



**REPORT NUMBER: DISC-DI-220103-001**  
ORIGINAL ISSUE DATE: January 3,2022

**EVALUATION CENTER**  
Assessment Standards Institute  
5865 Ridgeway Center Parkway, Suite 300  
Memphis, TN 38120

**RENDERED TO**  
**Personality Insights, Inc.**  
**Griffin, GA**

**PRODUCT EVALUATED: DISC Assessment**  
**EVALUATION PROPERTY: DISPARATE IMPACT**

# 1. Table of Contents

1. Table of Contents	2
2. Introduction	3
3. Test Data Preparation	5
4. Testing and Evaluation Method	6
5. Testing and Evaluation Results	7
6. Conclusions	7
7. Document Review	8

## 2. Introduction

Employers often use tests and other selection procedures to screen applicants for hire, development and promotion. There are many different types of tests and selection procedures, including cognitive tests, personality tests, medical examinations, credit checks, and criminal background checks that are used to help the decision process.

The use of tests and other selection procedures can be a very effective means of determining which applicants or employees are most qualified for a particular job. However, use of these tools can violate the federal anti-discrimination laws if an employer intentionally uses them to discriminate based on race, color, sex, national origin, religion, disability, or age (40 or older). Use of tests and other selection procedures can also violate the federal anti-discrimination laws if they disproportionately exclude people in a particular group by race, sex, or another covered basis, unless the employer can justify the test or procedure under the law.

The analysis provided in this report is designed to determine if test or assessment procedures produce a disparate impact on designated protected classes as defined by the EEOC 80% guideline. The data and analysis provided are intended to be informational only and should not be used for legal purposes. You should consult with your attorney for legal advice and requirements for compliance with the law.

### **EEOC Definitions – The Four Fifths Rule**

The Equal Employment Opportunity Commission, the Department of Labor, the Department of Justice, and the Office of Personnel Management have all adopted a test known as the "four-fifths rule" to calculate adverse impact. This test compares the rates of selection for lesser-represented classes of individuals against the rate at which the most-represented group is selected. If any lesser-represented group has a selection rate that is less than four-fifths (or 80%) of the selection rate for the most-represented group, this can be used as evidence that discrimination—or disparate impact—is present.

## Example

So, if 90% of men who apply for a position are selected, and women are selected for the same position at a rate lower than 68% this would be evidence of adverse impact ( $68/90 = 75\%$ ).

## EEOC Uniform Guidelines

While a greater than four-fifths rates will generally not be regarded by Federal enforcement agencies as evidence of disparate impact, statistically significant differences in selection rates may nevertheless constitute discrimination and disparate impact. According to the EEOC Uniform Guidelines different approaches can be used to determine whether disparate impact has occurred. This is especially true with very large sample size. When determining whether there is disparate impact in very large sample size, more sensitive tests of statistical significance should also be employed.

The analysis provided in this report is intended as informational only and NOT to be used as legal advice. You should consult with a qualified attorney to determine if your data or assessment results have an adverse impact on a protected class.

## Evaluation Dates

- The data evaluation began December 27, 2021
- Analysis was completed on January 3, 2022.

## 2. Test Data Preparation

### 3.1 SAMPLE SELECTION

Sample data was submitted to ASI directly from the client and were not independently selected for testing. Samples are requested to:

- Be a sufficient number to represent the general population.
- Be randomly selected.

The sample panels were received at the ASI Evaluation Center by email.

### 3.2 DATA CLEANING

Upon receipt of the samples at ASI, the data was downloaded and cleaned as follows:

1. **Missing Values** – Were left missing.
2. **Duplicates** – Duplicate entries were removed.
3. **Categorization** – Data was categorized and labeled by protected class.

### 3.3 SAMPLE SIZE

A sample size of N = 12,084 was used in the analysis.

## 4. Testing and Evaluation Methods

Analysis of the data was conducted using standard statistical methods. The statistical methods employed were:

**(A) Four Fifths Rule Procedure:**

1. **Calculate Mean Scores** - Establish the average score for each group of individuals. This is done by adding up all of the scores and then dividing by the number of respondents in the group or class of individuals.
2. **Establish Reference Group** - Note the group from a non-protected class that has the highest average score. This average score will then be used as the point of comparison on which a determination of disparate impact can be made.
3. **Calculate Disparate Impact Ratio** – Compare the average score for each protected class group to the established group as a ratio where the smaller number class mean score is in the numerator and the larger number mean score is in the denominator.

## 5. Four Fifths Rule: Evaluation Results

Attribute	Mean Score		80% Rule	Pass - Fail
	Female	Male		
D	43.4	51.9	84%	Pass
I	52.3	48.7	93%	Pass
S	59.5	48.7	82%	Pass
C	54.2	57.8	94%	Pass

## 6. Conclusions

The data submitted for evaluation passed all ASI standards for the Four Fifths Rule and therefore is awarded ASI Certification.

**Certified**  
January 3, 2022



## 7.Document Review

### ASI TESTING SERVICES

*Russell J. Watson*

Russell J. Watson, Ed.D.  
Chief Psychologist

*Dennis W. Koerner*

Dennis W. Koerner, Ph.D.  
Chief Technical Officer