

8 Ways Unconscious Bias Is Killing Your Business

The world around you is always changing. How you make people-based decisions will need to change with it.



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In the most simple of terms, unconscious bias is the prejudice each of us has without even knowing we have it. While this type of bias may seem harmless enough, it may actually be hurting your business. "Success of corporate goals hinges on many different decisions. From obvious areas like who to hire, promote, or assign to crucial projects, to more discreet decisions such as with whom we create relationships. Our ability to be aware of our own bias, and ultimately change how we make decisions, will bring us closer to achieving

corporate goals," says Nicole McCabe, global head of Gender Equality, Diversity and Inclusion at SAP.

More and more brand names, like SAP, are committed to tackling challenges associated with unconscious bias through diversity programs and technology aimed at transforming cultures of exclusion to those of inclusion, forcing unconscious bias to be addressed. So, what happens when unconscious bias is made visible?

"Research shows us that there are specific decision points that most facilitate or impede our ability to hire all the best people," says Gabriela Burlacu, Human Capital Management Researcher, SAP SuccessFactors. This is not a shame game. Unconscious bias is a very human act. The focus is shifting toward detecting, preventing, and eventually eradicating bias as a root cause problem to building inclusive cultures that foster innovation and growth.

By recognizing where unconscious bias lives at each of these key decision points, leaders are able to change the behaviors and actions holding them back from harnessing all the best talent, not just a portion of it.

1) Your people structure is old school. "Rather than focus on millennials as a generational challenge, we should look at the millennial effect on what all workforce contributors have come to expect from leaders," says David Ludlow, Group Vice President of Solution Management, SAP SuccessFactors. From flexible job schedules to virtual working environments, millennials have challenged traditional organizational designs and position criteria; and this is a good thing. Women leave technology jobs at two times the rate of men. How your organization is structured goes a long way in creating an environment for your emerging workforce to thrive.

2) Your workforce recordkeeping is solely compliance-driven. Traditional compliance and operational reporting and analytics are table stakes. "Collecting the right data to create analytics that establish the current state of workforce demographics at each decision point, and being able to understand where the challenges lie, enables leaders to create focused efforts on determining root

causes of unconscious bias," says Burlacu. While many programs fail because they stop at analytics without changing behavior, a program without critical visibility into what is working and what is not will fail.

3) Everyone who applies is a clone of you, not of your customer base. "Research shows us that job descriptions written for developers often use masculine language that attracts men but can deter women," says Burlacu. Instead of just going with the job description that lists tasks and responsibilities according to a status quo, think about language that would attract the fresh new talent you are hoping to see in your application pipeline.

4) Everyone who gets hired looks like everyone else who is already in your business. Your customers need your fresh ideas. That won't happen if you just hire the same type of people over and over again. While establishing hiring quotas might not be your thing, you can set performance targets tied to desired demographic representation in the final candidate pool for any given position. This forces HR to dig deep on whom they bring forward as qualified candidates and enables the hiring manager to question herself if she continues to hire based on yesterday's thinking.

5) Management practices are unintentionally exclusive. Once a person is hired, how they are managed tends to be fraught with unconscious bias. New research shows that unintentional consequences of well-meaning family-oriented management policies are holding back the very population they are meant to help. From programs designed to help which are instead hindering to language used in performance reviews, take a sample of the people-related program and practices in your company and find out if they are fueling unconscious bias or extinguishing it.

6) Career investments are not performance based. Research shows formal and informal corporate leadership initiatives help men build careers while female-focused programs tend to try and fix perceived problems women have versus launching women forward. Instead of trying to help women negotiate like men, think about how many of your executives advocate for individual women as the next generation of leaders?

7) **Men make more than women, and white men make more than everyone.** Chances are you have people of color, multiple nationalities and both genders in your workforce; are you paying equally according to skills and contributions? This is probably the most emotional of all the topics and it's a tough conversation to have. Don't worry: You got this. Start with finding out if and where there are discrepancies. You can then dive into understanding the root cause to stop future challenges before determining the best courses of action.

8) **Everyone in leadership positions looks the same.** Diversity at each level of the business is important. Creating an inclusive culture requires that there is diversity at each level. Why? Diversity begets diversity. Take a look at your board, your executive team, and each level from there. What about your key roles and initiatives? Is there a good mix of multiple populations at each level? Is every customer and employee voice represented? Are the people creating, operationalizing, and executing the strategic directive indicative of the people on the receiving end?

Changing your culture to one that truly harnesses all the best talent will not happen overnight and there will be no finish line. The world around you is always changing, and your business will need to change with it. By turning unconscious bias into the conscious, you are in a better position to proactively set your business up to drive change instead of falling victim to it.