Leaders for Gender Equity

# Reducing Unconscious Bias in the Workplace

# Introduction

Studies have shown that we are drawn to the familiar – those who think, look and act like us. This isn't always a bad thing; our brains make thousands of decisions every day – these unconscious decisions let us recognise objects and concepts to take action quickly. Unconscious bias becomes a problem when it negatively impacts on workplace culture and affects who gets hired, who gets promoted and how we measure performance.

By recognising and reducing our biases, we can identify the best candidate for a particular role, and by taking advantage of diverse thinking, perspectives and experiences, we expand business opportunities.

As senior leaders in South Australia, the SA Leaders for Gender Equity Group sees it as our responsibility to educate and encourage other South Australian businesses to better address gender inequity in the workplace. We believe gender equity is achievable and makes a powerful and positive difference to productivity, effectiveness, and innovation, creating a workplace that is an employer of choice for all.

# What is Unconscious Bias

Unconscious bias is the natural preference for people who look like us, sound like us and share our interests. These natural preferences impact on organisational behaviour at various stages, and in different business activities. Unconscious biases are natural and out of our conscious control unless we are aware of them.

Research from the neuro, social and cognitive sciences show that hidden biases are distressingly pervasive, that they operate largely under the scope of human consciousness, and that they influence the ways in which we see and treat others, even when we are determined to be fair and objective<sup>1</sup>.

There is plenty of research and scientific evidence that shows that bias is a natural part of the human condition. The key is to be aware of our unconscious biases so that we can make better decisions.

Why should we care about Unconscious Bias?

Unconscious biases can have a serious impact on workplace culture – they affect who gets hired, who gets promoted, and how we measure performance. Workplace policies and procedures need to be in place to reduce the impact of these biases on gender equity and diversity more generally.





Studies suggest that promoting gender equality is often associated with better organisational and financial performance.

There are a range of reasons why company performance and gender diversity may be linked, including better decision-making and innovation.

#### **Self-Awareness**

It is important to start with self-awareness. If you can spare a few minutes, we recommend you take the Harvard Implicit Association Test (IAT) below, to get some awareness on your own personal biases. Project Implicit is a non-profit organisation and international collaboration between researchers who are interested in implicit social cognition - thoughts and feelings outside of conscious awareness and control.

The goal of the organisation is to educate the public about hidden biases and to provide a 'virtual laboratory' for collecting data on the internet.

#### Harvard Implicit Association Test (IAT)

Gender – Career (It should only take you ten minutes). https://implicit.harvard.edu/implicit/takeatest.html

Taking the test is an important step in the right direction to start addressing your unconscious biases and considering the actions you take at work.

Unconscious bias doesn't always come from men, I have to check myself sometimes to ensure that my own biases don't come into play when short listing candidates for roles within my own organisation. I know that it is important to have the appropriate checks in place to reduce the likelihood of bias having a negative impact on recruitment.

Jane Pickering, Eldercare Australia Ltd.

#### Recruitment

The recruitment process is wrought with opportunities for unconscious bias to impact hiring decisions. From advertising for vacancies, to the interview and selection

process, there are many ways that unconscious biases can be mitigated.

Take a moment to consider these questions:

- How does your business ensure that you have equal representation of men and women for recruitment and promotion?
- Are you using gender-neutral language in your role descriptions and advertisements?





- Do you have diverse interview panels?
- What actions do you undertake to retain your high performing women?
- How effectively do you sponsor women to ensure equal access to opportunities?
- How much time do you spend with senior and emerging women leaders?
- How well do you understand their perspectives and priorities?

#### Recruiter and hiring manager capability and awareness

Recruiters and hiring managers have an enormous influence on gender equality. Raising their awareness of unconscious bias can help improve hiring decisions. Unconscious bias training is one way to help hiring managers and recruiters identify their biases and learn ways to mitigate this in the hiring process. Coaching line managers to consider broadening skills and experience for roles will allow them to access a deeper candidate pool. There are many providers of training to reduce unconscious bias.

In addition to what you do internally, you can be explicit with external recruitment agencies about what your expectations are for ensuring equal representation of men and women candidates.

You can also determine KPIs and metrics for recruiters to reinforce better process and decision-making.

Some example KPIs and metrics include:

- Requiring an equal gender candidate slate in short listing
- Having men and women on the interview and selection panel
- Tracking progress of women candidates through the recruitment stages so that trends and observations can be reviewed
- Success rate for internal versus external candidates

#### **Job Descriptions**

Consider conducting an audit of your current position descriptions, to identify biases and uncover any gendered language that may be discouraging women from applying. In addition, a gender-inclusive job evaluation and grading process will ensure that gender does not affect grades, job opportunities, or rewards.

**The Workplace Gender Equality Agency** has developed a Guide to the Australian Standard on Gender Inclusive Job Evaluation https://www.wgea.gov.au/sites/default/files/Guide to Australian Standard.pdf





**The International Labor Organisation** has developed a step-by-step-guide to gender-neutral job evaluation for equal pay http://www.ilo.org/ wcmsp5/groups/ public/---ed\_norm/---declaration/ documents/publication/wcms\_122372.pdf

# **Candidate Criteria**

Hiring managers and recruiters must think carefully about the criteria they set for a role.

Consider:

- What do you really need for a candidate to meet the role requirements?
- Are you asking for experience and qualifications that are not necessary to perform the role well?
- Can the role be done part-time or flexibly?

Asking these questions can help to ensure that you don't unnecessarily rule out good candidates.

# **Advertising / Attraction**

What was the last recruitment campaign you ran? Spare a moment to take a look at the advertisement. What images, if any, accompanied the advertisement? Was the language written in a particular gender i.e., he or she? What mediums did you use to advertise your roles? Could the mediums potentially have excluded women?

Here are some things you can do in your advertising to attract more women applicants:

- Use inclusive language and imagery in any advertising, including employment advertisements.
- Seek out recruitment channels with a high population of women, such as www.womensagenda.com.au.
- Send out correspondence to women candidates through LinkedIn.
- Update imagery on your careers site, add video and profiles of women in your business.
- Attend women's events and groups to promote your business as a great place for women to work and to network.
- Use more than one medium to advertise the vacancy i.e., newspaper; online; professional organisations.
- Some organisations have Referral Programs for staff this could be extended to target women.
- You can also connect women to your organisation (includes online mentoring) as a mechanism for women candidates to connect.





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**The Australian Human Rights Commission** has developed Guidelines for writing and publishing recruitment advertisements <u>https://www.humanrights.gov.au/publications/guidelines-writing-and-publishing</u> -recruitment-advertisementsBlind Recruitment

#### **Blind Recruitment**

Blind recruitment practices involve the removal of bias against applicants based on their gender, race, or cultural background from the entirety of the recruitment process. The process aims to address unconscious bias at the recruitment stage by removing personal details such as name, age, and gender when assessing people's job applications. This ensures that candidates are assessed on their merit and not their background, race, or gender.

# **Talent Pipeline and Shortlisting**

Focus on your internal talent pipelines. Build the talent profile templates for women in the organisation to better represent and market them.

In addition, begin more extensive mapping of external women for your key or critical roles to ensure that you have external pipelines of women to bring into roles to impact the overall gender diversity percentage. This can include building pipelines through graduate programs, apprenticeships, and traineeships. Being proactive will help when vacancies arise to tap into that pipeline.

When evaluating performance for promotion, standards are likely to be stricter for a woman than for a man, even when both perform at the same level. Reservations are expressed four times more often about a woman's resume than a man's.

One way to mitigate this is to set up standard application questions for the role so you get relative information from candidates.

Consider setting a target for women's representation in shortlists and set KPIs or metrics to track and hold recruiters accountable for this.

Investing the time, skills and self-awareness into meaningful consideration of resumes will help you guard against decisions based on assumptions and biases.

#### **Interviewing and Selecting**

An effective way to avoid unconscious bias is to structure your interview and ensure you have men and women on the interview panel. Develop a core set of interview questions against the role's criteria for success and ask these of all candidates.





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**The Fair Work Ombudsman's** online training and toolkits, including for managing unconscious bias in recruitment, suggest that one way to identify bias is to reflect on your own decisions. This can be quite confronting. http://fairwork. cls.janison.com/local-theme/FWO/pages/guest. html?636168590357946730

# Try asking yourself:

- Do I typically hire the same type of person?
- When I say someone is 'not the right fit', what do I mean?
- Do I make assumptions about my employees' skills based on stereotypes? For example, do I assume younger staff will be better with social media?
- Do I provide opportunities and work across the team, or do I tend to go to the same people?
- Who have I hired, trained, promoted, or made redundant? Are there any patterns that would indicate a bias in my decision-making?

A diverse interview panel and a structured interview process where candidates are assessed against the criteria of the role will help minimise bias creeping into the hiring decision.

#### Reporting

Reporting on the stages of the recruitment process is a good way to see trends so that you can continually improve your process and approach and increase percentage of successful women applicants.

#### **Career and Talent Management**

Whilst women's representation in leadership roles in Australia is trending upwards, there is still quite a way to go before we see equal representation.

When detecting where unconscious bias exists it is important to evaluate each structure and system, and importantly where people make decisions. This can expose the organisation to talent that already exists but unfortunately is blocked by biases about who is a good performer, potential that is perceived, and who appears to be ready for a promotion.

As human beings, we are fundamentally susceptible to looking for our own traits and characteristics when we assess others. For example, we would rate people who have similar communication styles to ourselves as having higher performance and potential than those that don't.





As with hiring managers and recruiters, it is just as important to make people identifying and making decisions about talent to be aware of unconscious bias through training or briefing sessions.

'It's so easy to recruit in your own image – it takes less effort – but it often results in less diversity of thought and opinion around decisions. I recommend challenging yourself and your team. Actively challenging unconscious biases in recruitment can only help add value and help you make far better decisions.' Lester Wynne-Jones, Westpac Banking Corporation.

#### *Questions to help with uncovering talent in your organisation:*

- Where and in what roles are women in your talent development model?
- How many women hold senior positions in your organisation?
- What is the system to capture women moving through your talent development model, from entry to executive level?
- What targets have been set?
- Do you prioritise internal candidates for roles?
- Do you use succession planning to proactively attract and target women?
- Does your talent management and development programs proactively include women participants - i.e., leadership program?
- Do you check that your talent management processes, or systems have good representation of women?

Career development coaching or mentoring can be an effective way to support women in the workplace.

Sponsoring talented women is an even more effective and action oriented way of helping women progress their career.

# Salary and Performance Review Salary Review

Most organisations in Australia have a gender pay gap.

The gender pay gap is the difference between women and men's average weekly earnings, expressed as a percentage of men's earnings. Australia's gender pay gap currently stands at 15.3% and hasn't moved much over the last two decades, hovering between 15 and 19%.<sup>2</sup>





The gender pay gap, favouring men:

- Exists in every single industry.
- Tends to be largest in industries where pay rates are determined at the organisational level (through enterprise agreements or individual contracts) than in industries that are covered by industry-wide awards.
- Is considerably larger in private than public industry.

Small businesses can face unique challenges when managing and attempting to improve workplace gender equality. This is typically because of the higher impact of parental leave cost, difficulty to provide flexible work and limited resources to develop people strategies and conduct analysis to review and address.

One way to understand if your organisation has a gender pay gap is to conduct a gender pay gap analysis. This can be conducted at any time throughout the year, and re-conducted if the organisation completes any annual salary review to monitor progress to close the gap – or otherwise make steps to attempt to address it during salary review.

Organisations can have three types of pay gaps:

- Organisation wide
- By level
- Like for like pay gaps

**Closing the Gender Pay Gap** From Male Champions of Change, a resource to measure monitor and address the gender pay gap in your organisation http://malechampionsofchange.com/ wp-content/uploads/2017/08/MCC-Closing-The- Pay-Gap\_Report\_2017\_FINAL-1.pdf

A pay gap calculator can be used to identify if you have a gap, analyse the outcome, and create strategies to respond and address any pay equity issues, concerns, or gaps.

The more data you have, the deeper the analysis you can conduct, including analysis by:

- Level
- Performance rating
- Job size





- Location
- Tenure

Discovering that you have gender pay gaps does not necessarily mean your organisation is being discriminatory.

It does mean you need to review the possible reasons for the gap and determine if they are explainable and justifiable. You can then determine if you need to develop a strategy and action plan to address the pay gaps in your organisation.

# **Performance Review**

Most organisations conduct regular performance reviews These may or may not include agreeing performance ratings for each employee. Either way, performance review outcomes are often linked closely with salary reviews where it may also follow that higher performing employees receive larger salary increases. Our unintended unconscious biases may hijack at performance review time and lead to decision making that has unintended consequences.

We know that the majority of part time workers are women. We also know that often, part time workers are not given access to the same opportunity to develop and grow their career, or have their objectives/targets/goals adjusted to ensure they are achievable in the reduced hours they may work. This in turn may lead to part time workers being viewed as lower performing employees than those who are full time.

Unconscious biases at performance review may lead to:

- Talented people who work part time, not being given equal access to development and career progression opportunities.
- Employees not contributing fully to the workplace as they do not feel as valued.
- Lack of diversity in decision making as those promoted or given development opportunities may be similar.
- All of this, can of course, lead to loss of productivity and potentially, profit so it's clear to see why managing unconscious bias when setting and assessing performance is important.
- Starting at the performance review conversation is great, but to have the most impact, biases should also be considered when:
- Setting performance objectives or targets.
- Ensuring performance goals and assessment are objective, not subjective.





 Ensuring effective communication to all employees (ensure that if a part time employee is not present for team meetings, that notes are taken, or a buddy is assigned to share any information which will help them perform).

In addition to the above, there are many other things you may consider implementing to minimise bias during the performance review process:

- If your organisation agrees on performance ratings, once they have been awarded, review the gender split in each performance category to assess if there is a skew to one gender over another.
- If your organisation agrees on performance ratings, once they have been awarded, review the work mode split in each performance category to assess if there is a skew to full time or part time workers.
- Consider implementing 360-degree performance surveys. If a manager holds a particular bias, it may not be held by others who work with, work for or are business partners of the individual.
- Before the performance review period commences, and to ensure it is front of mind, ask managers to have a discussion on unconscious biases and rater bias. Identifying these biases prior to evaluation, and being aware of their existence is a good cognitive tool to help people actively manage the biases.
- If your organisation asks its employees to self-rate their performance, ask managers to have a discussion with employees on rater bias as employees can both over-rate and under-rate. If someone is self-critical, it is most likely they would under-rate and self-ratings may influence manager's ratings.
- Ensure managers dedicate the time to performance reviews they deserve. Haste and distractions can lead to unintended negative impacts.
- Colour code your talent maps by gender, so at a glance, you can see whether you have a skew to classifying employees as your 'top talent' or 'mismatched talent'.
- Create succession plans ensuring that at least one woman and one man can be the next 'go to' person for the role. Assess their skills and gaps for the role and give them the development they need to be successful.





#### **Flexible Work**

Australian organisations are increasingly realising that to retain talent and remain relevant, they need to prepare for a future where flexible work is standard in any role (not just selected roles). A shift in understanding is required to embrace flexible working so that flexible workers are free from negative judgements or impact on career progression.

Flexibility is equally important and relevant for men and women as it breaks the bias around gender roles outside the workplace. A successful flexible working model allows both genders to be equally enabled to play active roles as caregivers for children or the elder parents or create the working schedule that they choose 3.

There is work to be done in making flexibility a part of the regular way we do business. We know that while most large corporate businesses have flexible work options in place, the take up for senior roles is limited. The challenge is to strive for the take up of flexible work options at all levels.

Having policies and procedures that support flexible working arrangement is a solid starting point, however it's not where the story ends. For those who wish to embrace and fully implement a flexible working strategy as part of your business's competitive strategy you will need to begin with the end in mind.

It is important for Chief Executives and Senior Managers to be personally committed to flexible working arrangements and to encourage both men and women within their organisation to take advantage of flexible working arrangements. It is our role to reassure them that their future opportunities within the organisation will not be limited because of the flexible working arrangements and then ensure that opportunities are not limited. Hamilton Calder – Chief Executive Volunteering SA.





# References

<sup>1</sup> C. Staats, K. Capatosto, R.A. Wright, V.W. Jackson, *State of the Science: Implicit Bias Review* 2016 Edition, Kirwan Institute.

<sup>2</sup> Workplace Gender Equality Agency, Gender Pay Gap Statistics, <u>https://www.wgea.gov.au/sites/default/files/gender-pay-gap-statistics.pd</u>f

<sup>3</sup> M. Sanders, J. Zeng, M. Hellicar, K. Fagg (2016) The Power of Flexibility: A Key Enabler to Boost Gender Parity and Employee Engagement, Bain and Company, http://www.bain.com/publications/articles/the-power-of-flexibility.aspx

# Tools

Harvard, Gender-Career Implicit Association Test (IAT) https://implicit.harvard.edu/implicit/takeatest.html

Workplace Gender Equality Agency, *Guide to the Australian Standard on Gender Inclusive Job Evaluation* <u>https://www.wgea.gov.au/sites/default/files/Guide\_to\_</u> <u>Australian\_Standard.pdf</u>

Australian Human Rights Commission, *Guidelines for writing and publishing recruitment advertisements* <u>https://www.humanrights.gov.au/publications/guidelines</u>- <u>writing-and-publishing-recruitment-advertisements</u>

Workplace Gender Equality Agency Gender pay gap calculator

https://www.wgea.gov.au/lead/addressing-pay-equity

The Conference Board, Minimising Unconscious Bias in Performance Management webcast https://www.conference-board.org/webcasts/ondemand/ webcastdetail.cfm?webcastid=3361

Office for Women, Guidelines for Gender Neutral Recruitment http://www.officeforwomen.sa.gov.au/womens-policy/ womens-employment-and-economicstatus/gender-neutral- recruitment-guidelines

Closing the Gender Pay Gap, Male Champions of Change http://malechampionsofchange.com/wp-content/ uploads/2017/08/MCC-Closing-The-Pay-Gap\_Report\_2017\_ FINAL-1.pdf

Male Champions of Change, The Leadership Shadow http://malechampionsofchange.com/the-leadership-shadow/

