

The objectives of the present study are to assess the effectiveness of management development (MD) programs in Pakistani banking sector, identify factors affecting the success of MD and investigate relationships among those factors that affect MD effectiveness. The research employed a blend of qualitative and quantitative methodologies. Based on extensive literature review a model of MD effectiveness was developed and tested with structural equation modeling techniques. The achieved sample for the current study consisted of managers from 33 banking organizations operating in Rawalpindi/Islamabad using "self-reported rating" survey questionnaire and interviews which resulted in 168 completed responses and 25 in-depth interviews.

Although participants of the study were very hopeful regarding bright future of MD in Pakistan yet the current level of MD effectiveness is not high. Both lack of trainees' seriousness in self-development and less top management support for MD were found serious threats to effectiveness. Observed model of MD effectiveness had a good fit with the predicted model and all paths were significant. Individual initiatives for self-development, MD program design and opportunity for skill utilization were the three variables most closely associated with MD effectiveness. Top management should assign higher priority to MD. Pakistani organizations should create strong link between their MD efforts and their corporate strategies, focus more on creating positive training attitude of their employees, provide training program which are flexible enough, contents of MD programs must be relevant to company's real problems and issues and provide maximum opportunities to utilize knowledge and skills gained through development program in the work place. Risk taking and new ideas should be encouraged.

The reward system needs revising and a continuous learning environment ought to be established for effective MD in Pakistan. This study, for the first time, assessed the current state of MD effectiveness in Pakistan and contributes to the present stock of knowledge and understanding of the subject by contextualizing the concept of "MD effectiveness" in Pakistani banking sector.