

### Episode 3 — Beyond the Business Case: Can we fix unconscious bias in recruiting?

Sarah: Hi! It's Sarah Kaplan again. You are listening to another limited series podcast by GATE audio. If you've joined us for our other podcasts, you will know that GATE stands for the Institute of Gender and the Economy at the University of Toronto's Rotman School of Management, and I'm GATE's Director. Our goal is to engage current and future leaders in rich conversations around inequalities in our society and how we might address them. In this podcast series one of GATE's MBA fellow's, Vanessa Ko, talks to executives about the hidden best practices for improving gender diversity in the workplace and highlights innovations that might actually move the needle on a thieving diversity and inclusion. So up next, listen to what Vanessa learned.

Vanessa: Welcome to Beyond the Business Case, a podcast by the Institute for Gender and the Economy. I'm Vanessa Ko. Each episode we interview companies on what they're actually doing to improve gender diversity in their companies. We also highlight best practices and innovations in the field to try and change the conversation on gender, diversity and business. In this episode, we talk about gender diversity in recruiting. Given a global war for talent, recruiting and retaining a diverse workforce is a more competitive business issue than ever. However, ambitions to achieve gender parity don't often translate to actual gender parity, and there are multiple obstacles along the way. So first, I wanted to dispel some myths. While we think that discriminating based on gender, race, religion, what have you is declining? Is this actually true? How common is discrimination in recruiting happening? I talked to Sonia King and Professor of Organizational Behavior and Human Resources at the Rotman School of Management, who has done a large-scale research study on discrimination in hiring, which later became an article in the Harvard Business Review called the unintended consequences of diversity statements.

Sonia: In that project, we really wanted to look at what individuals are doing, in order to avoid discrimination that they might face in the job market. So previous to this point, people had really, in research had to focus a lot on what organizations were doing either to sort of create discrimination or what they were doing to try to combat discrimination. But we didn't really know a lot about the applicant side. So what individuals were actually doing when they were applying for jobs, in situations where they knew that they might experience discrimination. So, we really wanted to get more of a handle on that side of the story. So, we specifically focused on a behavior which we called resume whitening, which is concealing, changing or concealing cues on your resume, which might make it more obvious as to what racial group you belong to. And we looked at that in a couple of different ways. So first, we did a series of interviews where we basically just asked people about their experiences with resume whitening. So we just asked them, you know, have you ever done anything on your resume, or in job application materials to make it more or less obvious that someone would know what race you're from?

Vanessa: So how common is resume whitening?

Sonia: What we found was that whitening was relatively common. So, about a third of people in our sample said that they had whitened their resume. Two thirds of them said that they knew someone else who had so the number is somewhere in between those two. And we found that there were a couple different ways that people would whiten their resumes. So, either they would change their names, or they would change the description of their experiences. So, they might do that by adopting, you know, a name that is more anglicized. So, for example, someone with a Chinese name, like Ming might choose to go by May on her resume. They might just use an initial or they might change their name in some other way to make it less obvious that it was attached to a racial group.

Vanessa: Okay, so resume whitening is actually pretty common. And this might be an obvious question, but why are most people doing it?

Sonia: In terms of why basically, not that surprising, you know, 100% of people that we asked our question to said that they did it to avoid, avoid discrimination. So, they knew that they might experience discrimination, so they wanted to avoid it. So, they thought that this might be one way to do that. On the

other side, why people might choose not to whiten their resumes, we hear a lot of interesting answers. But one of them that kept on coming up again and again, was that people said that they would be less likely to win or would just not win at all, they would be more transparent about their race, if they're applying to jobs with a pro diversity statement. So, you're probably familiar with these kinds of statements. We see them all the time on websites and on company websites, on company job ads, where it'll say something like, you know, "we're an equal opportunity employer or like, we value diversity and inclusion." And so, the next thing we wanted to know, was whether that's actually the case. So, is it the case that when minorities see those kinds of statements, are they actually more transparent about their race? So, what we found was that in the condition where participants saw that diversity friendly job ad, they were half as likely to whiten than in the condition where the employer hadn't mentioned diversity at all. When they see that poor diversity language in the job advertisement, they're taking it at face value. So, they think, you know, okay, this employer is going to value diversity. So, I'm going to showcase how diverse I am, I'm going to leave on all this information about my race about, you know, my foreign work experience or my foreign credentials or use my real name, whereas in that control condition, they were whitening it. So, the next thing that we wanted to know was whether that is a good idea. So is it actually the case that those pro diversity employers are going to be pro diversity, is it the case that they will hire, there'll be better outcomes in terms of hiring for minorities who are transparent with those racial cues. So what we found is that in terms of the callback rates that we actually received, across all of our whitening conditions, and our racial conditions, those applications where it was hard to tell that the applicant wasn't white, So where we would actually whiten them, were two to two and a half times more likely to get a call back than resumes that were transparent about race and where it was obvious that the applicant was black or Asian. The most surprising thing about the finding and why we call this paper "you're talking about the unintended consequences of diversity statement," is that those employers who had the pro diversity language, were no different in terms of discrimination rates than the employers that didn't mention diversity at all. So, we still saw that two to two and a half times callback gap for the pro diversity employers. So, we talked about this as sort of an unintended consequence, because the diversity statements are sending a signal to applicants, that this is sort of a safe thing to do, it's safe for you to reveal your true identity, you know, to use your real name, be transparent about your experiences, be transparent about your education. But what we see is that they don't discriminate any differently from employers that don't have those statements at all. So, for some people, then the diversity statements can actually open them up to more discrimination, because they're encouraging them to reveal their racial cues in a context where discrimination is still common.

Vanessa: So the implication is that is it could be more harmful for candidates?

Sonia: Yeah, exactly.

Vanessa: Companies that are more pro diversity, right?

Sonia: Because they have their statements. And unfortunately, the statements aren't accompanied by differences, real differences in terms of hiring.

Vanessa: So how do we safeguard against some of these, I guess, deeply ingrained, unconscious biases, whether or not we have diversity statements at our companies or not?

Sonia: Yeah, so I think well, okay, so diversity statements, I think, are really just a first step. So, I think, you know, people often ask this, this question about this work about, you know, why would companies have diversity statements in the first place, and there's some cynicism there, right, where people think that they're just doing it for show, or they're just doing it to avoid lawsuits, that kind of thing. But I think really, people do have good intentions when they put into place diversity initiatives, or diversity training programs, diversity statements. But it's very hard for us to connect our intentions, the way that we want to act, to the way that we actually end up acting because of things like our underlying biases. So, a lot of work has been done on things like unconscious bias training, for example, and found that it's basically ineffective. So having unconscious bias training, you might as well not have it, it's kind of a waste of

money. Because it's very hard to change people's unconscious biases in any kind of meaningful way that lasts over time. So really, I think what needs to happen more so is a change at the structural level. So, for example, to the way that people are making decisions to make them less likely to act on those biases, if that's what you're looking for. So, for example, in the hiring space, you can train people all you want to not express their unconscious biases. But unfortunately, we just don't see the results of that. So I think other kinds of initiatives that change the way that the task is structured it for example, looking at resumes can be more helpful. So, for example, when people are looking at resumes, you'll often see like a pile of 100, or hundreds or even 1000 resumes that you're supposed to go through. When you have that kind of pressure, it's not surprising that you fall back on to kind of a, you know, underlying unconscious biases. So, making that task easier for people I think, would take out a lot of the bias that we see. So just structuring that task in a different way.

Vanessa: So despite our best intentions, unconscious biases are skewing the recruiting process, and leading candidates to tone down their diversity. With this in mind, I talk to a recruiter Martin Hawk to get the other side of the story. Hi, Martin, thanks for joining us today. Have you experienced resume whitening in your work as a recruiter?

Martin: I spend a lot of time saying no to people, I still spend a lot of time saying "Unfortunately, we're not moving forward at this time." Right? That's a hard thing to say. But they'd still need help. They'd still be looking for a position even if we weren't the organization to move forward with those candidates and a lot of them will come back and say "okay, thanks. I appreciate you letting me know that you're not moving forward on the process. But I am very interested in knowing what I could do better." And a lot of that had come down to sometimes, it would come down to folks asking some really serious questions like, should I change my name? And then seeing that frustrated me just because it wasn't fair, nobody should have to change their name in order to get more callback's yet when people did it. They would, they would see better results from a candidate experience standpoint they would get more call backs.

Vanessa: So your personal experience with this in recruiting led you to create a tool called unbiased five? Can you tell us what it is?

Martin: Bias five is exactly that. It's a Chrome extension that recruiters and hiring managers and anybody involved in the recruitment process can use if they use Chrome to eliminate unconscious bias during that process of okay, I know I need to hire a salesperson. But I want to do my initial selection process. In an unconscious bias sort of way, I want to eliminate the bias that exists. So, if an individual is self-aware enough to recognize that they do have unconscious bias, they could use unbiased fi. It's a simple tool, it's free, you download it, and you flick a switch, and then all of a sudden, people's pictures. And people's names are eliminated from LinkedIn, Twitter, AngelList, a bunch of other websites now. So I use it on a regular basis when I'm sourcing candidates. And I also spent a lot of time sort of evangelizing about it, like talking about it right now, I know the folks over at Mars, use it as sort of an educational tool when talking about unconscious bias to just prove that it exists. Because when you do a search online for candidates, and then you do a search online, looking at candidates with a nice of ion, it's very difficult, because you're naturally inclined to look at someone's face on LinkedIn, if they have a profile picture. And then automatically you make all these, these unconscious biases creep in, oh, this person looks like this person looks really friendly. They're smiling. Whatever the case may be, it's innocent. But ultimately, that leads to you know, familiarity bias or similarity bias.

Vanessa: So you're a recruiter so focusing on diversity issues in recruiting makes sense for you, is focusing on recruiting the best place for companies to focus on to tackle diversity issues?

Martin: I don't really believe that you can solve the problems of diversity through hiring alone. But starting something like I'm biased if I was sort of like taking it one step further, if you can't necessarily hire your way into a diverse organization, which is essentially, if that's all you did, and you said, Okay, well, our company's 10%, you know, their 10% of our company is women, we need to get to a 50/50 parity and then all you do is recruit women to to meet that parity level that's essentially tokenism. And that's not

really building up your company for success. And it's not building up those people that you bring into the organization for success, because it's not coming from a place of wanting to genuinely create equality. It's just like, okay, because the industry is talking about this. We need to do XYZ. And it's sort of like a knee jerk reaction to the problem as opposed to saying, Okay, well, there's a systemic problem here that goes beyond recruiting. So I mean, Unbiased, is sort of an attempt to do more than just hire individuals. It's an attempt to make unconscious bias less of a problem.

Vanessa: Using tools is one way to start taking some action on recruiting. I then wanted to see what other tools were out there for companies to use and recruiting to create that structural change that Sonia had mentioned. I got introduced to Knockri which is an AI startup and tool that removes biases in the recruiting process, but similar to Unbiased, but this one tackle video recruiting. I talked to Maaz Rana, one of the co-founders, along with Jay Ansari, and Faisal Ahmed, about their motivations for developing an AI tool to remove unconscious biases in recruiting.

Maaz: Knockri is an artificially intelligent AI video assessment tool. And essentially, what it does is that it's able to gauge and quantify people's soft skills things like let's say empathy, or there's a term called growth mindset or confidence even and their verbal and nonverbal communication skills. And it does this through video. So we have candidates answer a few questions through video, job candidates, and they respond to it and we can quantify how good their communication skills are, or how well they're attuned to the specific job role that they're trying to apply for.

Vanessa: What was the motivation behind starting Knockri?

Maaz: The story starts out back in a around like three years ago, and Jay was actually looking for some jobs. And he was applying all around with his resume. And what ended up happening was that he wasn't hearing back from many of the companies that he was applying for. And he has a pretty good resume. He has great like, you know, soft skills as well. But obviously, those don't get communicated through resume. But one time, we were just sitting down, and he was kind of frustrated and he's like, Listen Maaz like I've been spamming like my resume everywhere. I have the key words, I know it's down, Pat. But I'm not hearing back from anyone. And Jays actual name is Jahanzaib Ansari, and that's what he had on his resume. So I'm like, listen, Jahanzaib, your name is too long. Let's try changing it. Alright, so what we ended up doing is that we took Jahanzaib and we changed it to Jason. And literally, almost by not like after, like, two, three days, he started getting responses back from employers. And by three weeks, he had an interview, and he got a job, but that's one. And so that's when we started realizing things like unconscious bias are still very much alive, and they're occurring in the job market right now. So we've helped like employers build diversity in their teams by around 23% so far. And the thing is that we what we always say is that not for you to help solve a problem with diversity inclusion during the early stages of hiring.

VanessaL So AI can help companies remove unconscious bias by being an objective screen for bias. At the same time, recruiting can't all be left to technologies, policies that measure and track diversity and improvements. Create a culture of if you see something say something that permeates up to the leadership are also important. Unbiased and Knockri are just two examples of tools out of many that are out there to tackle this issue. Huge thank you to Sonia Kang, Martin Hawk and Maaz Rana for their views on this episode. Thank you for listening to another episode of Beyond the Business Case.

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