Beating bias to drive diversity

19 August 2016

Tara Zutshi and Joanna Barker explore how unconscious bias can affect decision-making and limit the effectiveness of your organisation

It is now believed that one of the reasons that society and industry have not made greater improvements in diversity and inclusion is because of unconscious bias. An unconscious bias is one that we are unaware of and that happens outside our control. It happens automatically and is triggered by our brain making quick judgements and assessments of people and situations. It is influenced by our background, cultural environment and personal experiences.

In 2014, <u>Property Week</u> published the results of a diversity survey called "Open Plan", which showed that the construction industry is still a long way from being diverse. It found the sector was:

- 60% male
- 96% able-bodied
- 92% heterosexual
- 90% white
- 66% over 35 years of age.

But if the industry has survived thus far with its current demographic, does a lack of diversity really matter? We believe that it does. Changing client requirements and the war for talent mean we need to ensure that the industry has the right people to contribute to the huge increase in construction and infrastructure that is needed in the UK.

If everyone on a team has a very similar thinking style, background and education, there is a risk that 'group think' will take over

There is also evidence that increased diversity helps the bottom line. McKinsey & Company?s report <u>Diversity Matters</u> highlights that companies in the top quartile for racial and ethnic equality are 35% more likely to have financial returns above their respective national and industry medians, and those in the top quartile for gender diversity are 15% more likely to have higher financial returns. It also highlighted that, for every 10% increase in gender diversity on the boards of UK firms, there was a 3.5% increase in earnings before interest and tax.

Furthermore, the Reed Smith report <u>Gender Balancing: It's Good Business</u> showed that in Europe and in Brazil, Russia, India and China (BRIC), companies with 2 or 3 women on the board were 41% ahead of the sector average in terms of return on equity, and 56% ahead in earnings before interest and tax.

Diverse teams have also been shown to deliver more innovative and creative solutions. If everyone on a team has a very similar thinking style, background and education, there is a risk that 'group think' will take over and that sub-optimal solutions will be suggested and not challenged.

Origins of unconscious bias

Our brains have evolved over the millennia to help us deal with the millions of bits of data that we receive in any given moment. This was really helpful for our ancestors when they had to make snap judgements about whether they should run away from an animal or chase it for food. Our brains developed shortcuts, and one of these that we still use every day is making judgements about people; we make assumptions about their capabilities based on the stereotypes with which we have grown up. However, these shortcuts also drive our biases.

The problem is that unconscious biases are just that ? they are not in our conscious awareness. So when putting together a team, we need to take steps to ensure that the best people are assembled for the project, not those that look and sound exactly like the project leader. It is important to understand that everyone will have biases, but we need to be aware of our own and take action to mitigate them. To uncover your own biases, try the <u>Implicit Association Tests</u> from Harvard University.

The most obvious bias that exists in all businesses is affinity bias

The most obvious bias that exists in all businesses is affinity bias; this is where we like people who look and behave like ourselves. Studies show that we can often overlook people who have equally good or better skills and talents for our team if their name does not sound culturally similar to our own or they are of a different race, gender or age group to ourselves.

A bias is a negative or positive belief about a category of people, as in the following examples.

- "All millennials are addicted to social media."
- "All Baby Boomers are very loyal to their employers."
- "All women are going to want to have children at some point."

While these statements might be true for some of the individuals in these groups they are certainly not true for all, and continuing to have such assumptions about people can cause us to discriminate against them.

A culture is formed by the unwritten rules of the 'way things are done around here' in a team or organisation. This is usually exemplified by the most senior or powerful people in the organisation. If all of the senior team 'look and sound' the same then it can be difficult for others who 'look and sound' different to fit in. The dominant group is called the in-group; the less dominant groups are called out-groups.

In-group members are often unaware of the privileges that the membership of this group gives them, and are also unaware of how it feels to be part of an out-group. For those in the out-groups, they have to be highly conscious of what behaviours get rewarded, and

often find they have to conform and adapt to progress. Of course, by conforming they often lose sight of their authenticity, and in adapting they may lose or cover up the diverse skills and knowledge that they brought to the organisation. In her book The Loudest Duck, Laura Liswood uses the analogy of in-groups being like elephants, and out-groups like mice that have to be really watchful and adaptable to avoid being trodden on.

Overcoming biases

Considering that we all have biases ? some conscious and some unconscious ? how do we start creating organisations that are more ready to accept differences, which allow people to realise their full potential without insisting that they conform to cultural norms?

In-groups should practise inclusive leadership skills to ensure that everyone is encouraged to 'be themselves' at work and not have to conform to in-group behaviours. Culture can then become more accepting of differences.



Figure 1: An overview of the creation of an inclusive culture

This may seem like an impossible task. However, the first step is to become aware of our own biases, and then to start to make conscious decisions to be more inclusive and contribute to a positive revolution in the workplace.

Here are some suggestions as to how each of us can make a difference:

- understand your personal biases by, for instance, taking the Harvard tests
- understand what assumptions and beliefs you have and then challenge them
- make sure that any recruitment processes are 'blind', that is, organised so that you only see the skills and experience on a CV before you decide who to select for interview
- ensure that final decisions are not down to one person alone and that your processes for measuring skills and competencies are robust
- seek out and work with some of the people you currently have a bias against and get to know them with an open mind, to dispel any assumptions you might hold about them
- lead from the front and bring someone into your team who is different from the team

norm or demographic

- mentor, sponsor or coach someone who is different to yourself
- be conscious about how you lead your team because biases often play out in what is known as micro-behaviours, or micro-inequities ? for example, you might not really listen to someone you have a bias against, or may not give them as much time or feedback as other members of your team ? even though treating everyone equally and fairly is good leadership practice, so make sure you are exemplifying inclusive behaviours
- if you notice other people in your organisation not treating someone fairly, give them feedback ? they may not realise they are doing it.

<u>Google</u> is a good example of a company that is looking into this area. It is making great strides to be inclusive and actively seeks to minimise the risk of unconscious bias. It is focusing on:

- ensuring that its recruitment process is fair and unbiased collecting lots of data so any decision made about promotion or effectiveness is really robust
- making sure that its environment is very inclusive
- holding everyone to account.

We all have biases, both conscious and unconscious. If you want to have the most effective teams to provide the best results for your clients, you have to start taking responsibility for your own biases and challenge those of your colleagues. As the saying goes: "Be the change you want to see in the world." What are you going to do to increase the diversity of your team?

Tara Zutshi and Joanna Barker are Inclusion Directors at the <u>Full Potential Group</u>, which provides coaching, team and leadership support

Further information

Related competencies include:

- <u>Conduct rules, ethics and professional practice</u>
- Business planning
- Team working
- Managing people
- Leadership

This feature was taken from the RICS Construction journal (June/July 2016)