

# The Real Effects of Unconscious Bias in the Workplace



EXECUTIVE DEVELOPMENT

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## **About the Author:**

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## Introduction

Unconscious biases are a fact of life. Everyone harbors them—and takes them into the workplace. Unconscious biases in the workplace can stymie diversity, recruiting and retention efforts, and unknowingly shape an organization’s culture. Unconscious bias can skew talent and performance reviews. It affects who gets hired, promoted, and developed—and this unwittingly undermines an organization’s culture. HR and talent management professionals must ask the question, “To what extent are our organizational culture and business results being affected by unconscious bias?”

Unconscious bias permeates the workplace at all levels because we all have prejudices—numerous studies since the 1980s confirm that people harbor unconscious bias even when they explicitly believe that prejudice and discrimination are wrong (Henneman, 2014).

This white paper:

- Discusses what unconscious bias is, its evolutionary purpose, and why we all harbor unconscious biases;
- Examines some of the more than 150 unconscious biases that have been identified and provides examples of how unconscious bias manifests itself in the workplace;
- Explores the impact of unconscious bias at work and to an organization’s culture;
- Provides steps HR and talent management professionals can take to uncover and minimize the effects of unconscious bias in their workplaces, and;
- Provides examples of employers who are attempting to address unconscious biases in their organizations.

## Unconscious Bias Is Universal

Unconscious biases are prejudices we have but are unaware of. They are “mental shortcuts based on social norms and stereotypes.” (Gynn, 2015). Biases can be based on skin color, gender, age, height, weight, introversion versus extroversion, marital and parental status, disability status (for example, the use of a wheelchair or a cane), foreign accents, where someone went to college, and more (Wilkie, 2014). If you can name it, there is probably an unconscious bias for it.

These biases cause us to make decisions in favor of one group to the detriment of others (Ross, 2008) and naturally creep into the workplace. Scores of studies document how unconscious bias affects workplace decisions. A study by Queensland University, for

example, found that blond women's salaries were 7 percent higher than women who were brunettes or redheads. The National Bureau of Economic Research found that for every 1 percent increase in a woman's body mass, there was a .6 percent decrease in family income. A Duke University study found that "mature-faced" people had a career advantage over "baby-faced" people (people with large, round eyes, high eyebrows and a small chin). And a Yale University study found that male and female scientists—trained to reject the subjective—were more likely to hire men, rank them higher in competency than women, and pay them \$4,000 more per year than women (Wilkie, 2015).

Tall men in business may find unconscious bias to work in their favor. Fifty-eight percent of Fortune 500 CEOs are just shy of six feet tall, while only 14.5 percent of the male population are that same size. Tall men, then, tend to move into leadership positions far more frequently than their more diminutive counterparts (Price, n.d.).

Unconscious bias can also explain why women struggle to climb the corporate ladder, gain entry into the C-Suite, or choose to remove themselves from the workplace altogether. A 2015 Pew Research Center survey found that 40 percent of respondents said there were double standards for women who wanted entry into the C-suite.

### Company Spotlight: Google



Google has publically admitted that when it comes to diversity, it could do better. In May, 2014, Google went public with some dismal diversity numbers, admitting that 70 percent of its 56,000 employees were men, only 3 percent were Latino, and only 2 percent were African American. And in 2013, only three of its 36 executives were women (Guynn, 2015 and Manjoo, 2014). Google blamed the lack of diversity, in part, on unconscious bias and announced a "bias-busting" initiative. The initiative includes workshops and hands-on sessions designed to help employees identify and address their unconscious biases. So far, about 2,000 Google employees have participated in the workshops, and more than half of all employees have also watched a 90-minute seminar that was taped and made available on YouTube (Guynn, 2015).

Although the program is still fairly young, Google executives have reported some progress. When a new building was opened at Google's California headquarters, employees were quick to notice—and point out—that most of the conference rooms were named after men. Google promptly renamed several of the rooms for historically important women (Buckley, 2014). And, says Jason Buberel, a product manager who trains employees in spotting unconscious bias, the training has made employees more comfortable in recognizing unconscious bias and in calling out themselves and others for it.

Source: Guynn, 2015.

Liz Dolan, for example, CMO of Fox International Channels, recently opted out of a board position because, she says, of unconscious bias. This past June, Dolan very publically resigned as a member of the board of directors of Quiksilver, Inc., an outdoor sports lifestyle company. In an article that ran in Fortune, Dolan said unconscious gender bias was the reason she felt compelled to resign after serving as the board's lone female representative for 18 months.

She gave up the post when she learned that her fellow board members had excluded her from a series of critical talks in which they decided to fire Quiksilver's CEO, Andy Mooney. Dolan contended that she was omitted from the conversation because of unconscious bias, noting that during her tenure on the board, she had missed only one board meeting—the one in which the conversation to fire Mooney had started. Over the next ten days, she wrote, not one board member called her to apprise her of the conversations. She said she was left out of the conversations because she was friends with Mooney, and the other board members thought she would either tell him about the conversations to oust him or vote for him to stay “because that’s what girls do....I learned that even when a woman earns a seat at the table, the men can put you in a soundproof booth,” wrote Dolan.

Unconscious bias can also be based on a person's name according to a study conducted by researchers at MIT and the University of Chicago. For this study, 5,000 resumes were sent to 1,250 employers advertising for jobs. Some resumes had names considered to be “typically white,” while others had names considered to be “typically black.” Each employer was mailed four resumes, two “typically white” and two “typically black” ones. For each group, one applicant was average and one was above average. The study found that applicants with “typically white” names received fifty percent more callbacks than applicants with “typically black” names. White candidates also received more callbacks than highly skilled black candidates (Ross, 2008).

### Company Spotlight: Royal Bank of Canada

The Royal Bank of Canada (RBC) started



a program in May, 2013 to raise awareness of unconscious bias for its 78,000 worldwide employees. RBC has held sessions for approximately 1,000 of its executives to help them become more aware of their unconscious biases. In addition, they have also given employees access to tests developed by Harvard University to help them uncover their biases and to apply their personal findings in workshops.

Source: Olson, 2015.

## Bias Is Rooted in the Brain

**T**his universal tendency toward unconscious bias exists because bias is rooted in the brain. Scientists have determined that bias is found in the same region of the brain (the amygdala) associated with fear and threat. But bias is also found in other areas of the brain. Stereotyping, a form of bias, is associated with the temporal and frontal lobes. The left temporal lobe of the brain stores general information about people and objects and is the storage place for social stereotypes. The frontal cortex is associated with forming impressions of others, empathy, and reasoning (Henneman, 2014).

In other words, our brain evolved to mentally group things together to help make sense of the world. The brain categorizes all the information it is bombarded with and tags that information with general descriptions it can quickly sort information into. Bias occurs when those categories are tagged with labels like “good” or “bad” and are then applied to entire groups. Unconscious bias can also be caused by conditional learning. For example, if a person has a bad experience with someone they categorize as belonging to a particular group, they often associate that entire group with that bad experience (Venosa, 2015).

From a survival point of view, this mental grouping into good or bad helped the brain make quick decisions about what was safe or not safe and what was appropriate or not appropriate. It was a developed survival mechanism hard-wired into our brains—and this makes it far more difficult to eliminate or minimize than originally thought (Ross, 2008).

There is hope, however. One study found that hard-wired, unconscious brain bias can be reversed. A study found that between 2006 and 2013, the implicit preference (or unconscious bias) for straight people over gays and lesbians declined 13.4 percent. The authors of the study acknowledged that while that percentage was significantly lower than the 26 percent decline in explicit preference (or expressed bias, if you will) during that same time period, it showed that change can happen, albeit slowly, on an unconscious level (Jacobs, 2015).

## Types of Unconscious Bias

**T**here are more than 150 identified unconscious biases, making the task of rooting them out and addressing them daunting. For many organizations, however, identifying as many as possible and eliminating them has become a high priority. According to The Wall Street Journal, 20 percent of large U.S. companies now provide unconscious bias training to their employees, and it is expected that 50 percent of large U.S. companies will offer it in the next five years. Companies that provide unconscious bias training today include Google, defense contractor BAE, Excel, Genentech, T. Rowe Price, and Roche Diagnostics (Giang, 2015 and Olson, 2015).

A few of the known unconscious biases that directly impact the workplace include:

- **Affinity bias:** The tendency to warm up to people like ourselves.
- **Halo effect:** The tendency to think everything about a person is good because you like that person.
- **Perception bias:** The tendency to form stereotypes and assumptions about certain groups that make it impossible to make an objective judgement about members of those groups.
- **Confirmation bias:** The tendency for people to seek information that confirms pre-existing beliefs or assumptions.
- **Group think:** This bias occurs when people try too hard to fit into a particular group by mimicking others or holding back thoughts and opinions. This causes them to lose part of their identities and causes organizations to lose out on creativity and innovation (Price, n.d).

These biases influence decisions leaders at all levels make in organizations. Confirmation bias, for example, may be at play in how managers evaluate different groups in an organization. In one study,

### Company Spotlight: Roche Diagnostics



Roche Diagnostics, a subsidiary of the Roche Group, is offering training and other programs to help spot-light and combat unconscious bias. The subsidiary recently held two bias acquaintance sessions with senior and middle managers and held a third one during its January national sales meeting. In addition, to help more women into middle management positions, the subsidiary started a mentoring program that paired 150 sets of employees over 18 months. It also boosted its maternity and paternity benefits to attract more diverse candidates for the 750 to 800 openings it fills each year.

Source: Olson, 2015.

law firms were given a fictitious legal memo that included grammatical, factual, and technical analysis errors. Half of the memos were from an African American author and the other half were from a Caucasian author. When the memo was perceived to be by the African American author, law firm partners found more of the errors and rated the memo as lower in quality than when the author was perceived to be Caucasian (Stephens, 2015).

The law firm study highlights the effect of unconscious bias on race, but employees harbor other unconscious biases that can harm organizations and unknowingly shape an organization’s culture. As mentioned before, tall men have a career advantage when it comes to leadership positions. One study found that an inch of height was worth about \$789 per year in salary—and that CEOs, company presidents, and military leaders were all taller than average. Unconscious bias may seep in in other ways—rating overweight employees lower in performance evaluations, for example, or treating people differently because of their clothes.

Confirmation bias can also stifle innovation in organizations. Our brains are quick to confirm pre-existing assumptions and this can cause us to become close-minded and quick to dismiss the ideas of others when they fail to match our own ideas.

Sometimes what is unconscious to some is, in fact, quite conscious to others. It is important that HR and talent management professionals help create an organizational culture that can openly discuss biases—unconscious and otherwise—with women and minority groups in their organizations. One head of talent management shared a story of being “called into the CHRO’s office” for a warning after pointing out examples of unconscious bias on an interview team, which included the CHRO, that surfaced during a debriefing of the interviews. In this particular story, the interview panelists asked only minority candidates a series of questions that were different from the ones asked of three white candidates. The answers to these questions were used to systematically eliminate the minority candidates. The interviewers appeared unaware of their behavior when it was called out during the debriefing.

Unconscious bias can have a profound effect on organizations, and this is why more employers have started the process of making the unconscious conscious by offering unconscious bias training to uncover and combat it.

## How to Uncover and Minimize Bias in the Workplace

**H**R and talent management professionals can help their organizations uncover and combat unconscious bias and its effects in the workplace by using the following steps.

1. Offer awareness training.
2. Label the types of bias that are likely to occur.
3. Create structures.

### Offer Awareness Training

The first step to addressing unconscious biases in the workplace is to acknowledge that everyone has them, and this can be done by offering awareness training (Stephens, 2015). Awareness training should give employees a safe place to learn about unconscious bias, how to recognize their own biases, and how to be mindful about combating them in everyday decision making. Google did this, for example, by offering a video workshop to all their employees that is now available on YouTube. At Chubb, one of the largest property and casualty insurers in the United States, all managers undergo awareness training to understand unconscious bias. They learn the core concepts and then run through various scenarios like how to avoid bias when reviewing resumes. Leaders at PricewaterhouseCoopers also go through awareness training (Henneman, 2014).

## The Implicit Association Test

The online Implicit Association Test, a result of collaboration among psychologists from Harvard, the University of Virginia, and the University of Washington, was designed to help test takers assess their unconscious biases. Since it was launched in 1998, more than 6 million people have taken the test. The test assesses bias based on how quickly the test taker pairs a face with a positive term and then compares it to how quickly the test taker responds to more difficult terms.

Source: Henneman, 2014.

Awareness training is the first step to unraveling unconscious bias because it allows employees to recognize that everyone possesses them and to identify their own biases. To combat it on a workplace-wide level, however, it is important to articulate what biases are liable to creep into the workplace. Awareness training can also help

create an organizational conversation about what biases are present in the company and what steps the organization as a whole can take to minimize them.

## Label the types of bias that are likely to occur

David Rock, director of the NeuroLeadership Institute, suggests that to eliminate unconscious bias, it is important to label the types of bias that are likely to happen in the workplace (Henneman, 2014). For example, has the halo effect (the tendency to only see the good about a person because of a personal affinity for that person) elevated an employee's performance review while downgrading others? How has perception bias (the tendency to form stereotypes about certain groups that make it impossible to make an objective judgement about members of those groups) affected promotions? How has affinity bias (the tendency to warm up to people like ourselves) harmed—or helped—employee groups? Has this bias had a negative effect on organizational communication? By labeling the possible biases and bringing them to the conscious level, leaders and employees will become more aware of how their biases affect decision making, hiring, promotions, compensation, and organizational culture.

## Create structures

Unconscious bias is the result of the brain's lightning speed in taking in, tagging, and sorting information. To slow the brain down, HR and talent management professionals can, in conjunction with other senior leaders, create structures for activities like decision making, resume screening, and interview formats. These structures will allow for more deliberative actions, and also, quite frankly, give peers the opportunity to point out times when unconscious biases may be seeping in. If there is no structure for decision making in an organization, HR and talent managers should work with senior leaders to create one. Some organizations have also started to strip identifying information from resumes to allow for a more unbiased screening process. Other organizations have started using standardized interview questions to minimize bias and to allow all applicants to be reviewed more fairly.



Howard Ross, founder and chief learning officer of consulting firm Cook Ross, Inc. suggests that employers review every aspect of the employment life cycle for hidden bias—resume screening, interviews, onboarding, assignment process, mentoring programs, performance evaluations, identification of high performers, promotions, and terminations. If it is possible that unconscious bias has occurred at any point, review existing processes and alter them to ensure that bias is minimized or eliminated.

Other suggestions Ross makes to start creating structures to eliminate bias include:

- Conduct employee surveys to understand what specific issues of hidden bias and unfairness might exist at the organization.
- Survey former employees to learn what issues they faced during their employment and what steps could be taken that would entice them to return.
- Talk with current employees, particularly women and minorities, to ask them what unconscious biases they have witnessed in the organization and the effects these have had on their own careers.
- Conduct an organizational diversity audit to root out unconscious biases (Ross, 2008).

The structures—or processes—put in place to address biases will be unique to each workplace. But by doing so, organizations will reap the rewards through the increased innovation and creativity that rich, diverse workforces bring to organizations.

## Conclusion

**H**R and talent management professionals can make a positive contribution to their workplaces by rooting out and minimizing the unconscious biases that can undermine diversity efforts and recruiting and retention programs. By providing proper awareness training and putting processes and structures in place that identify unconscious biases, organizations can make positive steps in minimizing these biases that can impact every aspect of an organization.

# About UNC Executive Development

Our approach to program design and delivery draws upon the power of real-world, applicable experiences from our faculty and staff, integrated with the knowledge our client partners share about the challenges they face.

We combine traditional with experiential and unique learning to ensure that all individuals gain relevant new skills that they can easily implement within their own organizations. Through action learning and business simulation activities, we challenge participants to think, reflect and make decisions differently.

## Our Approach: The Partnership

Our team customizes each leadership program through a highly collaborative process that involves our clients, program directors, faculty and program managers. We are dedicated to following-up with our clients and individual participants to ensure that their learning experiences have been meaningful and impactful. This integrated approach consistently drives strong outcomes.

## Our Approach: The Results

Our executive education programs are designed with results in mind, and we are focused on successfully meeting our clients' business and academic expectations. Below are a few examples of the results our client partners have achieved:

- Leadership refocused with new strategy and cohesive vision
- Strategic plans created for the global marketplace
- Supply chains streamlined
- Products redefined
- New markets targeted
- Cost-saving measures developed
- Silos leveled
- Teams aligned

Participants leave empowered to bring in new ideas, present different ways to grow business and tackle challenges. The result is stronger individuals leading stronger teams and organizations.

## Contact Us

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