Assessment Centre
Fact Sheet
**Why use an assessment centre?**

Research has shown that carefully designed assessment centres are more likely than most other selection measures to produce reliable assessment information which can be predictive of future performance in a role.

Assessment centres (and work sample tests) go well beyond interview methods and actually put candidates in the situation as opposed to presenting a description of it. As a result it offers insight into abilities to do the work rather than knowing how to do the work.

In addition, multiple assessments are made at an assessment centre, so it also lends itself to fairness, as candidates are given a number of opportunities to demonstrate their strengths. The multi-rater, multi-method is at the core of an assessment centre. Indeed, Cascio and Aguinis (2005) highlight that assessment centres are considered to be a fair and unbiased selection method.

Meta-analysis studies demonstrating criterion related validity of assessment centres (i.e. ability to predict future in-job performance), include:

- Hunter & Hunter (1984) – “assessment centres were superior to other forms of predicting performance ratings with a mean co-efficient of .43.”

Even the lower figure shown above of 0.37 is better than most other methods, and compares favourably with the correlations between many well known medicines and their treatment efficacy.

Therefore assessment centres provide incremental validity over using individual assessment exercises in isolation (e.g. Meriac, 2008). This can be further enhanced by the inclusion of additional normative data in the form of personality and ability tests.

Blanksley & Iles (1990) conclude, “all the research evidence shows that centres need to be designed for the organisation/job in question”. In such cases it is expected that results will be closer the Schmidt & Hunter’s (1998) work sample predictive validity of 0.54 as opposed to Gaugler et al (1987) figure of 0.37.

However, achieving higher validities and reliabilities are not guaranteed unless the centre is well designed and professionally run, i.e.:

- designed using relevant job critical competencies
- grounded in exercises that are job relevant, and ideally where most noticeable differences in performance can be observed e.g. quality of plans, selling, coaching etc
- assessors are effectively trained
Therefore the continuing validity of assessment centres depends on rigorous design and implementation e.g. Thornton et al (2009). Dewberry (2011) suggested that rational and objective assessments could be ensured by: having two or more assessors observing exercises (with stronger predictive validity emerging when psychologists assess candidates along with managers – Gaugler et al, 1987); and centre facilitators detecting prejudice or attempts to persuade other assessors, and ensuring focus remains on assessing performance against formal dimensions.

In summary, there is strong evidence for validity of an assessment centre if it is well-designed and professionally run. This level of standardisation and validity cannot be obtained from a standard panel unstructured interview.

**How do assessment centres compare to other methods?**

Schmidt and Hunter (1998) note that the validity of assessment centres compares favourably with other methods of assessment. Assessment centre dimension ratings can provide more validity than single measures, such as cognitive ability or personality assessments alone (Meriac et al, 2008).

In comparison unstructured interviews reached predictive validities of 0.2 or lower e.g. Reilly & Chao (1982) 0.19; Hunter & Hunter (1984) 0.11; McDaniel et al (1994) 0.18. The only method that matches assessment centre performance is the situational interview (discussed below). Furthermore, Smith (1994) notes that traditional interviews have poor validity, although this can be improved by having more structured, and in particular, situationally-based interviews which focus more on occupational domains. However, Lowry (1994) stated that one of the biggest issues within modern interviews is a lack of procedures and standards. Assessment centres have the strength of rigorous standards for design and conduct.

**Figure 1: Example of Validities of Different Selection Methods**

* Adapted from Anderson & Snell (2000). Also note structured interviews have validity coefficients up to 0.44.
Alternative: the one method that matches assessment centres in terms of validity is the structured interview. This involves asking a series of questions about how work would be conducted in the future in very specific scenarios and then scored against a fixed key. This method needs extensive development – question design, testing and piloting, but can be a viable alternative, especially where there is a need for high volume screening of candidates.

References


