**Adverse Impact Analysis Instructions**

 Use the following steps to determine adverse impact within your agency:

**1. Select the target area/population for analysis** e.g. Managers in the Department of Administration.

**2. Select the topic of interest** (with a specified time period) e.g. Training in fiscal year 2014.

* Determine if the topic of interest for the analysis will affect employees positively or negatively.
* A transaction is considered **positive** if it affects an employee positively, such as training, promotion, reclassification or hire. Be sure to use the adverse impact analysis table for the positive transaction.
* A transaction is **negative** if it affects an employee negatively, such as discharge, layoff, demotion or termination. Be sure to use the adverse impact analysis table for the negative transaction.

**3. Total populations** for the two groups selected for the analysis e.g. total numbers of minority and white employees who are managers in the department.

**4. Transaction** numbers for the selected two groups in the area e.g. the numbers of minority and white managers in the department who took the training in FY 2014.

**5. Review the results of the adverse impact analysis**. The template has built-in formulas for the remaining process, which automatically calculate the transaction rate, the impact ratio and the final result of the adverse impact analysis.

Notes:

* Examples of both a positive and negative adverse impact analysis are included.
* A usable adverse impact analysis table is included on the excel spreadsheet located on the DOA DPM website.
* The adverse impact analysis calculations will be performed automatically in the blank excel template. All you need to do is enter the figures. There is an adverse impact analysis table for positive transactions, and another one for negative transactions.