



Bias in Recruitment and Selection

Erin Roxburgh and Kate Hansen

Understanding ‘unconscious bias’ and its role in recruitment and selection is essential for organisations looking to diversify their workforce. Not only can unconscious bias disadvantage gender, ethnicity, social and cultural diversity, it also harms an organisation’s ability to respond to more complex stakeholder demands.

In the realm of HR it affects not only who and how we recruit, but why.

Unconscious bias is a mental shortcut of sorts, necessary as to how we operate as humans, but one that can also, without intent, interfere with good decision-making and lead to biased outcomes. Although many decisions we make are objectively informed, through training and reflection, another decision making process flies under the radar – rapid-fire associations and assumptions, based on our prior experience, that operate outside our conscious awareness.

New Zealand’s public sector is beginning to take unconscious bias more seriously as it attempts to diversify its workforce and reap the benefits of changing demographics,. The 2014 State Services Commission’s Performance Improvement Framework (PIF) report indicated that 88% of staff was of European heritage; with only 37% agreeing that ‘diversity objectives are integrated into decision-making’ (SSC, 2014).

A recent literature review, undertaken with the help of one of the Government’s lead agencies, The Treasury, looks at unconscious bias within the selection and recruitment process, highlighting key steps in which unconscious bias could shape decision making and potential solutions to this.

The Treasury has already taken steps to tackle some issues of unconscious bias and is trialing new recruitment practices such as removing demographic information from CVs and actively recruiting outside traditional sources.

Other potential areas highlighted by the literature review include:

1. Recruitment

Informal recruitment techniques such as word of mouth, headhunting and referrals have more scope to eliminate unconscious bias during the recruitment processes, and improve the quality of potential employees Avery (et al 2012).

This seems to work partly because the candidate has “inside knowledge” eliminating

incorrect or unrealistic expectations about the organisation. In turn, HR is freed from a traditional “that’s how we’ve always done it” process, and a possibly outdated system Avery (et al 2012). It pushes organisations to actively search for talent away from traditional sources, and potentially expand their search capabilities.

Job placement and wording also shapes perception of the organisation - limiting or enhancing the willingness of a candidate to apply for a role (Robertson et al 2005).

2. Selection

In-group favouritism, which concerns the hiring, promoting and rewarding of those in the “in” group (Bell 2013), constrains diversity, working against women in particular and minority groups.

Re-categorising the in-group, and re-directing this bias to new members of the organisation, is a way of shifting power and reinventing an inclusive company culture. Breaking this “more of me” complex can broaden company culture and the impact of one group of individuals. Processes as simple as having minorities represented on the selection panel can make an organisation more attractive to other minorities (Byrne 1971). Although strong cohesive work groups have many strengths, they can also be closed, insular and exclude people they see as outsiders.

3. Training

Training was also of value to changing gender and race bias. Bell (2012) found training to be particularly helpful in averse racism – where recruiters are not openly racist but are influenced not to hire based on racial beliefs. She also highlights the importance of female staff being mentored by both male and female mentors as a way to break the “gender divide”.

4. Pay Structures

Gender diversity within organisations has been on the table for decades. Cohen published in 1976 that females paid males more because of the responsibility they felt for selection and placement. More recent research shows a formalized pay structure is one of many ways to block out gender bias during negotiations whereas less formalized pay structures result in greater pay differentials between genders (Elvira and Graham 2002). Effective pay systems include robust policy to ensure there is no bias in pay, they are checked against a formalized policy. In contrast, informal pay systems are characterized by adhoc policy or procedure where performance measures etc are subjective and where there is no formalised policy.

In addition to pay systems, effective voice in the workplace, and facilities like childcare can also help (Donnelly, Proctor-Thomson & Plimmer, 2012).

As systems move online, the idea of transforming a recruitment system from a ‘traditional’ one to an online recruitment system is gaining traction (Sivabalan et al 2014). According to research by Berman et al (2013) there is widespread willingness within the Human Resource community to adapt to this new style to ensure centralisation of hiring. Increasingly, organisations and business are also considering online automated screening tools that will help detect and potentially eliminate unconscious bias.

References

- Bell, M. P. (2012). *Diversity in Organisations*. South Western Cengage Learning
- Byrne, D. (1971). *The Attraction Paradigm*. New York Academic Press.
- Breaugh, J. A. (1981). The relationships Between Recruiting Sources and Employee Performance Absenteeism and Work Attitudes. *Academy of Management Journal*, 142-147
- Sivabalan, R. Y. (2014). hows to Transform the Traditional Way of Recruitment in online system. *international Business Research*, 178-185.
- State Services Commission. (2014). *Human Resource Capability*. 2014: State Services Commission.
- State Services Commission (2014). *Performance Improvement Framework*. Wellington : State Services Commission.
- Donnelly, N., Proctor-Thomson, S. B., & Plimmer, G. (2012). The Role of 'Voice' in Matters of 'Choice': Flexible Work Outcomes for Women in the New Zealand Public Services. *Journal of Industrial Relations*, 54(2), 182-203.