ACUITY INSIGHTS

2026 REPORT

Beyond Grades

The Evidence for Situational Judgment Tests in Higher Education

AN ACUITY INSIGHTS REPORT



Professional Education Is at a Tipping Point

Programs must make admissions and learner support decisions that are fair, defensible, evidence-based and mission-aligned—even as the landscape evolves. Application volumes are changing, AI-assisted writing is reshaping submissions, and employers expect graduates who can think, collaborate, and act under pressure.

Traditional metrics like GPA and standardized tests offer only a partial view of readiness. Many critical competencies—ethical judgment, professionalism, resilience, and teamwork—are difficult to capture through grades alone.

Situational judgment tests (SJTs) help close this gap. By presenting realistic scenarios, SJTs assess how learners apply judgment in context, not just what they know. Beyond admissions, they can benchmark competency development, guide coaching, and support outcomes-based education.

Tools like Acuity Insights' Casper and Professional Skills Development (PSD) offer solutions that help institutions embed these insights across admissions, education, and learner development—supporting more informed, human-centered decisions at every stage.



What Is a Situational Judgment Test (SJT)?

Situational judgment tests present realistic scenarios from academic, clinical, workplace, or everyday contexts. They use two formats: closed-response, where participants choose from predefined options, and open-response, where they construct their own answer to show how they would act or respond to the presented situation.

Rather than testing what someone knows, SJTs examine how someone thinks and behaves. They assess how individuals interpret situations, weigh competing priorities, and decide how to act. The goal is to measure professional competencies in a real-world context.

Skills Assessed

- Collaboration
- Empathy
- Communication
- Resilience
- Problem-Solving
- Teamwork
- Ethics
- Self-Awareness

What Competencies Do SJTs Assess?

The competencies measured depend on how an SJT assessment is designed and the professional standards it aligns with. SJTs do not assess a single fixed set of traits. Instead, they can evaluate a wide range of non-technical competencies.

Many of these competencies appear in accreditation and regulatory frameworks across professions. In medicine, frameworks such as CanMEDS[1] and the ACGME core competencies[2] emphasize professionalism, communication, and ethical conduct alongside clinical expertise.

Similar expectations exist in business and engineering. The AACSB[3] requires business schools to define and assess program-level competencies, demonstrate career readiness, and embed ethics and global perspectives across the curriculum. Yet many institutions struggle to consistently measure leadership, teamwork, and ethical reasoning, often facing fragmented data and limited reporting tools, creating growing pressure to demonstrate how these skills are developed.

In engineering, the ABET[4] requires programs to demonstrate that graduates can communicate, collaborate, act ethically, and engage in lifelong learning. As AI accelerates technical problem-solving, the ability to provide evidence and continuously improve these human competencies is becoming a key differentiator.

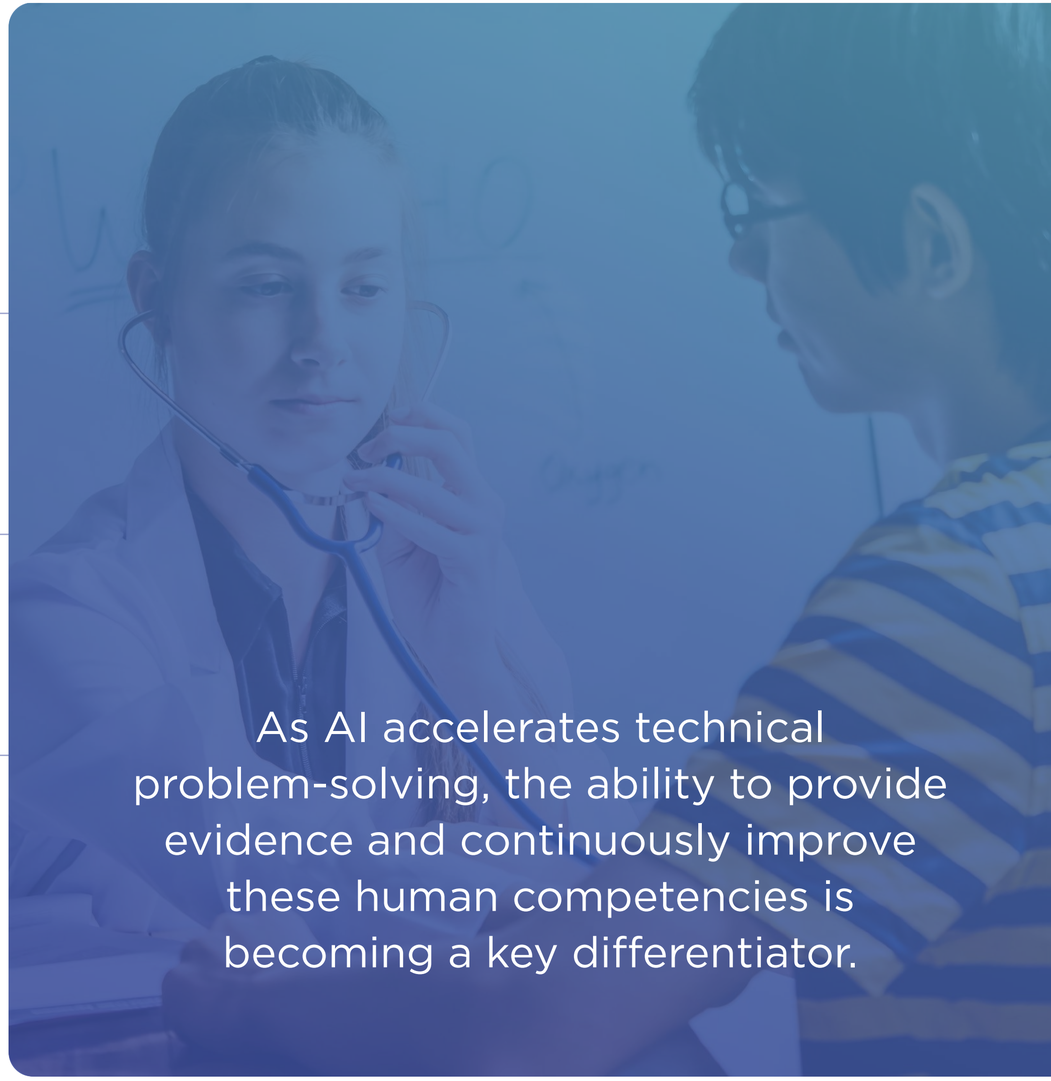
In-program SJTs like Acuity's Professional Skills Development help institutions not only assess key competencies but also support learners' competencies development, in alignment with these standards.

CanMEDS

Accreditation Council for Graduate Medical Education

AACSB

ABET



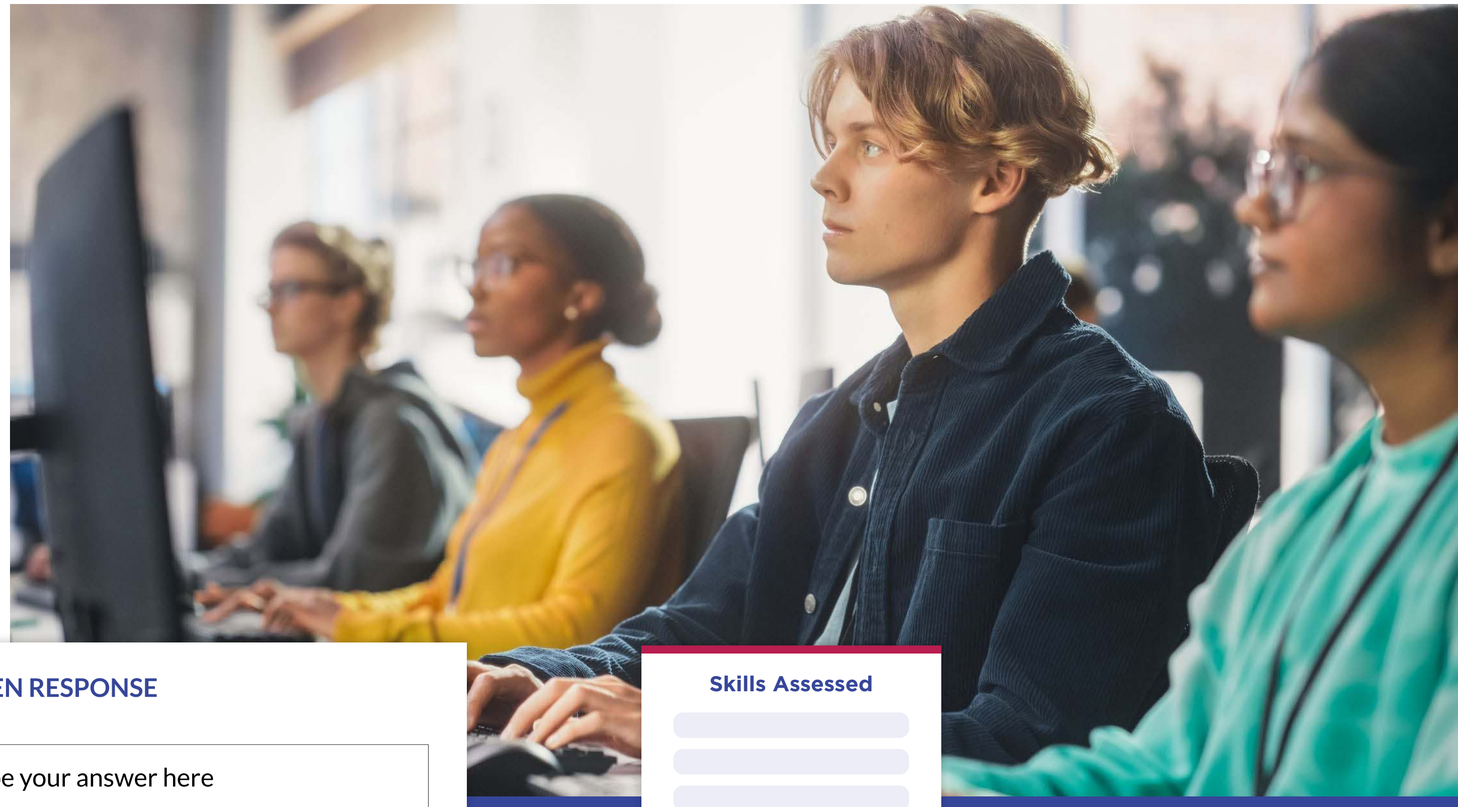
[1] https://www.royalcollege.ca/en/standards-and-accreditation/canmeds.html
[2] https://www.abp.org/content/acgme-core-competencies
[3] https://www.aacsb.edu/
[4] https://www.abet.org/

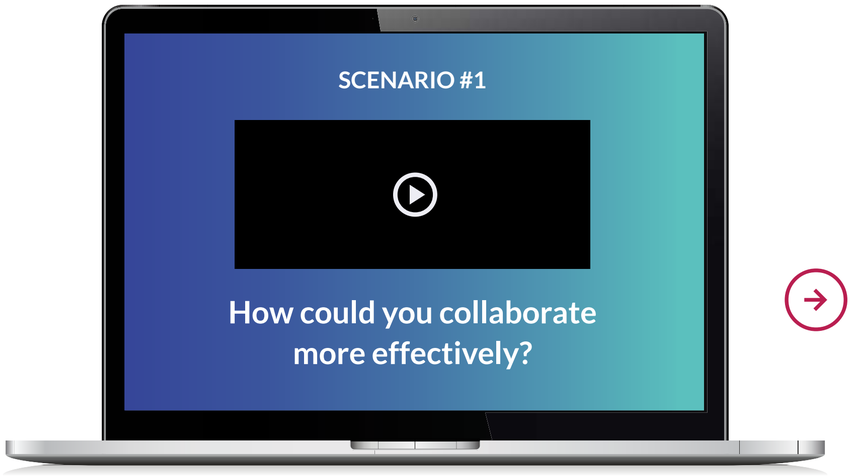
Why SJTs Are Uniquely Valuable

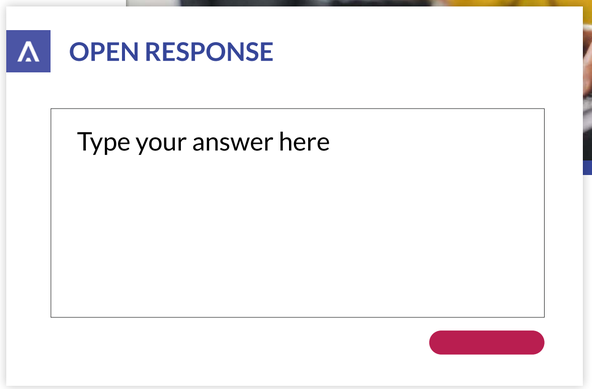
Traditional academic assessments measure knowledge recall and technical skills. They provide important information about cognitive preparation. However, professional education also demands applied judgment.

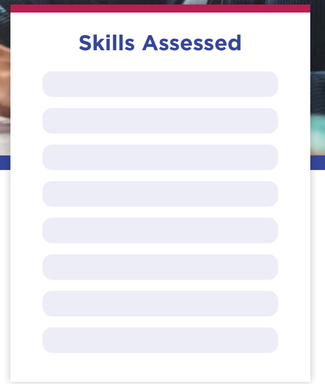
SJTs focus on how learners respond when faced with ambiguity, interpersonal tension, or competing responsibilities. Some use fixed-response formats that ask individuals to rank or select the most effective actions. Others use open-response formats that require test takers to explain what they would do and why. In both cases, the emphasis remains on real-world reasoning.

By simulating authentic scenarios, SJTs reveal how applicants approach decision-making, accountability, and collaboration.





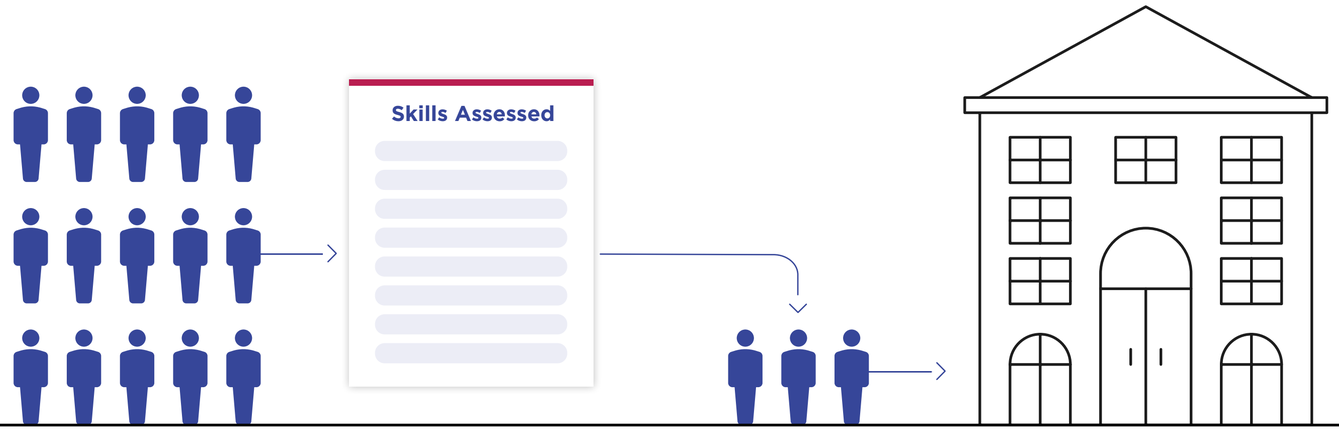




Summative vs. Formative SJTs: Two Powerful Approaches

As institutions rethink how they assess learners, it is important to clarify that SJTs can support both admissions decisions and learner development. The difference lies in how and when they are used.

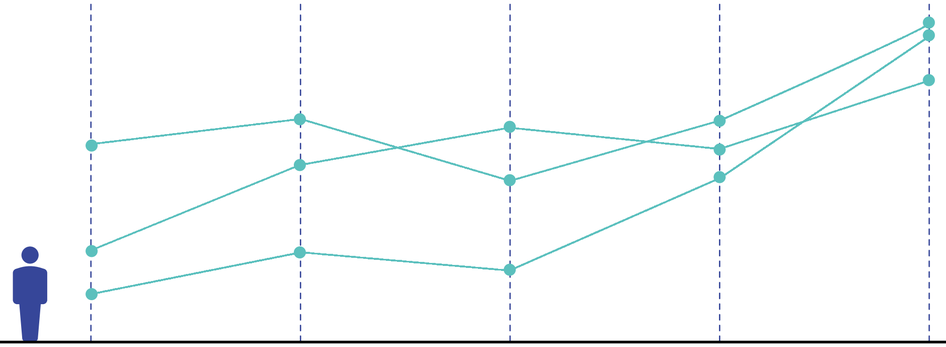
Summative SJT



Applicants with identical academic scores

Admit applicants with most well-rounded scores

Formative SJT



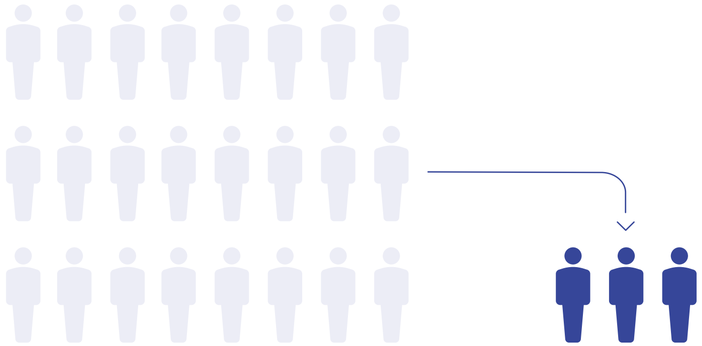
Ongoing assessment, feedback and coaching

Summative SJTs: Selection-focused

Summative SJTs, like Casper by Acuity Insights, are used at a specific point in time, most often during admissions or other high-stakes decisions. Their purpose is evaluative. They help programs assess whether applicants have the skills needed to succeed and grow within their program before they start their professional journey.

In competitive applicant pools filled with strong GPAs, summative SJTs add structured insight into non-technical competencies. They help admissions teams identify applicants' readiness for the interpersonal and ethical demands of training—skills that traditional academic metrics often miss.

Because they rely on standardized scenarios and structured scoring processes, summative SJTs support well-rounded admissions models that maintain fairness, transparency, and consistency.



The advantages of open-response SJTs

Open-response situational judgment tests (SJTs), like Casper, recognize that real-world dilemmas rarely have a single correct answer. Instead of testing what applicants know, they assess how they think—capturing judgment, reasoning, and decision-making in context.

- **Ideal for high-stakes decisions, such as admissions**
- **Allow candidates to draw on personal experience and values**
- **Provide insight into reasoning through the justification of responses**
- **Assess ability in relation to specific competencies**

Formative SJTs: Development-focused

Formative SJTs, like Professional Skills Development (PSD) by Acuity Insights, shift the focus from selecting applicants to supporting learner growth during training. Instead of asking who should be admitted, these in-program SJTs ask how current learners are developing.

Importantly, PSD goes beyond assessment alone. It combines SJT-based insights with personalized feedback and targeted learning resources, enabling learners to actively build and strengthen key professional skills over time.

Within programs, formative SJTs can be administered at different stages to provide feedback on professional competencies. Results can help learners understand expectations around core competencies. Programs can use this information to identify learning gaps and needs, refine curricula, guide structured reflection, and provide targeted support to learners—enabling continuous evaluation and improvement of competency development over time.

Research in educational settings shows that formative assessment, when paired with meaningful feedback, strengthens motivation and self-regulation.[5] In professional education, formative SJTs help learners build competencies over time rather than discovering gaps at the end of training.

Together, these approaches create a two-pronged strategy across the learner journey: one informs who enters a program, while the other supports how they grow and prepares them for successful practice after graduation.



[5] https://www.researchgate.net/publication/228621906_Formative_Assessment_andSelf-Regulated_Learning_A_Model_and_Seven_Principles_of_Good_Feedback_Practice



Casper in action

Veterinary Science in Australia and New Zealand

Veterinary programs across Australia and New Zealand receive large pools of highly qualified applicants, with GPAs often clustered at the top.[6] Admissions teams needed a fair way to distinguish among candidates at a single decision point.

By integrating Casper into the admissions process, programs added a summative assessment designed specifically for high-stakes selection. Applicants complete Casper once, and the results are considered alongside academic metrics to evaluate qualities like communication and resilience.

The results were significant. Programs report greater confidence in their final admissions decisions, improved fairness and consistency, and stronger alignment between admitted students and the real-world demands of veterinary education. At the same time, many institutions have reduced reliance on resource-intensive interviews and more subjective tools—streamlining their process while maintaining transparent, defensible decision-making.

[6] https://acuityinsights.com/case-study/how-casper-supports-world-class-veterinary-science-programs-in-australia-and-new-zealand/

The New Imperative in Higher Education Assessment

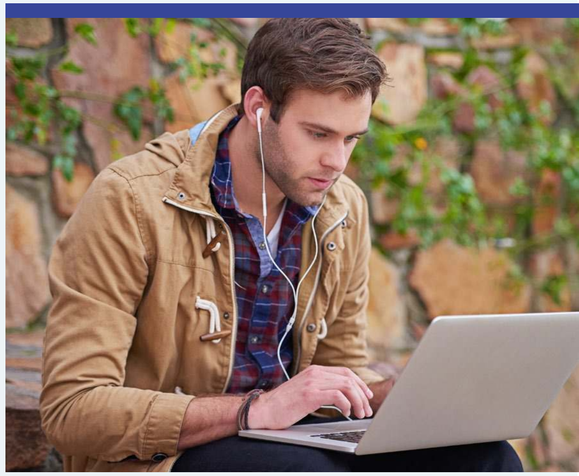
Professional programs face many challenges when selecting and supporting learners.

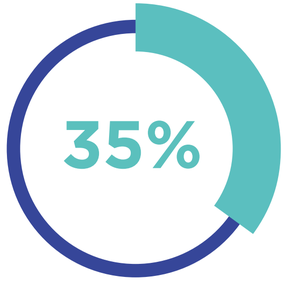
First, an increase in applications means greater competition for limited spaces. The number of first-year college applications increased 9% through the first major deadline of the 2025–26 admissions cycle, with students submitting more applications per person than in previous years.[7]

Technology adds another layer of urgency. Acuity Insights conducted a survey of 1,000 applicants and learned that 35% reported using AI tools during the admissions process, while 74% said that institutions should establish clear guidelines for their use.[8] As applications, essays and written materials become easier to refine with AI, admissions teams must look beyond polished prose to understand how applicants think, reason, and respond to real-world situations.

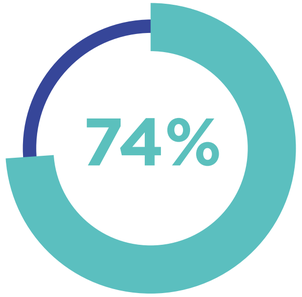
Imagine an engineering student preparing to design systems and solve complex, real-world problems. Their academic record may demonstrate strong technical ability, but the qualities that define exceptional engineers—sound judgment, collaboration, and thoughtful decision-making under pressure—are rarely captured by grades alone.







reported using AI tools during the admissions process



said that institutions should establish clear guidelines for their use

When GPA doesn't tell the full story

Sagar and Alex are both admitted to the same business school. They applied with identical GPAs and similar grades in finance, strategy, and organizational behavior. On paper, they look equally strong.

During a team case simulation, their group must present a turnaround strategy for a struggling company. As the discussion unfolds, tensions rise among teammates who disagree on the recommendation. Sagar pauses to acknowledge the different perspectives and asks a few clarifying questions, helping the group find common ground before moving forward. Alex focuses on finishing the analysis quickly, pushing ahead with the numbers and slides while the frustration in the room grows.

Both understand the business concepts. Both can analyze the data. But only one demonstrates the communication, judgment, and situational awareness needed to lead effectively.

If transcripts can't reveal that difference, what should?

[7] https://www.theeduledger.com/demographics/article/15774212/college-application-volume-rises-9-through-december-despite-drop-in-international-students
[8] https://acuityinsights.com/navigating-the-future-how-applicants-are-leveraging-ai-in-college-admissions/

Why SJTs Matter in Higher Education Today

Key institutional outcomes supported by SJTs

Institutions must show that their graduates are ready to navigate real-world complexity. SJTs help make that possible by strengthening selection decisions, aligning assessment with defined competencies, and bringing professional expectations into clearer focus.
The outcomes below show where that impact is felt most.

Professional Competency is a Core Learning Outcome —Not an Add-On

Better admissions decisions

Institutions are faced with more applications than ever, increasing the pressure to make fair, defensible admissions decisions. GPA and standardized tests help predict academic performance, but they offer limited insight into how applicants will handle ethical tension, teamwork, or conflict.

SJTs add structured evidence about judgment in context. By assessing core competencies, they help admissions teams determine which applicants align with their mission and show the potential to succeed both in training and in their chosen careers.

Stronger alignment with competency-based education

Many programs now define success through clearly articulated professional competencies. SJTs assess those competencies directly. They measure how applicants and learners think through challenging situations, not just what they know. This creates clearer alignment between what institutions value and what they actually evaluate.

Supporting Assurance of Learning (AoL)

Formative SJTs like PSD also play a critical role in Assurance of Learning (AoL)[9] by generating consistent, program-level evidence on competency development.

PSD can help programs to identify patterns in learner performance across cohorts, evaluate whether key competencies are being developed as intended, and make data-informed decisions about curriculum design and instructional strategies. Over time, the SJT data can help close the loop on AoL processes—linking learning outcomes, assessment, and continuous program improvement.

Assurance of Learning (AoL), is the process by which programs measure and demonstrate that students meet defined learning goals, guiding program improvement, supporting accreditation requirements, and providing accountability to internal and external stakeholders.

Improved learner readiness and fewer professionalism concerns

A study published in the Journal of Graduate Medical Education found that, after implementing Casper into their admissions process, one organization experienced a 35% reduction in documented professionalism concerns—dropping from 12 of 16 residents to 6 of 15 ($p < 0.05$).[10] Formal remediation interventions also decreased significantly, along with a 96% reduction in related time and cost burdens.

Enhanced fairness in admissions

Compared with personal statements or reference letters often crafted by AI tools, SJTs provide standardized scenarios and structured scoring. Many studies highlight that SJTs offer efficient selection in high-volume contexts while maintaining reliability and fairness.[11]

Addressing the “hidden curriculum”

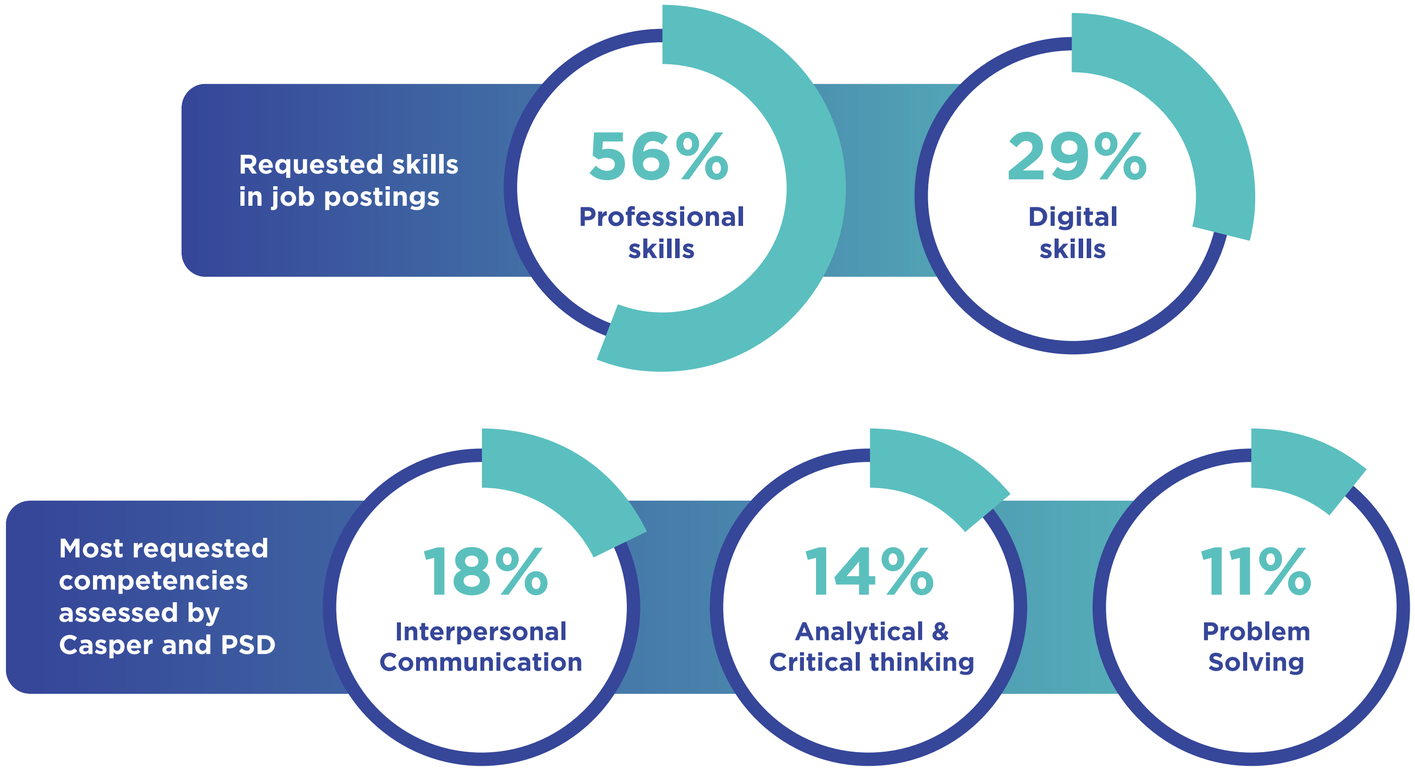
Professional behaviours often sit in the background of higher education. Programs expect integrity, empathy, accountability, and sound ethical judgment, yet they rarely explicitly measure them. This creates a hidden curriculum comprised of skills students are assumed to possess but not directly assessed for.

SJTs bring those expectations into the open. They make professional standards visible and measurable, helping institutions align their values with their assessments.

[9] https://www.csueastbay.edu/aol/step-1-what-is-aol/assurance.html
[10] https://pubmed.ncbi.nlm.nih.gov/38532412/
[11] https://www.nature.com/articles/sj.bdj.2016.406

The Research Evidence Behind SJTs

A wide body of research shows that SJTs provide reliable and valid insight into non-technical attributes that are difficult to assess using traditional academic measures.



What Decades of Research Show

Predictive validity for professional performance

SJTs meaningfully predict how learners perform in applied, real-world settings. In an occupational therapy program study, integrating Casper into the admissions process alongside GPA improved the prediction of performance during training (i.e., clinical exams and after graduation (i.e., fieldwork placements).[12] When researchers compared the relative influence of each measure, Casper carried far greater predictive weight than GPA. In regression modeling, Casper accounted for 84% of the predictive contribution to fieldwork performance, compared to just 16% for GPA.[13]

These findings show that SJT performance is not abstract or theoretical. It connects directly to how learners behave in clinical environments and how often institutions must intervene to address professionalism issues.

Strong alignment with workplace-based competencies

An analysis of skill demands across thousands of organizations over five years found that professional skills were requested in 56.4% of job postings in 2021, compared to 29.3% for digital skills.[14] The most frequently requested competencies were interpersonal communication (17.6%), analytical and critical thinking (14.0%), and problem-solving (10.7%). These are all commonly assessed in well-designed SJTs like Casper and PSD.

Workforce projections further underscore this shift. Skills expected to grow in importance include critical thinking, problem-solving, resilience, and adaptability, alongside digital proficiency.[15]

[12] https://pmc.ncbi.nlm.nih.gov/articles/PMC11481358/ [13] https://pmc.ncbi.nlm.nih.gov/articles/PMC11481358/
[14] https://pmc.ncbi.nlm.nih.gov/articles/PMC10428053/ [15] https://pmc.ncbi.nlm.nih.gov/articles/PMC10428053/

Practical Applications of SJTs Across the Learner Journey

Situational judgment tests (SJTs) can be applied at multiple points across the learner journey, supporting both selection and development by providing insight into how individuals navigate real-world challenges.



Admissions and selection

At the admissions stage, SJTs like the Casper test provide structured insight into non-technical attributes that traditional metrics do not capture.

SJTs address this gap through standardized scenarios and structured scoring. Each applicant in the same test scenario responds to the same dilemmas, reducing variability that often affects personal statements, reference letters, or unstructured interviews.



In-program assessment

Professional growth does not end at admission. When used formatively, SJTs like PSD allow programs to benchmark competency development over time. Because they assess how learners interpret and respond to realistic dilemmas, they provide insight into applied judgment rather than factual recall.

Rather than reacting to professionalism concerns late in training, institutions can proactively support growth and reinforce expectations early.



Experiential learning and clinical readiness

Professional programs increasingly depend on clinical placements and field-based learning. SJTs mirror the kinds of interpersonal and ethical situations students encounter in these environments.[16] By reinforcing applied judgment in context, SJTs help prepare students for settings where professionalism directly affects patient care, teamwork, and public trust.



Learner success and coaching

Professionalism concerns account for the majority of disciplinary action in healthcare, rather than deficits in technical knowledge.[17] When programs assess these attributes explicitly, they can provide earlier feedback and targeted coaching. This enables proactive support before issues escalate and strengthens overall learner success.

Seen this way, SJTs are not confined to one decision point. They are part of a broader strategy to strengthen learner development and safeguard professional standards.

[16] https://www.nature.com/articles/sj.bdj.2016.406
[17] https://acuityinsights.com/situational-judgement-tests-can-benefit-admission-procedures/

Real-World Example: SJTs in Action

The research makes a compelling case for situational judgment tests. But what does this look like in practice?
The following example illustrates how institutions are using SJTs to move beyond grades and assess the professional competencies that shape learner success.



Business education and student development

At the University of Nevada, Reno, PSD is used in freshman seminar courses to support early professional development.[18] Students complete the assessment in the fall and again in the spring to reflect on growth in areas such as leadership, perseverance, and communication.

As Assistant Dean of Undergraduate Student Success, Jeremy Tiedt explains, the goal is to help students "think critically and reflect back on the skills they have and the professional skills they're looking to develop." By introducing structured reflection early, the program helps students become more intentional learners and more self-aware future professionals.

University of Nevada, Reno

[18] https://acuityinsights.com/case-study/university-of-nevada-at-reno/

The Future of Competency Assessment in Higher Education

Higher education is steadily shifting toward outcomes-based measurement. Institutions are no longer judged only by what they teach, but by who their graduates become and what they are capable of as they enter into the profession.

At the same time, programs face shifting application volumes, increased scrutiny, and rising expectations for fairness and transparency. Admissions and assessment processes must be defensible, scalable, and aligned with clearly defined competencies. Tools that rely heavily on subjective interpretation or polished written materials are becoming harder to justify, especially in an era shaped by AI-assisted applications and expanding access.

Yet assessing non-technical competencies within programs remains a persistent challenge. Faculty face limited time and heavy workloads, resources for structured assessment and feedback are often constrained, and there is not always clear consensus on which competencies to prioritize or how to measure them effectively. As a result, even when programs recognize the importance of these skills, implementing consistent, high-quality assessment at scale can be difficult.

Situational judgment tests meet this moment. Together, tools such as Casper and PSD form a connected assessment ecosystem that supports professional competency from entry through graduation.

They provide structured, evidence-based insight into professional judgment at scale. They support fairer admissions decisions, clearer competency benchmarking, and more proactive learner development.

When integrated thoughtfully, SJTs do not replace academic measures. They strengthen the assessment ecosystem by ensuring that professional readiness is evaluated alongside cognitive preparation.



How to Integrate SJTs Into the Learner Journey

CASPER BY ACUITY INSIGHTS

Get a more well-rounded view of each applicant with Casper, the most widely used situational judgment test in higher education.

Predict success

Assessing personal and professional skills like communication, resilience and ethics alongside academic metrics helps you find candidates who are more likely to excel in your program and in their future careers.

Optimize admissions

Save time and resources by selecting the best candidates early in the admissions process, using a defensible, evidence-based approach that's more reliable and less subjective than personal statements or reference letters.

Widen pathways

Lower academic thresholds for applicants with high Casper scores and find high-potential applicants who might otherwise be overlooked. Plus, when you explain why your program requires Casper, you'll demonstrate that you care about the person behind each application and your community.

PROFESSIONAL SKILLS DEVELOPMENT

Measure and develop the professional skills employers and communities expect through a validated, story-based situational judgment test built for higher education programs.

Go beyond grades

Professional Skills Development provides structured, reliable evidence of learners' professional skills, surfacing strengths and gaps early so conversations about performance are more meaningful and proactive.

Graduate truly career-ready learners

Help learners build and demonstrate the durable, non-technical skills that matter most in the workplace through realistic, scenario-based assessments with actionable feedback and resources.

Make development manageable and trackable

Replace fragmented reflections and surveys with a scalable, accreditation-aligned assessment that delivers defensible evidence of learner development, without new tools or added admin.

Learn more about our assessments **Book a Demo**

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About Acuity Insights

Acuity Insights is the leading provider of admissions assessment, program management, and analytics solutions for higher education. The company's solutions help higher education institutions deliver on their mission holistically, considering the whole student, widening pathways into higher education, and ensuring both student and program success. Recognized as one of Canada's Top Growing Companies by the Globe & Mail for the past six consecutive years. Its Casper situational judgment test (SJT), taken by more than 1 million since its inception, is the most widely used open-response SJT in higher education and is backed by almost 20 years of efficacy research.

For more information, visit acuityinsights.com.

