

UNCONSCIOUS BIAS AND THE ROLE IT PLAYS IN THE RECRUITMENT PROCESS

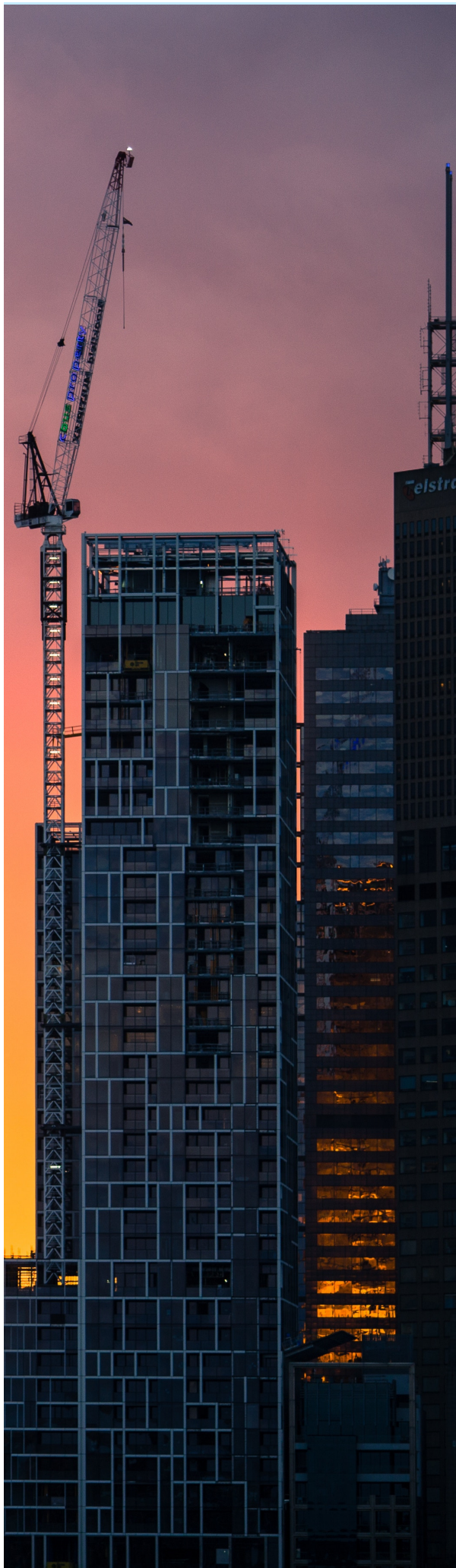
DESIGN & BUILD



Examining the impact unconscious bias has on an organisation's recruitment practises and the ways organisations can minimise these biases in order to foster an inclusive and diverse workforce.

PREPARED BY
Emily Harris





Research has proven that as humans we are wired to be attracted by patterns and similarities. Dating back to the days of early civilisation when people outside of your tribe were considered a threat, the majority of us - even in today's day and age - find differences harder to accommodate. Furthermore, while our brains can consciously process 40 pieces of information per second, they can unconsciously process 11 million pieces of information (DiSalvo, 2013). To ensure our brains don't become overwhelmed by all the stimuli around us, we create mental shortcuts that will make our decision-making easier – and these shortcuts are usually based on what we already know or can relate to, which is how biases and stereotypes are formed.

Because the brain processes information so quickly, we often don't realise when we're using bias or stereotypes to aid our decision making however, biased decisions can often have a negative impact and hinder progress, diversity and inclusion – especially when they relate to the workplace. In the following whitepaper, we explore the impact unconscious bias has within the workplace, focusing particularly on how unconscious bias can prevent organisations from hiring diverse teams which then has a negative flow-on effect on workplace inclusion, productivity, creativity and overall culture. Diversity within the built environment industry has always posed a challenge- historically construction is one of the most male-dominated major industries in Australia, where the proportion of women working in the sector is actually decreasing (12% in 2018 compared to 13.8% in 1998) (WEGA, 2019). While a recent study conducted by the Australian Human Rights Institute revealed those in construction and engineering roles experienced significant anxiety in revealing their sexual identity to their colleagues (Galea, Jardine, 2021). Consequently, we believe that learning more about unconscious

bias and how it impacts the diversity of talent organisations within the built environment are exposed to, can help the industry overcome its diversity challenge.

As a recruiting agency, we are in a unique position of influence, where we can actively contribute to an inclusive and diverse workforce through our recruitment practises and the conversations we have with our clients. To uphold this responsibility, we've also provided key recommendations that both the individual and the organisation overall, can take during the recruitment process to mitigate unconscious bias in the workplace, strengthen our organisations and ultimately serve our stakeholders more effectively.

As we celebrate International Women's Day for 2022, it's fitting that this year's campaign revolves around 'breaking the bias' and highlights the negative impact deliberate and unconscious bias has on women's ability to get ahead - particularly in the workplace. Within this whitepaper Design & Build highlights how gender bias (among other common biases) can emerge within an organisation's recruitment processes, which in turn can act as a barrier for women to progress within their careers or even act as a barrier from entering into a specific industry, especially a male-dominated industry like construction, property or engineering. However, these biases can be significantly minimised when an organisation is committed to educating its employees on diversity and cultural awareness and employs recruitment processes that widen its talent pool. We explore these policies further within this paper.

OUR RESEARCH

To write this whitepaper, Design & Build used and collated data from their extensive database of 65,000 candidates within the construction, rail, engineering, professional services and property industries. This information was augmented with survey data collected from over 200 respondents within Design & Build's professional online network. Design & Build also conducted some detailed interviews with a few key clients to provide further context around the recruitment policies within the built environment industry.

Our primary data was further supported by secondary information sourced from nationally and globally recognised authority figures on both business development, human resources and the construction, property, and engineering industry. These include The Queensland Government, The Australian Human Rights Institute, The Association of Professional Engineers Australia and McKinsey & Company. Every secondary source referenced can be found in our bibliography.

NB: to address the construction, property, and engineering industry as a whole, it will be referred to as the 'built environment' industry throughout this whitepaper series.



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PROBLEM SUMMARY:



WHAT IS UNCONSCIOUS BIAS?

The Queensland Government define Unconscious Biases as:

- The attitudes beyond our regular perceptions of ourselves and others
- The beliefs reinforced by our environment and experiences
- The basis for a great deal of our patterns of behaviour about diversity (Queensland Government, 2021).

Essentially, unconscious bias occurs when we make judgements or decisions on others or particular situations, based on preconceived ideas or assumptions – e.g. you might assume that all Australians are good swimmers. These assumptions usually stem from our own experiences and surroundings for example, you assume all Australians are good swimmers because all the Australians you've met happen to be good swimmers. As mentioned previously, these biases run through our minds very quickly – so quickly that we don't



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consciously realise they are influencing our decisions. But, allowing to be influenced by unconscious bias means that you can judge individuals or situations prematurely and most importantly the decisions you make due to these assumptions aren't based on fact.

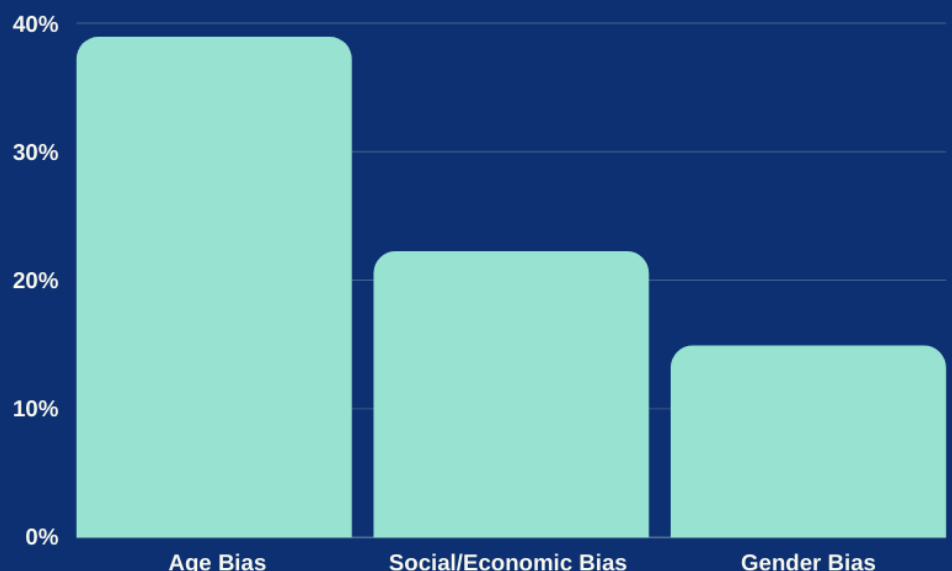
As we explore in this whitepaper, being influenced by unconscious bias within the workplace has a negative impact not just on the individuals affected by that bias, but the organisation overall. Because ultimately, when bias exists (unconsciously or consciously) we will continue to recruit, promote, allocate work, and manage performance with filters on our thinking.

This was supported in our own research. We sent a survey on questions surrounding unconscious bias and diversity in the workplace to our network of over 65,000 workers within the construction, rail, engineering, professional services and property industries and the majority of respondents (76%) believed they had been subjected to unconscious bias during the recruitment process for a new job. More specifically, 38.89% of respondents thought they'd been unfairly judged for a role due to their age, 22.22% felt they had been unfairly judged due to their social/economic background. While 14.89% thought they had been judged by their gender. These findings suggest that unconscious bias

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RESPONDENTS BELIEVE
THEY HAVE BEEN
SUBJECTED TO
UNCONSCIOUS BIAS
DURING THE
RECRUITMENT PROCESS
FOR A NEW JOB

The Common Types Of Bias Respondents Have Experienced



PROBLEM SUMMARY



is a very real issue and while difficult to prove, felt by many candidates during their job search.

WHY IS UNCONSCIOUS BIAS SO CRITICAL WHEN RECRUITING?

When looking specifically at the impacts unconscious bias has on recruitment, it becomes evident that the biggest problem revolves around diversity; unconscious bias prohibits an organisation from fostering a diverse talent pool, which then means it runs the risk of consistently hiring the same people. For example, some Silicon

Valley tech companies have built a reputation of preferring candidates who went to UC Berkeley, as so many current employees are UC Berkeley graduates (Lattice, 2020). It's human nature to bond with people over shared experiences or what you have common ground in, so naturally, when interviewees are looking at candidates' resumes or are interviewing candidates that went to the same university as they did, they look upon them favourably. A common assumption may even be: "well they must be well prepared for working within the tech industry, as I graduated the same school and look where it got me?" However, this mode of thinking automatically puts those that didn't go to the same university at a disadvantage, even



PROBLEM SUMMARY



though they might be just as worthy a candidate in terms of skills and experience. Perhaps they're not even shortlisted or considered for an interview. Often when judgements like these occur, employees aren't consciously aware they are making them, but it limits the diversity within the group of talent they'll consider for a role.

Another example closer to home is the research conducted by economists at the Australian National University in 2010, where researchers sent more than 4000 fake job applications for entry-level jobs. The applications contained the same qualifications but with different names, distinguished by their ethnic origin. They found that to get as many interviews as an applicant with an Anglo-Saxon name, someone with a Chinese name needed to submit 68% more applications. Those with a Middle-Eastern name would need 64% more applications. While those with an Italian name needed to put in 12% more applications (Soutphommasane, 2014). These findings indicated that employers were making assumptions or judgements on candidates based on the origin of their name. Perhaps they assumed that those who didn't have an Anglo-Saxon name wouldn't be as easy to understand because of their accent, or that their English wouldn't be as strong.

As well as the ethical imperative for recognising and mitigating unconscious bias, there are commercial considerations too.

Studies have shown that a lack of diversity compromises innovation and creativity, as teams that represent different cultural and educational backgrounds, ages, ethnicity, experience levels and gender are more likely to draw inspiration from seemingly unrelated places and these ideas can lead to more unlikely and innovative ideas. Global consulting group Boston Consulting Group (BCG) surveyed 1700 companies across different countries (including Australia) and of varying sizes and found that those organisations operating with an above-average diversity produced a greater proportion of revenue from innovation (45% of the total) than from companies with below-average diversity (26%). This 19% innovation-related advantage translated into overall better financial performance (Levine, S. 2020).

There's also strong evidence to support the fact that hiring a diverse workforce, will lead to higher levels of productivity. In research conducted by associate professor Letian Zhang, 1069 leading firms across 35 countries and 24 industries found that diversity relates to more productive companies, as measured by market value and revenue, but only in contexts where gender diversity is viewed as normatively accepted. (By normative acceptance they mean a widespread cultural belief that gender diversity is important) (Turban, Wu & Zhang, 2019). This finding is obvious when you think

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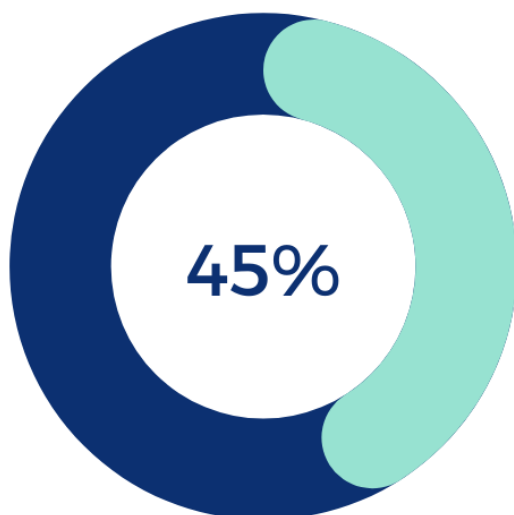


about it. When people feel they are valued members of a team and respected by their colleagues, they want to be at work and are motivated to do well, which then translates into higher levels of productivity.

Finally, a diverse workforce also helps to strengthen workplace culture. An organisation that appreciates the differences in others and acknowledges the positive contributions that different people can bring, will foster an environment where people are open to learning from each other, function better as a team and ultimately feel a sense of belonging. This in turn – will help an organisation's further recruitment as numerous studies have shown that a positive workplace culture is a key driver when candidates evaluate job offers. In fact in Design & Build's own research 41.5% of respondents within the built environment space listed workplace culture as most important

when looking for a new place to work. Being seen as an admirable place to work, of course helps to widen the talent people, which again allows organisations to choose from a more diverse and wide range of candidates. A true full-circle moment.

Because unconscious bias prohibits workplace diversity – which we know to be highly beneficial to an organisation – being aware of unconscious bias and the impact it has, is imperative for an organisation's (and even an individual's) growth and development. Because these biases are so ingrained, we won't realise our thinking follows a particular pattern unless we are made aware of it. We cannot change what we do not see or acknowledge. Consequently, it's only when these patterns of thinking are pointed out to us, that we can start to reframe our thinking and implement change.



Of organisations operating with an above average diversity produced a greater proportion of revenue from innovation.

TYPES OF BIAS



Unconscious Bias can manifest itself in many different ways. Below we list the key different types of bias that can impact decision-making and interactions at work:

AFFINITY BIAS

Affinity bias happens when we favour a candidate because they share a trait or characteristic with us. For example, it may feel easier to relate to candidates if you both attended the same university or grew up in the same town.

The challenge with affinity bias is that it is often linked with culture fit. Founders often want a team of like-minded people to join their team (e.g. having a similar work ethic, passion for innovation etc.) which is why affinity bias reigns supreme as a hiring aid in many early start-up teams. However, in doing this, organisations run the risk of creating a very homogeneous workforce; where everyone thinks the same and have the same shared experiences.

ATTRIBUTION BIAS

Attribution bias occurs when we make assumptions about people's actions and intentions based on previous interactions we've had with them. For example, if you notice on a candidate's resume that they have moved jobs frequently over the last few years. Then when you meet them for an interview, you might assume that they're flaky and wouldn't be loyal to the job your organisation is advertising. When doing this, you're immediately assuming that they are the problem, instead of considering the myriad of complex reasons that could've led to their recent work pattern.

CONFIRMATION BIAS

Confirmation bias is when we draw conclusions about people, situations, and even data, that only serves to reinforce what we already believe to be true. It is like 'selective sight' as opposed to 'selective hearing'. We only 'see' what confirms our existing beliefs, and disregard or even forget information to the contrary.

For example, you may see a candidate who has a Middle-Eastern name and automatically make assumptions about their education or ability to speak English. We tend to make the same assumptions about candidates' names, education, ethnicity, gender, and various other attributes.

TYPES OF BIAS



THE CONTRAST EFFECT

This kind of unconscious bias happens when we compare two or more candidates you've encountered. When you receive an exceptionally strong application, it subconsciously sets a standard in your mind and then all the applications from that point on can seem inferior. The problem with the contrast effect is that it lacks objectivity. It skews expectations away from reality and can make a good candidate seem mediocre, or poor candidates seem great depending on the other resumes they're included with. Both are lose-lose scenarios because you never end up with the best person for the job, you end up with the 'best' person out of the bunch you've seen so far.

GENDER BIAS

Gender bias occurs when we unconsciously think a candidate's suitability for a job, industry, or position is influenced by their gender. An example of this is the old-fashioned stereotype that men are better suited to high-logic professions like physics, whereas women are better suited to caring roles like nursing or education. But a more realistic example could be a female candidate who is asked questions about whether she has a partner or wants to have kids during a job interview. Some organisations might assume because she is female and because of her age, she'll want to start a family and settle down soon and worry that this will mean she'll have less time to dedicate to her job. In fact, in Design & Build's survey on unconscious bias, 52% of female respondents said they'd been asked if they were married and or had kids during a job interview.

THE HALO AND HORNS EFFECT

The halo effect is somewhat similar to confirmation bias. When we notice something particularly impressive about a candidate – a “halo”- we are promptly blinded to less preferable features about that candidate. For example, an engineer firm looking for new talent might notice that a candidate used to work for a prestigious global engineering consultancy and give them an unconscious advantage over other applicants. Surely, someone who worked for a well known global company must be a good fit for your team, right? This is an example of thinking based on assumptions, rather than information.

The opposite of the halo effect is called the horns effect. It happens when you focus on one particular negative trait of a candidate and ignore everything else. For example, judging a candidate entirely based on the fact that they dropped out of university, despite a decent work history since then.

RECOMMENDATIONS



FOR EVERYONE:

Education:

Firstly, as individuals, we should strive to learn more about different diverse groups.

Unconscious bias thrives on a lack of information and understanding. We often avoid what we can't comprehend and the best way to fix this is to be informed, by actively seeking to learn about different diversity groups.

For organisations, education and awareness are the key first step in mitigating unconscious bias. As said previously, employees won't be able to change their thinking or behaviour if they don't realise that behaviour is wrong or negatively impacting the organisation. Consequently, creating accessible resources and diversity training for all staff, which explain the different

biases and how they can occur is a crucial first step in creating an inclusive workforce. It will help team members recognise the signs of unconscious bias and consequently help them to prevent making decisions based on those biases in the future. This is a big opportunity for many organisations as from our research, diversity training is something many organisations within the built environment industry aren't currently offering, despite many employees believing it to provide considerable value to the organisation's culture. Within D&B's survey, 68% of respondents said there was no diversity training offered or available at their organisation. 80% of respondents said their organisation didn't have a diversity manager or task force. One of the most telling statistics



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was that the majority of respondents (60%) didn't believe diversity was prioritised within their organisation. This suggests that offering training revolving around diversity and inclusiveness can go a long way in creating the perception that it's a key value for the organisation, within employee and prospective employee's minds.

AS AN INDIVIDUAL :

Promoting Self Awareness

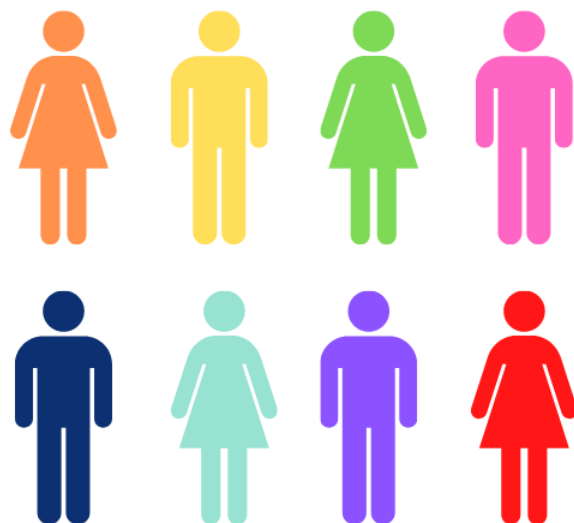
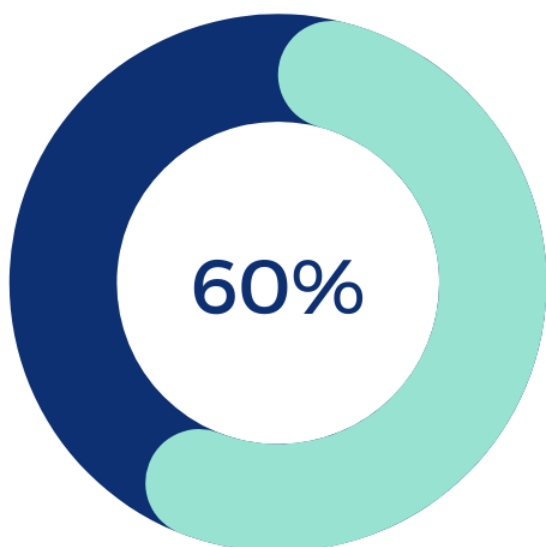
There are a number of tests you can take to learn more about the different biases, how they can come into play and help you recognise the biased thinking or behaviour you might exhibit in your decision-making processes (at work or otherwise). A popular test is the Harvard Implicit Association Test, but there are many similar tests you can access online.

Slow Down Your Thinking Decisions And Processes

We are most likely to give in to our unconscious bias when we are busy, anxious or under pressure – so avoid making key recruiting decisions during this time.

Take The Opportunity To Have Discussions With Others

This is especially important to do with others from socially dissimilar groups to yourself. Sharing your biases can help others feel more secure about exploring their own biases. Or help others to learn more about the existing biases they hadn't yet considered or thought about. It's important to have these conversations in a safe space -individuals must be open to alternative perspectives and viewpoints.



Of respondents don't believe their organisation prioritises diversity .



AS AN ORGANISATION:

Involve Several People In The Hiring Process:

We all have our unconscious biases, so it's good to have a second opinion when it comes to a candidate you want to hire or dismiss. Holding each other accountable is also a good practice to adopt, as you may all uncover some subconscious associations and patterns of thinking you weren't previously aware of. It might feel uncomfortable at first but normalising these conversations while giving everyone a safe space to grow is vital to creating a diverse and inclusive workplace. A great example of initiating this practice in the workforce is hiring an interview panel or 'taskforce' when recruiting a new role, which is made up of a number of people within the organisation,

that while having a stake or involvement in the role, also represent different viewpoints and backgrounds (e.g. are different ages, genders, level of authority). This way, each candidate is considered from a wider perspective, which not only helps the panel to make a more informed job decision but to ensure any personal unconscious biases are mitigated. Interestingly, in D&B's own survey, 45% of respondents who had been faced with a panel interview said that the majority of the panel all looked/acted the same. For example, having a panel of all white, middle-aged men. Many respondents also commented that it was rare to see women on the panel representing a leadership role. One respondent even stated that the only time she had witnessed a female on her interview panel was when they were the HR representative.

“In my experience it's rare to see a female on an interview panel for a leadership position - unless they are a HR representative.”

- Respondent from the D&B Survey

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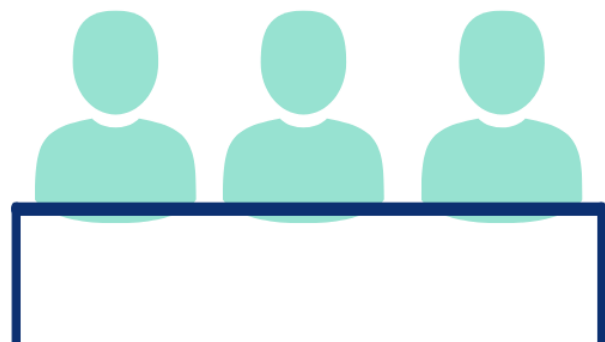
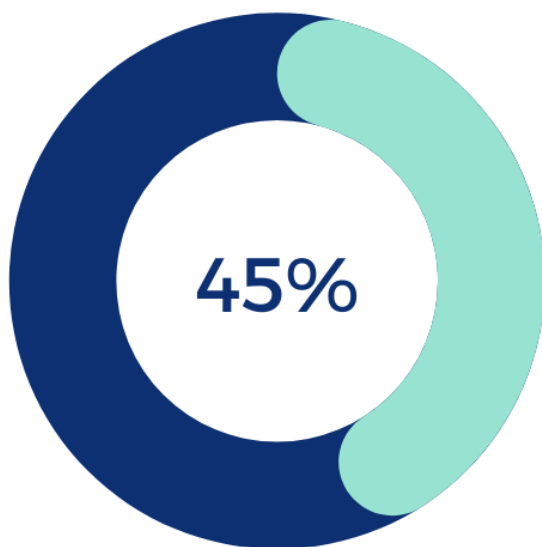
Make Decisions Driven By Data:

An effective way to reduce bias in hiring is to minimise the impact of unconscious bias when selecting a candidate. Several techniques can help you make the hiring process much more objective. Many of the methods rely on data, which removes some, if not all, emotions that can taint job candidates' vetting. Intelligent data collated through using different methods can give you an objective insight into job candidates, as well as the performance of employees.

Rework Your Job Descriptions:

Job advertisements play an important role in recruiting talent and often provide the first impression of a company's culture. Even

subtle word choices can have a strong impact on the application pool. Research shows that masculine language, including adjectives like "competitive" and "determined," can result in women perceiving that the work environment in question is quite masculine. On the flipside studies have shown that words like "collaborative" and "cooperative" tend to attract more women than men. There are actually software programs you can download to help highlight stereotypically gendered words, which you can then choose to either remove and replace with words that are more neutral or strive to strike a balance by using the same number



Of respondents who had experienced an interview panel,
said they all looked/acted the same

RECOMMENDATIONS



of gendered (male and female) descriptors and verbs; you can even test out what yields better results.

Implementing Blind Resume Reviews:

Organisations can also engage in software programs that blind the initial resume selection process for a HR team or individual. A blind, systematic process for reviewing applications and résumés can help improve an organisation's chances of including the most relevant candidates in an interview pool, not the candidates an individual perceives are relevant. It's easy for judgement to trickle in when a human processes resumes, but when using software, there's a higher chance a HR

team or individual will be presented with a hidden gem; a candidate they might not have initially considered suitable.

Standardising Interviews:

research shows that unstructured interviews — which lack defined questions and whereby a candidate's experience and expertise are meant to unfold organically through conversation — are often unreliable for predicting job success. On the other hand, structured interviews, where each candidate is asked the same set of defined questions, minimises bias as it allows employers to focus on the factors that have a direct impact on performance. To achieve this, experts suggest using an interview



RECOMMENDATIONS



scorecard that grades candidates' responses to each question on a predetermined scale. That way interviewers can't be influenced or swayed by any information that's outside the predetermined criteria, and each candidate is judged against the same metrics.

Establish New And Improved Diversity Goals:

Creating a diversity program is not a one-and-done deal. You have to change goals and parameters to achieve optimal diversity constantly. Focusing on improving your diversity initiative can reduce unconscious

bias in the workplace. To make these goals stick, organisational leaders need to track how they've performed against their diversity goals after every hiring process. This will help to ensure diversity and equality is kept top of mind during all of the organisation's key decision-making processes, but especially during the recruitment stage.



FINAL THOUGHTS



Removing judgement and assumptions completely during the recruitment process is an impossible task - it is human nature to draw conclusions on others based on our own experiences and beliefs. However, our research shows us that in doing so, we are harming our potential to foster a diverse workforce, which ultimately harms not just individual and prospective employees, but the greater organisation.

Thankfully, the more we can educate our employees on the existence of the different types of unconscious biases and how they occur, the more they can start to make a conscious effort to alter their own thinking. Furthermore, standardising your recruitment processes (through the questions you ask, the criteria you use to assess candidates and the people you select to manage the recruitment process) will go a long way in minimising bias and making an informed hiring decision.

To find out more information about any of the content discussed within this whitepaper, or if you're either looking for support with your current recruitment processes or looking for new opportunities within the built environment space, you can reach out to the Design & Build team:

CONTACT US



For more information, you can contact us at info@designandbuild.com.au

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