectives, Sales growth compared to hotel industry average, Sales growth compared to hotel industry average, Return on investment compared to industry average, Is your PMS user friendly etc) derived from review of literature and were measured on Likert-type 7-point scale ranging from 1=very strongly disagree, 2=Strongly disagree ,3=disagree, 4= neutral, 5=agree ,6=strongly agree and 7= very strongly agree.

Control Variables: in this study following control variables were used such as Number of employees, Age of organisation, Capital investment, Type of enterprise, Type of Ownership etc based on the past studies in the field of hotel management.
Moreover, these variables have been used to examine the relationship between food and beverage service practices and Control variables.

**DATA ANALYSIS METHODS**

In order to achieve the objectives of present research and to test the hypotheses, this study employed following analysis methods:

1. Factor analysis was performed to identify Property Management Practices,
2. One-way ANOVA was employed to test the association of the demographic variables with hotel performance and Property Management Practices,
3. The t-test was used to compare the perceived Property Management Practices in the Chain Hotels and Independent Hotels in National Capital Region NCR
4. Correlation analysis was used to test the relation between Property Management Practices and Hotel Performance.

**ORGANISATION OF STUDY**

The study is divided into following chapters.

**The study will be divided into following chapters.**

**Chapter 1**

- Introduction- General Profile of hotel industry in India
- INCREDIBLE INDIA: FULL OF WARM HOSPITALITY
- HOTEL INDUSTRY: HISTORICAL BACKGROUND
- PRESENT SCENARIO OF HOTEL INDUSTRY IN INDIA
- FUTURE TRENDS OF HOTEL INDUSTRY IN INDIA

**Chapter-2**

- Property Management Systems: an overview
- Property Management Systems: Meaning of PMS and different property management practices used in hospitality industry
- TYPES OF PROPERTY MANAGEMENT SYSTEMS
• ADOPTING A PROPERTY MANAGEMENT SYSTEM

• Property management practices and hotel performance.

• References

Chapter 3

• Review of Literature- It will cover the relevant work done in field of Property Management Practices in Hotel Industry in particular and other sectors in general.

• Research Design- it will illustrate the nature of problem, objective, hypothesis, scope, methodology, chapter scheme and limitation of the study.

• References

Chapter 4

Analysis and Interpretation- Will deal in analysis of data and its importance.

Chapter 5

• Findings and conclusion- will cover important findings and conclusion drawn by testing hypothesis.

• Suggestions- Will include summary and suggestions for further study.

BIBLIOGRAPHY

FINDINGS OF THE STUDY

On the basis of the analysis and interpretation of property management practices data, the findings of the results are given below:

The distribution of sample represents hotel organizations with respect to the star category of the hotels. In terms of star category 100 (50%) existed for 3 star hotels, 60 (30%) for four star hotels, 30 (15%) for five star category hotels and 10 (5%) for five star deluxe hotels. This shows that most of the hotels come under 3 star hotel categories.
It also presents the distribution of sample hotel organisations with respect to the demographics used in the study. In terms of years of existence, 70 (35%) existed for 6 to 10 years, 50 (25%) existed for 11 to 15 years, and another 25 (16.5%) for more than 16 years. 45 (22.5%) existed for less than 5 years. This shows that most hotels have already established their names in the market, gained stability in the society, and indeed is part of a growing hospitality industry. The capital of most organisations is less than 100 million; 79 (39.5%) hotels having capital more than 100 million. There are 67 (33.5%) hotels with capital between Rs 101-300 million, 24 (12%) hotels are having capital between Rs 301-500 million, 17 (08.5%) hotels are with the capital between Rs. 501-100 million and 13 (06.5%) hotels have capital more than 1000 million. The size of employment in most organisations is less than 50 employees; most of the hotels (79 or 39.5%) had 50 or more employees. There are 62 (31%) that have 51 to 100 employees, 35 (17.5%) with 101 to 200 employees, 19 (0.9.5%) with 201-300 employees and 11(05.5%) hotels with more than 300 employees. The findings imply that the number of employees was largely dependent on the organizational set-up of the hotels and the services offered. Finally most hotel organisations 140 (70%) are individual enterprises and 60 (30%) are Chain (joint, partnership).

In order to test H1 or to explore the existing property management practices prevailing in Indian hotel industry especially in NCR, factor analysis was employed. In the initial stage property management practices measured on a Likert-type 5-point scale ranging from 1=never 5= Always) for usages. The scale includes the three central attributes of property management practices (Front Office and F&B Service Practices and Accounting & Finance Practices.

The level of implementation of property management practices of Indian hotels in terms of product offering is presented. The 27 items have been derived based on our data coincide with the conceptually derived PMS practices and tested empirically in the hotel organisations in National Capital Region. The results indicate that hotels in NCR include a “Very High” (X=4.75) level of property management practices in their product offerings. They consider the ‘Confirmation mail in advance makes a guest more satisfied ’(X=3.80), Multiple Check-in & Check outs(X=3.11), ‘Guests
can also request or register complaint on IVR (X=4.00), ‘Guests can check their bills on the TV Screen in rooms.’(X=3.95), and oftentimes ‘guests can also request or register their complaints through IVR’(X=4.00). Most of the times now ‘making occupancy report is easier’(X=4.20) and ‘Better way to post the bill in Master Folio of the Guest’(X=4.63). It was also found that Total Room Revenue and ARR can be calculated easily ’X=3.84 and oftentimes PMS can be linked with other properties (X=3.82). Also ‘making a reservation is better than dairy or Whitney system(X=3.64) and ‘Room forecasting can be done easily’(X=3.68). They consider the proper Guest can view Order No & Service makes them more satisfied’(X=4.62), ‘Helps in getting report of guests with complementary meals’(X=4.10) and mostly ‘Better way to post the bill in Master Folio of the Guest’ (X=4.63).

In order to validate results further, or to test H1, factor analysis was performed in the property management practices in the Indian (NCR) hotel industry to represent presents the results from exploratory principal components factor analyses with Varimax rotation on the 27 individual property management system practices items categorised into three groups. The property management system practices items were factored into three factors explaining from 79.70 to 83.50 percent of total variation. The first factor (property management system practices) we label as 'front office practices (FOP) that comprises Confirmation mail in advance makes a guest more satisfied, Sending SMS also about confirmation to the Guest via PMS, Multiple Check-in & Check outs can be taken ,Guests can check their bills on the TV Screen in rooms. Guests can also request or register complaint on IVR, Sending E-mails for Updates greetings to Guests makes them more Satisfied, Making Occupancy Report is easier, Total Room Revenue & ARR can be calculated easily Linkage of PMS with other Properties, Revenue can be increased through GDS, Room Forecasting can be done easily, Making a Reservation is better than dairy or Whitney systems, Guest’s Preference, History can be recorded for long time Corporate & FIT can be easily distinguished ,Cancellation can be done easily and retention charges can be Charged online, Promotions & Offers can be shared online on social networking, Sites, sms or e-mail Helps in Coordinating with sales & marketing Deptt. And special Requests of Guest can be shared with other departments.
The second factor ‘food & beverage practices’ (FBP) comprises Guest can view Order No & Service Time, Better way to post the bill in Master Folio of the Guest, Guest’s Preference and special request can be saved and used later on and Helps in getting report of guests with complementary meals.

The third factor ‘accounting & finance practices (A&FP) consists of Daily Revenue can be calculated easily, Helps in calculating salary of employees easily, Night Auditing can be done in a better way, Discrepancies can be found easily, and Daily Discounts & Allowance given to guest can be calculated easily.

It also explained all the necessary information about the “three factors explaining between 79.70 to 83.50 per cent of the total variation that are above the generally accepted level of 50 per cent. All items pass the eigenvalue (more than 1.00), the cut-off points (factor loading not less than 0.40), and the cross-loading (not less than 0.10) requirements. The Cronbach alphas of the three factors are very high (ranging from 0.80 to 0.87), and are above the generally accepted level of 0.70.

The hotel organisations specific characteristics such as category, age, capital, number of employees and type of ownership have a close relationship with the adoption of specific property management practices. Thus, to study the relationship between property management practices and specific characteristics of hotel organisations such as category, age, capital, number of employees and type of ownership or to test Hypothesis 2 – i.e. There is a positive relationship between food service practices and specific characteristics of hotel organisations such as category, age, capital, number of employees and type of ownership, Bivariate co-efficient of correlation was employed.

The values of the bivariate correlation coefficients between all the variables used in the study were displayed. We observe strong, positive and significant correlations between all the food service practice variables (Front Office Practices=FOP, Food & beverage Practices =F&BP and Accounting & Finance Practices=A&FP).

The values are significant at 0.01 level for the capital, size in employee, type of ownership, category, FOP, F&BP and A&FP. These results supporting hypothesis H2. With respect to the characteristics of the Indian hotel organizations, we observe
that there is a negative association between age, capital and size and most property management practices variables, giving thus partial support for hypothesis H2. These results indicate that the hotels having large amount of capital and large number of employees widely make the use of property management practices as compared to other hotels.

In order to assess the relationship between some of the controls (or demographic variables) and application of food and beverage service practices, or in other words to be able to test Hypothesis 2, one-way ANOVAS were performed. The results of this analysis are summarised, which presents the corresponding F-values. The findings in this table are informative. In column ‘mean scores’ the average scores of the usage of food service practice variables are reported. It is seen that all means are much above level 2 in the 5-level Likert scale.

The dimensions of ‘category’ and ‘type of ownership’ found to be statistically significant on all property management practice variables. It can be said that large size hotel organisations are using property management practices then small size hotels. On the contrary, the dimensions of ‘age’, ‘size of capital’ and ‘no. of employees’ did not produce statistically significant results with respect to the food service practices variables. In the light of these results, regarding Hypothesis 2, we found that there is a positive relationship between property management variables and category and type of ownership, and there is no relationship between property management practices variables and age and size (capital or employees). To assess the rating of property management practices in hotel’s in NCR or to make comparison between Chain hotels and Independent hotel’s on Property Management Practices, or to test H3 Chain hotels will be rated higher than resorts on food and beverage service practices; t-test was applied.

The t-test result comparing perceived property management practices in the chain hotels and independent hotels in NCR were also analysed. Mean comparison yielded a few significant differences and they were in the hypothesized direction. In all the cases chain hotels obtained higher mean score compared to its counterpart. In the rest of the cases the mean differences were not significant although chain hotels had always an edge over the independent counterparts. Analysis of the data suggests that
the property management practices in the sample respondents were, on the whole, not well-founded. The practices seem to have evolved from the experienced-based knowledge of the front office staff and the vision of front office manager. Most managers were able to provide reasoned justification for the practices that they employed. The findings also provide needed implementation guidelines to practitioners for effective food and beverage service practices implementation and gives possible reasons to explain some cases of chain hotels and resorts in Indian hospitality industry where the perceived benefits fell short of expectations.

In order to assess the relationship between some of the controls (or demographic variables) and organisational performance, or in other words to be able to test Hypothesis 4 i.e. There is a positive relationship between property management practices and organisational performance, one-way ANOVAS were performed. The results of this analysis are summarised, which presents the corresponding F-values. The findings in this table are informative. In column ‘mean scores’ the average scores of the corresponding performance variables are reported. It is seen that all means are much above level 4 in the 5-level Likert scale. This should be of no surprise because all hotels included in the sample were the ‘best performing hotels’ according to the Ministry of Tourism, (Government of India) directory.

The dimensions of ‘hotel category’ and ‘type of enterprise’ found to be statistically significant on all performance variables, except of ‘market share’ for the ‘type of enterprise’ dimension. The examination also revealed that the higher the star category of the hotel, the higher the hotel performance levels. This result is similar with the results of (Kokaz & Murphy 2008, 2009), Watkins (1995). Moreover, it is found that hotels were performing better when they were belonging in a chain, result that is similar with the results of Buhalis (1998), Namasivayam, Enz, & Siguaw, (2000). On the contrary, the dimensions of ‘hotel age’, ‘size in capital’ and ‘size in employees’ did not produce statistically significant results with respect to the performance variables. This result is similar with the results of Wagner (1999), Freed (2008), Mamaghani (2009). In the light of these results, we may say that regarding Hypothesis 4, we found that there is a positive relationship between organisational performance and hotel category and type, and there is no relationship
between organisational performance and hotel age and size (capital or employees). In other words, if hotels are to achieve higher performance levels, they should preferably increase their category and belong to a chain.

Further, co-efficient of correlation was calculated between the factors representing property management practices and organisational performance variables.

To find the impact of property management practices on organizational performance in Indian (NCR) hotel enterprises, Correlation co-efficient was applied which is a common measure to examine the relationship between the two or more than two variables. The research used the existence of 8 performance variables measured on Likert-type 7-point scale ranging from 1=very strongly disagree, 2=Strongly disagree ,3=disagree, 4= neutral, 5=agree ,6=strongly agree and 7= very strongly agree.

In order to examine the impact of property management practices on organisational performance or to test H4, correlation co-efficient was performed. Correlations were calculated between the factors representing the three property management practices derived, and the organisational performance variables. These three factors were developed by a number of conceptually consistent property management practices in the questionnaire, determined by factor analysis. This approach is acceptable while testing hypotheses and a number of factors to be extracted. The resultant correlation coefficients are presented, where it can be seen that all correlations are positive, highly significant and in most cases their values are rather high. Upon observing the results, it is found that:

Profitability compared to business unit objectives is highly correlated with Front Office Practices factor where as there is no relationship with Accounting & Finance Practices (A&FP) factor. Further, other factors of property management practices are significant at 10 % level. Market share compared to business unit objectives revealed significant correlation with all factors of property management practices. Return on investment compared to industry average is highly correlated with all property management practices (APMP) at different levels. Profitability compared to business unit objectives is highly correlated with Front Office Practices and moderately correlated with Food & Beverage Practices but there is no relationship
with Accounting & Finance Practices. Sales growth compared to hotel industry average is highly correlated with Front Office Practices and moderately correlated with Food & Beverage Practices and all property management practices. Sales volume compared to business unit objectives is moderately correlated with Food & Beverage practices and there is no correlation with Accounting & Finance Practices and all property management practices. Return on investment compared to industry average is highly correlated with Front Office Practices and moderately correlated with Food & Beverage Practices and all property management practices. Quality holds more important than quantity is highly correlated with front office practices and moderately correlated with Accounting & Finance Practices Is your PMS user Friendly is highly correlated with Front Office Practices (FOP) factor where as Sales volume compared to business unit objectives is least correlated but it is significant at 10 % level. Cost Saving by using PMS is highly correlated with Accounting & Finance Practices (A&FP) and Front Office Practices and all property management practices but moderately correlated with Food and Beverage service practices

THE POSITION OF HYPOTHESIS

Hypothesis 1: The findings of study identified most important Property Management Practices in the NCR (Chain Hotels and Independent Hotels) such as ‘confirmation mail in advance makes a guest more satisfied’, ‘sending sms about the confirmation to the guest via PMS’, ‘quality holds more importance than quantity’, ‘training of employees should be carried out for using PMS’ and. Moreover, results support the hypothesis. The set of ‘providing the guest information within the estimated time given to the guest makes a guest delight’, ‘the way information and features the guest can use makes them more satisfied’, and ‘suggesting a guest about the features of PMS they can use in their rooms or their mobiles is a good idea’, Guests can check their bills on the TV Screen in rooms makes them more satisfied as they need not to stand and wait for check outs may constitute the most important property management practices in the Indian hotels. **H1 ACCEPTED**

Hypothesis 2: The dimensions of ‘category’ and ‘type of ownership’ found to be statistically significant on all property management practice variables. It can be said that large size hotel organisations are using property management practices then
small size hotels. On the contrary, the dimensions of ‘age’, ‘size of capital’ and ‘no. of employees’ did not produce statistically significant results with respect to the property management practices variables. We found that there is a positive relationship between Property Management Practices variables and category and type of ownership, and there is no relationship between Property Management Practices variables and age and size (capital or employees). **H2 PARTIALLY ACCEPTED**

**Hypothesis 3:** In all the cases chain hotels obtained higher mean score compared to its counterpart. In the rest of the cases the mean differences were not significant although chain hotels had always an edge over the independent hotel counterparts. Analysis of the data suggests that the property management practices in the sample respondents were, on the whole, not well-founded. The practices seem to have evolved from the experienced-based knowledge of the front office staff and the vision of manager. Most managers were able to provide reasoned justification for the practices that they employed. The findings also provide needed implementation guidelines to practitioners for effective property management practices implementation and gives possible reasons to explain some cases of chain hotels and independent hotels in hotels in NCR where the perceived benefits fell short of expectations. In light of these results we may accept H3; supporting that chain hotels will be rated higher than independent hotels on property management practices. **H3 ACCEPTED**

**Hypothesis 4:** There is a positive relationship between Property Management practices and organisational performance; the results indicated significant differences between chain hotels & independent hotels. These findings are in the hypothesized direction. In all the cases chain hotels obtained higher mean score compared to its counterpart. In the rest of the cases the mean differences were not significant although chain hotels had always an edge over the independent hotels counterparts. Analysis of the data suggests that the property management service practices in the sample respondents were, on the whole, not well-founded. The practices seem to have evolved from the experienced-based knowledge of the property management systems and vision of the manager. In the light of these results
we may accept, that there is a positive relationship between property management practices and organisational performance. **H4 ACCEPTED**

**RECOMMENDATIONS AND CONCLUSIONS**

Numerous significant implications in terms of theory, research and practice emerge from the results of this study. The findings provide needed implementation guidelines to practitioners for effective property management practices implementation and gives possible reasons to explain some cases of chain and independent hotel enterprises where the perceived benefits fell short of potential. All in all, a hotel cannot simply select few of the property management practices discussed above and expect to realise full operational and conceptual benefits from implementing partial property management practices. With the right support, planning, employee involvement and continuous improvement, any hotel can look forward to a cost and time efficient property management practices implementation for maximum profitability and return on investment. As an example suppose one of the enterprises in the sample, namely an independent hotel was rated quite high on a number of property management practices even though it did not belonged to any reputed chain property. Considering the fundamental logic that organisation systems are comprised of multiple property management practices that operate simultaneously, a critical area of future research that is needed is to examine exactly how these practices work together. Beyond conceptualisations of the form and function of use of PMS, research is needed that more explicitly considers several sampling issues that are likely to impact the reliability and validity of empirical investigations of property management practices. For example, researchers may have to adopt multiple methods for operationalising- property management practices such as factor analysis, cluster analysis, and reliability analysis.

Regarding most important property management practices in Indian(NCR)hotel organizations, there exists a set of most important property management practices being used by the hotel enterprises. This set of property management practices includes types of software’s used in different hotels and their linkage with in the hotel and linkage with other properties. It includes front office practices, food & beverage practices and accounting and finance practices. Adoption of these property
management practices in more effective manner may develop competitive advantages for the hotel enterprises. It is found that there is a positive relationship between property management practices variables and performance variables. The performance variables such as Profitability compared to business unit objective, , Market share compared to business unit objectives , , Sales growth compared to hotel industry average , Sales volume compared to business unit objectives , Return on investment compared to industry average, are highly affected by property management practices where as performance variables such as return on investment are least affected by property management practices. It would be appropriate to opine, if hotel enterprises want to achieve higher performance levels and compete in hotel marketplace, they should preferably increase the application of property management practices.

It has been observed from the present study that property management practices are given due consideration in the understudy as their mean scores were observed to be above average. This is a healthy sign. Of the prevalent property management practices which received a good response from the respondents were front office managers in different hotels. If these practices are continued and enhanced in trend with the changing global hospitality environment, some better results could be clearly seen in the Indian hospitality industry. However, there have been some critical areas of observation, which are a part of property management practices and are important from PMS perspective. These areas are Front Office, Reservation and Reception and adopt some new trends in food and beverage service outlets. These areas need to be further worked upon for the improvement of services provided in Front Office in chain and Independent hotels. To satisfy our customer by our services, we have to adopt these kinds of practices in hospitality industry.

Further, considering the results and findings of the present research the following recommendations can be drawn:

1. Property Management practices in Indian hospitality industry must focus on improving functions in the systems.

2. There is a dire need to understand the challenges and to adopt new trends in different property management systems. The organisation must develop and
adopt effective property management practices for developing a high level of competence and involvement so that every customer must fully satisfied with the services provided by service employees which contributes towards organisational performance.

3. The property management practices needs to move from traditional to contemporary practices, by developing and providing effective practices with continuous up gradation and necessary changes as per the competition in the market.

4. The property management practices have to be used more for developing and providing good services in chain and independent hotels. Well trained, well groomed and educated employees should be recruited so that they can easily handle PMS systems.

5. It is strongly recommended to the policy makers that they must understand the importance of all employees who are working in the hotel. They must take care of their shift timings, their promotions and training and development.

6. Front Office Managers should use effective tools and techniques, which can save a lot of time. Thus the benefits of property management practices have to be utilised for practical purposes rather than they being used just to reflect it on paper.

7. New Property Management Systems should be purchased or installed.

Finally, considering the fundamental logic that organisation systems are comprised of multiple property management practices that operate simultaneously, a critical area of future research that is needed is to examine exactly how these practices work together. Beyond conceptualisations of the form and function of PMS, research is needed that more explicitly considers several sampling issues that are likely to impact the reliability and validity of empirical investigations of property management practices. For example, researchers may have to adopt multiple methods for operationalising- property management practices such as factor analysis, cluster analysis, and reliability analysis. Future research should incorporate
other important items that have not been considered or omitted from other studies and are likely to influence the adoption of PMS practices in chain and Independent hotel enterprises, as the sample was limited to the perception of Front Office Manager’s only.

The scope of this study was two-fold purpose: First, to explore property management practices in the hotel’s in National Capital Region (NCR) industry and to compare the property management practices in chain hotels and independent hotels. In general, property management practices have not been widely researched so there a need for further research in this field. In the last two decades very few academic studies have concentrated on this area, which means that the knowledge of property management system literature has not advanced very far. This study investigates several new PMS dimensions, which have never been tested before in hospitality literature. These new aspects reflect new insights from services research. Hotel organisations have to continuously develop new PMS practices in order to be successful and the results of these and further investigations will be of potential value to hotel and generally hospitality managers, as it will enable them to focus on CRM more strategically and professionally.

**IMPORTANCE/SIGNIFICANCE OF STUDY**

1. The study will be model study in the area of Property Management Practices in particular and in Indian hospitality industry.

2. It will help the industry professionals especially Front Office Managers to design result oriented PMS strategies.

3. This study will help the consumer to get better experiences with new innovations in PMS.

4. It will help the Hospitality organisations to improve their performance.

5. It will guide the scholar’s and others those who are interested in conducting similar researchers