

Types of assessment		
type	objective	observations
criterion-referenced assessment instruments	Designed to assess competence or identify gaps in learning	Are effective for determining who is competent and where individuals' weaknesses are, they are not very effective in enabling decision makers to compare or rank learners
norm-referenced tests	Designed to aid selection decisions.	Are much less helpful in determining whether an individual is competent in a particular skill or possess particular knowledge. They are even less helpful in helping an instructor or learner determine where the learning gaps are and where remediation is needed.

Smith, P.L. & Ragan, T.J. (2005). Instructional Design. Third Edition. Willey Jossey-Bass Education. Chapter 5-6