

Assessment Methods:

Capability-Based Assessments for Merit-Based Employment

Benefits of using multiple capability-based assessments

Using more than one capability assessment assists in:

- Gaining a more holistic understanding of the candidate's capabilities (strengths and areas for development)
- Optimising equity (merit), quality, transparency and objectivity in the selection of the most suitable candidate for a role
- Progressively reducing candidate pool numbers which can save time and money
- Increasing the reliability and validity of the process and the assessment panel's decision making – a decision based on several assessment methods has much better predictive validity than one based on a single assessment method, such as an interview¹
- The candidate gaining greater depth of feedback on the pre-established standard for the role
- Candidate capability assessment results may be transferable across roles saving time and money (subject to candidate consent, how current the results are, and capability level required for future roles)

What are capability-based assessments?

Capability-based assessments are tools that give candidates the opportunity to demonstrate their capabilities relative to those required for the role. Agencies need to determine the core capability levels based on the NSW Public Sector Capability Framework (also selecting the focus capabilities to apply to this selection) and any occupational specific capabilities for the role prior to choosing fit-for-purpose assessment methods and commencing the assessments. All

capabilities will need to be assessed in the selection process through at least one method.

There is no single tool or method that is best suited to assess all capabilities and some tools are only useful for assessing very specific behaviours within the capabilities. A mix of 'fit for purpose' tools should be chosen to provide information across the range of capabilities.



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For example:

- some personality questionnaires may measure personal preferences and tendencies that are highly relevant to some capabilities, however, for other capabilities it may be more appropriate to use another type of capability based assessment e.g. a role play (which requires demonstration rather than self-report on one or more capabilities).
- an abstract cognitive ability test would not be an appropriate assessment tool for “Acting with integrity”, which should be assessed through methods such as work simulations, an interview and personality questionnaire.

Ideally, a minimum of two capability-based assessments should be used to assess the ‘focus’ capabilities (i.e. the capabilities the person employed is required to demonstrate at the specified level from the outset in the role).

The selection of assessment methods should ensure that the focus capabilities for the role are assessed on a minimum basis of two tools to ensure that a reasonable amount of information is collected. The focus capabilities are those considered essential from day one for effective performance in the role. This means that the successful candidate must have demonstrated that they meet those capabilities but may require some development to reach the required standard for one or more of the other capabilities. Where this occurs, this development need should be incorporated in their performance agreement on commencement. The choice of focus capabilities may vary from one selection exercise to the next, to reflect factors such as organisational priorities or team capability mix.

Capability assessments will also give you information about the individual’s potential fit for

the role. The selection decision should also be based on the candidate’s knowledge and their relevant experience, as assessed through review of the CV, the interview, reference checks and any exercises designed to draw on those aspects. Be careful to take a broad view of “relevant experience”, looking for comparable functions rather than experience in the specific content area.

How many capability assessments are needed?

The Government Sector Employment (GSE) Rules 2014 (Part 3 – Merit Based Employment) requires agencies to base their employment decisions on the pre-established standards for the role; meaning the capability, knowledge and experience standards required for the role.

There are two forms of capability assessment processes: Comparative and Suitability Assessments. A *comparative* assessment is used for ongoing employment or temporary employment opportunities of greater than six (6) months. It requires a minimum of three capability assessments, is conducted by a panel of at least two persons, compares the suitability of candidates for a vacant role or can be used to form a talent pool. A *suitability* assessment can be used for short term (less than 6 months) employment opportunities. It requires a minimum of two capability assessments.

For more information on merit based employment principles please refer to the **GSE Rules 2014** (<http://www.psc.nsw.gov.au/employmentportal>).

What types of capability-based assessment activities can be used?

One of the capability-based assessments that must be used is an interview (behavioural based).



Examples of other common capability-based assessments that agencies may choose to use to assess against the required capabilities:

- Personality Questionnaires
- Cognitive Ability Tests (e.g. Numerical, Verbal or Abstract reasoning test)
- Group based assessments
- Role plays
- Presentations
- Work sample activity e.g. in-tray exercise, case study
- Technical Skills/ Knowledge assessments

For more information please refer the recruitment fact sheets relating to these methods on the **PSC Internet site** (<http://www.psc.nsw.gov.au/employmentportal>).

(July 2014)

ⁱ Schmidt, F. & Hunter, J. (1998). The validity and utility of selection methods in personnel psychology: Practical and Theoretical implications of 85 years of research findings, *Psychological Bulletin*, 124 (2), 262-274

