The
Talent
Games

COMBATING THE UNCONSCIOUS BIAS IN RECRUITMENT

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WHAT IS UNCONSCIOUS BIAS?

Unconscious biases are social stereotypes or unintentional preferences we hold for some people over others, based on deeply-entrenched social categorizations we unwittingly establish all through our lives.

Just like the human eye has a blind spot in its field of vision, our unconscious minds have hidden biases that guide our behaviour. The study of unconscious bias, pioneered by Harvard psychologist Mahzarin R. Banaji, reveals that biases are survival mechanisms dating back millions of years.

We, humans are constantly peppered with information, an estimated 11 million bits of it per second. These unconscious biological reactions strike a full 250 milliseconds before conscious thought begins, taking place in just 30 milliseconds in most cases. However, since we can process only forty bits a second, our brain takes shortcuts. For instance, our ancestors' unconscious biases sensed danger so they could flee faster. Had they been consciously evaluating the appearance of a voracious tiger, they could've easily lost their lives.

These implicit or unconscious biases come into play whenever we see someone different than ourselves. These biases are influenced by our cultural environment, behavior and personal experiences, and as a result we develop feelings and attitudes towards others based on ethnicity, age, race, accent, appearance, etc.

Throughout our life we make associations between people and qualities — we associate men with work and women with family, and these associations only solidify as we age through experience. This ultimately means that our unconscious opinions or prejudices don't merely influence our actions, they impede us from reasoning consciously.

30 milli seconds

An unconscious bilogical reaction can take place in just 30 milliseconds.

250 milli seconds

That's a full 250 milliseconds before conscious thought begins.

TYPES OF UNCONSCIOUS BIAS THAT INFLUENCE HIRING

AFFINITY BIAS

Affinity bias is one of the most common influences on recruitment that refers to evaluating candidates on the basis of whether they are similar to ourselves. We tend to gravitate toward people like ourselves in beliefs, appearances and background, and avoid or dislike people who are different from us.

AVAILABILITY HEURISTIC

Availability heuristic bias refers to the human tendency to assess situations based on the most recent events rather than looking at the big picture. The reason being that recent events are emotionally charged and easiest to bring to mind, and therefore they weigh more than the other events.

HALO EFFECT

The halo effect is a cognitive bias in which our overall impression of a person has an impact on the way we think and feel about their character. The halo effect unconsciously colours the perception of the individual as a whole. It makes it so that perceptions of one quality lead to biased judgments of other qualities.

GROUPTHINK

Groupthink occurs when a group of well-intentioned people make irrational decisions based on a desire for harmony and conformity between its members. To be more specific, this premature or problematic consensus stems from group members valuing coherence above rational thinking.

OUTCOME BIAS

Outcome bias is a cognitive bias that enables us to evaluate a decision on the basis of its outcome rather than on what factors led to the decision. This form of biased thinking occurs with negative events in most cases. Outcome bias can be more dangerous than hindsight bias because it only evaluates actual outcomes.

ACTOR-OBSERVER BIAS

Actor-observer bias refers to the tendency to attribute one's own actions to external causes while attributing others' actions to internal causes. The term "actor-observer bias" implies that one of the two — either the observer or the actor — blames the other when something bad happens to them.

CONFIRMATION BIAS

Confirmation bias is our tendency to cherry-pick information that confirms ones previously existing beliefs or ideas. It's very difficult to combat this natural tendency. Confirmation bias not only impacts how we gather information, it also influences how we interpret and recall information.

COMMITMENT BIAS

Commitment bias or 'escalation of commitment' refers to the tendency to being consistent with our prior actions, commitments, thoughts and dispositions, even when it is against our own interests. As a byproduct of confirmation bias, we rarely seek out disconfirming evidence of what we believe.

WHY CREATING A DIVERSE WORKFORCE MATTERS

While we live in an era where people of different races, ethnicities, genders, ages, religions as well as sexual orientations have a stronger voice than ever, there's still room for progress. Typically, it is the moral imperative that is the driving force behind these efforts, but employers are increasingly realizing the significance of diversity and inclusion as a key enabler of growth.

Although organizations have a corporate responsibility to ensure their workplace is inclusive for all, there is a strong business case for diversity. Diversity hiring isn't only the right thing but also the smarter way to do business in the global market. Additionally, a diversified workforce is more than just an item businesses would want to check off their employer branding list – it offers a real competitive advantage.

Varying perspectives, life experiences and standpoints from a diverse population sophisticates and transforms the workplace in astonishing and progressive ways. Studies after studies indicate that diversity in a company is essential from a bottom-line perspective. In fact, 73% of employers believe diversity is crucial to stimulate creative and innovative thinking in the company. Moreover, 54% say diversity is important to ensure that they are doing business ethically. But most importantly, a staggering 85% of employers say increasin gdiversity in their workforce is a priority.

According to research, diverse companies:

- Are 1.8 times more likely to be change-ready and 1.7 times more likely to be innovation leaders in their market (according to **Josh Bersin**)
- Produce 19% more revenue (a study by **Boston Consulting Group**)
- Are 70% more likely to grow faster and capture a new market (statistic by **Harvard Business Review**)
- Are more successful and productive (a study by **MIT researchers**)

Employers should, therefore, seek out job candidates from diverse backgrounds, take steps to ensure talent acquisition processes are more inclusive, and lift barriers that prevent all candidates from having equal opportunity during the recruitment process.

DO BUSINESSES BELIEVE DIVERSITY IS IMPORTANT?

85%

of employers say that increasing diversity in their workplace is a priority

YET

45%

of employers believe their current recruitment tools fail to attract diverse candidates

McKinsey's study Diversity Matters (2015) revealed that companies wanting to prosper and retain their business advantage must hire a diverse workforce. The 2014 diversity data showed that out of the 366 public companies analyzed, the ones in the top quartile for racial and ethnic diversity were 35 percent more likely to have financial returns above national industry medians, but it changed to 33 percent in 2017 data set. In the 2014 diversity data, companies in the top quartile for gender diversity were 15 percent more likely to have financial returns above their national industry peers. However, in the 2017 data set this number rose to 21 percent.

McKinsey's report entitled Delivering through Diversity (2018) reinforces the link established previously — that more diverse companies are better able to attract top talent; to improve their employee satisfaction, customer orientation, and decision making. Drawing on data of more than 1,000 companies covering 12 countries, the statistically significant correlation between a more diverse leadership team and financial outperformance demonstrated in the previous report continues to hold true.
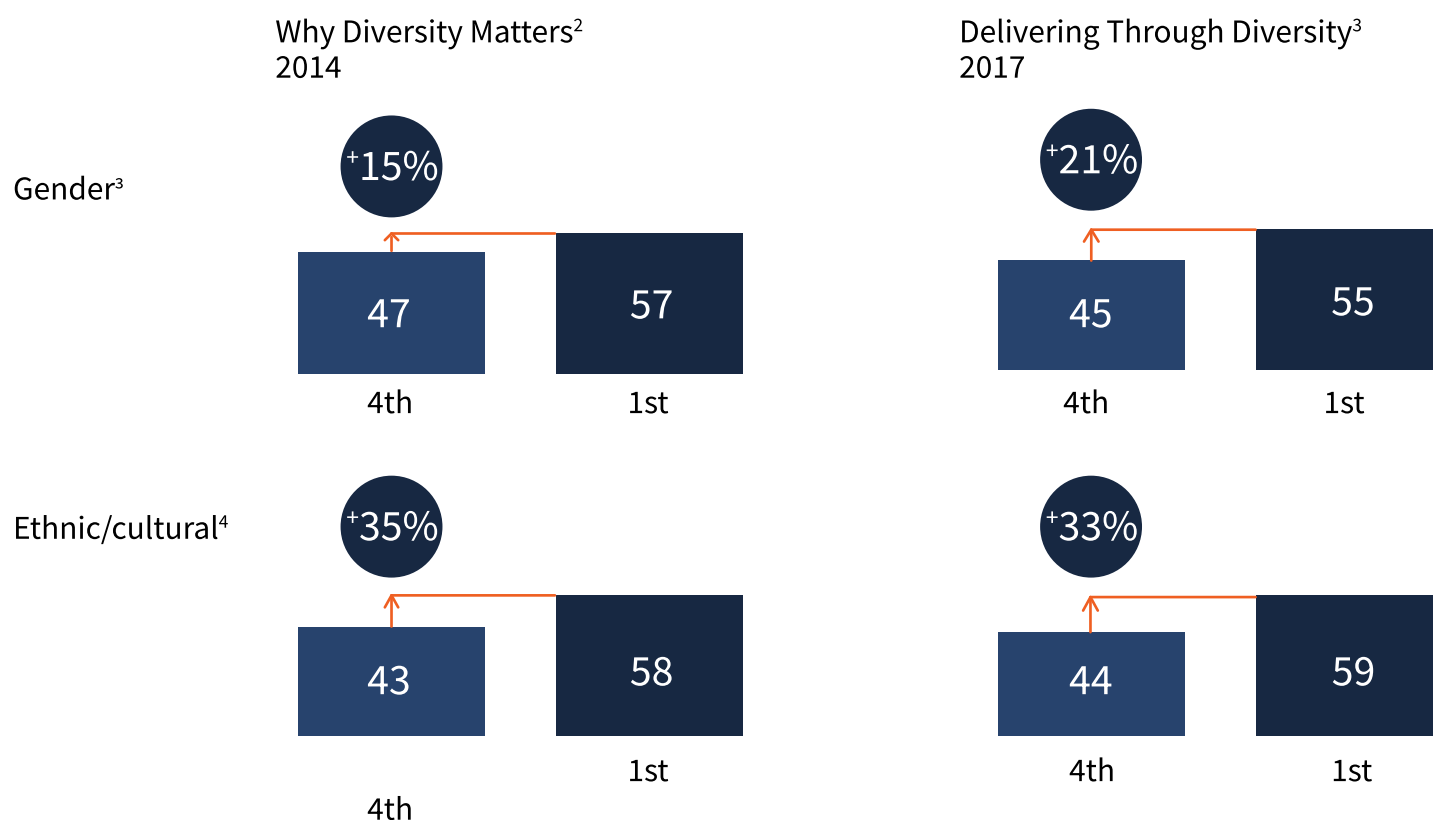
> More diverse companies, we believe, are better able to win top talent and improve their customer orientation, employee satisfaction, and decision making, and all that leads to a virtuous cycle of increasing return.

DATA SUGGESTS DIVERSITY CORRELATES WITH BETTER FINANCIAL PERFORMANCE

Likelihood of financial performance above national industry median by diversity quartile

Why Diversity Matters[2]
2014

Delivering Through Diversity[3]
2017

Gender[3]

	+15%			+21%	
	47	57		45	55
	4th	1st		4th	1st

Ethnic/cultural[4]

	+35%			+33%	
	43	58		44	59
	4th	1st		4th	1st

1 Average EBIT margin, 2010–13 in Why Diversity Matters and 2011–15 in Delivering Through Diversity
2 2014 resultsare statistically significant at p-value <0.1; 2017 results are statistically significant at p-value <0.05
3 Gender executive data: for 2014, N = 383; for 2017, N = 991
4 Ethnic/cultural executive data: for 2014, N = 364; for 2017, N = 589

SOURCE: McKinsey Diversity Matters database

81%

of employers recognize that unconscious bias can impact their hiring decisions

FIGHTING UNCONSCIOUS BIAS IN HIRING: WHAT HAPPENS WHEN IT CREEPS IN

Unconscious bias can have an effect on hiring decisions in ways that talent acquisition managers and other company leaders might not even realize. The inadvertent discrimination adversely impacts recruitment and hiring efforts, catalyzing prejudicial decisions and judgments about applicants, and most often making it harder for candidates from traditionally underrepresented background to get hired.

An extensive body of research shows that the recruitment process is biased and unfair. Implicit biases are pervasive and hard to eradicate. Unconscious racism, ageism and sexism play a pivotal role in who gets hired, and thus affect collaboration between employees and prevent innovation and productivity.

In fact, 81% of employers realize that unconscious bias plays an unwarranted role in the recruitment process. While discriminating against a job applicant on the basis of their socioeconomic background, race, gender, sexual orientation, religion or any factor is illegal, unconscious biases kick in out of the blue, due to which employers struggle with hiring diverse teams and improving workplace inclusion.

Francesca Gino, professor at Harvard Business School, believes unconscious biases have a profound and "problematic" effect on our judgment. "They cause us to make decisions in favor of one person or group to the detriment of others." In the context of workplace, this can impede diversity, recruiting, promotion, and retention efforts.

For instance, although studies indicate that a gender diverse workforce is good for businesses, it is extremely difficult to completely avoid unconscious biases. A Yale University study showed that both male and female scientists (who are trained to be objective), were more likely to consider men to be more competent than women, and pay them $4,000 more per year than women. Both conscious and unconscious gender biases plague hiring decisions across all industries and follows them throughout their careers.

In her book What Works: Gender Equality by Design, Professor Iris Bohnet, a behavioural economist at Harvard University, argues that instead of trying to alter people, employers should change their processes to limit the opportunity for bias. Furthermore, she maintains that when biases are left unchecked, they have the power to shape a company or industry's norms and culture. "Seeing is believing," she elucidates. "If we don't see male kindergarten teachers or female engineers, we don't naturally associate men and women with those jobs, and we apply different standards" when it comes to hiring, promoting, and evaluating job performance. "Managers have to learn to de-bias their practices and procedures."

WHICH DEPARTMENT DO BUSINESSES THINK SHOULD BE RESPONSIBLE FOR DEVELOPING A DIVERSITY STRATEGY?

56%
SENIOR MANAGEMENT

35%
HR

9%
MARKETING
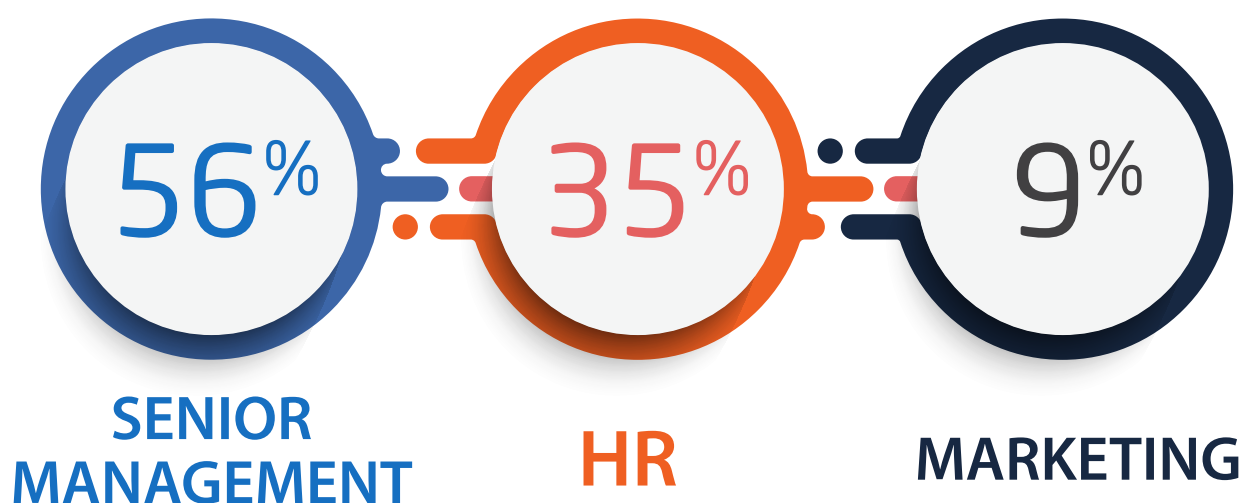
Many companies are recognizing the business impacts of unconscious bias, which is propelling them to adopt new approaches to diversity and inclusion. They are implementing initiatives aimed at raising awareness and eliminating bias during the recruitment and performance processes in order to make more objective talent decisions and reach better diversity outcomes.

42%

of employers do not use any strategies to reduce unconscious bias when recruiting

USING GAMIFICATION TO ERADICATE UNCONSCIOUS BIAS

Despite the significant advancements made in the area of diversity and inclusion hiring over the last few years, stereotyping and prejudice remain rampant at organizations across all industries. It's not surprising why finding the perfect hire can be a difficult challenge for any organization due to this reason. Whether you sift resumes or conduct interviews, unconscious bias creeps in without the recruiter even realizing.

Revolutionizing the recruitment industry, gamification presents a completely new approach to hiring, allowing a more efficient and effective selection process by providing accurate, unbiased and predictive candidate data. This ultimately generates a more diverse and competent talent pool at the later recruitment stages. On the flip side, gamified assessments encourage candidates to showcase their suitability for job roles far beyond their CV, giving them the opportunity to be on the basis of talent rather than experience. Besides, it is talent that wins out in the end. And when talent is allowed to move laterally across industries, it would help fuel innovation in ways no one could have predicted.

Studies by Stanford University and University of Barcelona have also found positive results of this technology, helping not only recruiters and talent acquisition managers but also addressing unconscious bias in the company through gamification as a whole.

The adoption of gamification has significantly increased since the past one decade, with games being used to assess candidate's personality traits, cognitive abilities and problem thinking skills that could indicate how well they'll perform in certain types of roles.

A great number of companies, including Unilever, Google, Marriott and Deloitte, have harnessed the power of gamification in their recruiting strategy in an effort to shorten screening time, increase candidate engagement, build brand awareness and eliminate bias. They've recognized that recruitment tools, such as AI-powered gamified assessments backed by neuroscience enable recruiters to gain candidate insights , which may not appear on the resume. On the other hand, gamification is turning the traditional hiring process on its head, creating an inclusive, fair and more transparent candidate experience for job seekers.
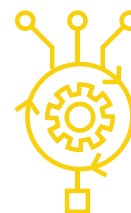
By incorporating gamification in hiring, companies can leverage:
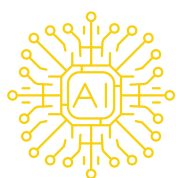
Unbiased Algorithms   AI-based Insights   Advanced Analytics

CONCLUSION

Employers need to address unconscious bias in their recruitment process because it ultimately leads to recruiters making decisions about the suitability of a candidate for a certain role based on factors which are not related to the role such as age, gender or background.

With gamification, it is now possible to create an unbiased screening process that discovers the finest candidates with the best skills or aptitude for the job. It maintains the human element in the recruitment experience for all those involved, not replacing the connections we make. In fact, it reinforces deeper engagement between the candidate and the employer. Most importantly, gamification allows companies to effectively recruit and manage a diverse workforce, facilitating them to make data-driven decisions and giving them a clear competitive advantage.

INFOGRAPHIC
UNCONSCIOUS BIAS IN HIRING

Check out or download our Infographic on 'Unconscious Bias in Recruitment', exclusively made by The Talent Games. Also, if you feel like embedding our infographic in any of your content, then do mention or cite us as the original source.

Here's the link to the infographic:
https://thetalentgames.com/infographic-unconscious-bias-in-recruitment/

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