T≡ngai

The ultimate guide to

Unbiased Recruitment



THE ULTIMATE GUIDE TO

CONTENTS

Diversity, equity and inclusion (DE&I) have never been more important and organizations are seeing the value of having a diverse workforce to increase innovation, productivity and overall profitability. However, this is not a white paper or report on the result and outcome of your diversity actions.

This is a guide on how to create a more inclusive recruitment process and why you should do it. Our aim is to help more recruiters, hiring managers and organizations to see the benefits of not allowing preconceived opinions, the subconscious mind or unconscious biases interfere with the hiring process. Because when done right, unbiased recruitment can promote openness and belonging which leads to a more inclusive environment.

# **Contents**

INTRODUCTION	4
THE DIFFERENCE BETWEEN DIVERSITY HIRING AND UNBIASED RECRUITMENT	6
TYPES OF RECRUITMENT BIASES  CREATING AN UNBIASED APPROACH	7
	16
HOW TECHNOLOGY CAN MITIGATE BIAS	24

INTRODUCTION

# Introduction

When we started working with a more unbiased approach, about 15 years ago, the main purpose was to help our clients in making better, more informed and really confident hiring decisions. In addition to creating a more fair and exciting candidate experience where every applicant has the same chance to show their competencies. Up until that moment, we'd done basically what all of the recruitment industry had been doing since its inception in the early 90's. We looked at resumes, cover letters, compared those candidates towards what we thought our client wanted. We selected the ones, that we believed had the right fit for the role in terms of education and previous experience, assessed them with massive aptitude and personality traits tests and created a presentations to the client. Sometimes it worked, sometimes it didn't, we just kind of presented candidates and prayed it would be a good match, that the candidate and the client would "fall in love".

However, we felt that this approach was rather uncertain and our urge to create a better foundation for understanding which candidate to proceed with and who not, triggered us to challenge the very fundamentals of the traditional recruitment process. It's been a journey to say the least. Not only for the process but for us as individuals as well. Realizing that we are all biased, no matter our background and that those biases trigger our unconscious mind in various ways, forms and outcomes. And that our own biases most often hinder us from seeing things and situations from a different view, perhaps that is the greatest gift that we've received over the years as a result of our challenging approach to the recruitment fundamentals.

In this white paper, we'll share our knowledge from developing this methodology, we'll highlight the most common recruiting biases, when they might occur and some really useful actions and tools to overcome them.



We're aware that there is a variety of approaches and regulations around diversity hiring globally but our approach specifically aims at the fundamentals and underlying functionalities for creating a sustainable recruitment process that mitigates human bias. Because we believe that having a fair process also promotes openness, which ultimately boosts inclusion.

# The difference between diversity hiring and unbiased recruitment

# **Diversity hiring**

Diversity hiring is often referred to when companies recruit more diverse employees by simply cherry picking those candidates that seem diverse in comparison to the current state of employees. So, if they need more women, they recruit women primarily. If they need more individuals from different cultures, they look at candidates' backgrounds. If they have an older group of employees, they search for younger job-seekers. You get the picture. But we argue that diversity hiring should be the result of a fair recruitment process and a piece of the puzzle to create sustainable results within your organization. Diversity hiring should never be a forced decision, because if it is, it only leads to misplaced candidates that may not be the right fit for the role. What might benefit from forced decision however, is practicing unbiased recruitment, so everyone in the process is aligned and involved.

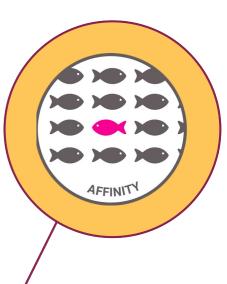
# **Unbiased recruitment**

Unbiased recruitment is a process focused on identifying and selecting future colleagues based on their skills and competencies. We recognize that it is human to be biased but having unconscious biases can negatively effect the recruitment process. Because biases are not beliefs that are founded by facts, but are usually learned and are completely unrelated to work performance. People may develop preconceived opinions for or against an individual, a group, or a belief, usually in a way that is closed-minded, prejudicial, and unfair. Buy when you don't allow unconscious biases to effect the recruitment process, job-seekers can be assessed in a fair way. To start the journey of unbiased recruiting, it's always good to start with a good look in the mirror. What does my recruitment consist of today? Where does bias most likely sneak in? What are my own and my organizations most common mistakes when it comes to bias?

# Types of biases in recruitment

There's a large number of biases that we may experience during a recruitment process. Most of these we're not even aware of as they occur accidentally, which allows them to easily sneak into all the stages of a hiring process and ultimately affect our decision making.

It starts with the resume, where just reading a candidates' name plants an "idea" of colors how we perceive a person. As names are great at revealing where a person is from and if we have knowledge where someone is born, we also get an image of that person's culture. Then comes education and seeing Cambridge, Oxford, or an Ivy League school rings prestige bells. Unconsciously a candidate has then become elevated as the reputation of these universities reflects on how you judge their ability to perform in the role they have applied for.





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TYPES OF BIASES IN RECRUITMENT COGNITIVE BIASES



Once you get to the interview stage we move from making assumptions, to judging physical appearance. Depending on how did the candidate shook our hand and if they were they able to maintain eye-contact during the interview process, are two frequent judgements we all experience.

We could go on, but with that said, let's have a look at the different biases that might occur during a recruitment process, why they are hindering us from making objective informed decisions and how to tackle them!

# **Cognitive biases**

A cognitive bias is a misstep, a systematic error, in thinking, assessing, collecting, processing or interpreting information that affects the decision or judgement we make. It's a pattern of deviation from standards in judgement, whereby inferences may be created unreasonably. People create their own subjective social reality from their own perceptions and their view of the world may dictate their behaviour. Cognitive biases are a result of human processing limitations, coming about because of an absence of appropriate mental mechanisms, or just from human limitation in information processing.

Here are some example of cognitive biases in recruitment and how they affect us.



### **ANCHORING/EXPECTATION**

We tend to rely on the first piece of information encountered when making decisions. For a recruitment, that means that the first touch-point with a candidate. Once that first judgement is made, it tend to stick with us throughout the process and can negatively influence the outcome since our learned expectations might reject candidates for the wrong reasons.



#### **AFFINITY BIAS**

This bias occurs when we have preference for certain types of people for whom we have an affinity, such as respondent who are similar to us or that we find attractive. The affinity bias is very common when we try to hire the right, lets say, cultural fit for our organization. Where looking to find candidates that will fit seamlessly into the prevailing corporate culture. This is supposed to guarantee on-boarding success, but it also means that no boats will be rocked. It's the safe and non-disruptive option.



#### **CONFIRMATION BIAS**

When we make a judgement about another person, we subconsciously look for evidence to back up our own opinions of that person. Everyone is quick to pass judgment, we are all guilty of it, recruiters just as much. We make snap decisions based on perceived truths and spend the rest of the time, subconsciously or not, trying to justify our bias. We might ask irrelevant questions, trying to elicit answers that support our initial assumption about the candidate. This tends to happen when we want to believe that we are right about our instincts and that our assessment of the candidate is correct.



#### SIMILARITY ATTRACTION BIAS

One of the most common bias effects in recruiting, that we tend to like people that resemble ourselves over people that are different from us. It's human nature to want to surround ourselves with people we like and feel we have things in common with. And the work environment is no different. If you're going to be spending a third of your day working alongside someone, you want to know that you'll get on with them. This bias is a result of the recruiter taking this too far and are more inclined to hire candidates we view as being like us or having similar traits or characteristics as us, even when those things aren't correlated with job performance.



#### **HALO & HORN EFFECT**

The halo and horn effect is a type of confirmation bias where the observer's overall impression of a person, organization brand or product influences their feelings about specifics of that entity's character or properties. For the halo effect, the impression is positive and for the horn effect the impression is negative.



#### INTUITION

As recruiters we've been told repeatedly to trust our gut. Meaning that we can make decisions and intuitively select a candidate basing your choice on irrelevant factors such as emotion, intellect and their individual makeup instead of focusing on a person's actual capabilities.



#### **OVERCONFIDENCE BIAS**

This bias commonly occur when a recruiter is so confident in their own abilities to either pick a good candidate or to eliminate the Supposed bad ones, that they allow confirmation bias to creep in and justify their decisions.



#### **AFFECT HEURISTICS**

This is when a recruiter mentally takes short cuts to reach a conclusion about a candidate's ability to do the job, without carefully examining all of the evidence first. These short cuts are most often influenced by our current emotions and current state of mind. This might result in a correlation between emotional state, benefit and risk. For example, having a positive emotional state are more likely to perceive a positive attitude towards benefit and risk, resulting in high benefit/low risk, the opposite are likely to occur with a negative state of mind.



#### **BEAUTY BIAS**

This is the view that beautiful people are more successful. It comes down to how our brains are hard-wired. We tend to think that the most handsome individual will be the most successful. Beauty bias can be linked to the anchor bias in that it can be common for recruiters to try and fill a role by finding a candidate who has similar appearance to the person leaving because they subconsciously believe that's how a person looks, affect how they will perform in the job.



#### **CONFORMITY BIAS**

Conformity bias occurs when our decision making can be affected by group peer pressure. Conformity bias can cause individuals to sway their opinion of a candidate to match the opinion of the majority. The problem is that the majority is not always right, which may cause your team to miss out on an e excellent candidate because individual opinions become muddled in a group setting.



#### **ILLUSORY CORRELATION**

The illusory correlation is when we see an association between two variables (schools, events, ideas, jobs, brands, etc) when they aren't actually associated. This tends to happen when recruiters put too much emphasis on the questions they believe to provide insight into a candidate's behavior. Random questions that bear no relevance to their ability to perform in the job.



COGNITIVE BIASES PREJUDICES







### **CONTRAST EFFECT/JUDGEMENT BIAS**

Most recruiters (if not having enough tools) spend a large amount of time sifting through resumes. Rather than letting a resume be part of an objective scoring system, we tend to compare the latest resume to the one that went before. So when we assess whether a candidate is suitable for a role, based on their knowledge and experience, we're comparing resumes to each other rather than to the goal points and requirements for the role.

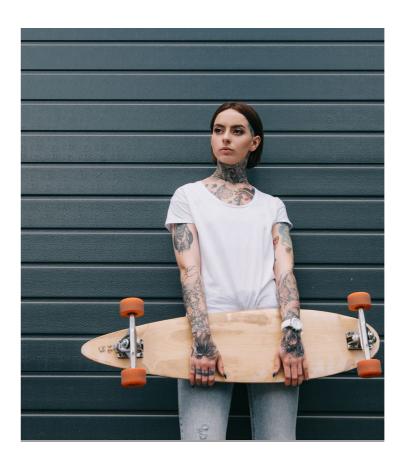


#### **ATTRIBUTION BIAS**

An attribution bias can happen when individuals assess or attempt to discover explanations behind their own and others' behaviors. When judging others, we tend to assume their actions are the result of internal factors such as personality, whereas we tend to assume our own actions arise because of the necessity of external circumstances.

# **Prejudices**

Bias and prejudice are usually considered to be closely related. Prejudice is prejudgement or forming of an opinion before becoming aware of the relevant facts of a case. It's often used to refer to preconceived, usually unfavourable, judgements towards people or a person because of their gender, political position, social class, age, disability, religion, sexuality, race/ethnicity, language, nationality, or other personal characteristics. Prejudice can also refer to unfounded beliefs and may include any unreasonable attitude that is unusually resistant to rational influence.



#### **AGEISM**

discrimination due to an individuals age, whether they are old or young.

#### **CLASSISM**

discrimination due to an individuals social class, "upperclass",

#### **LOOKISM**

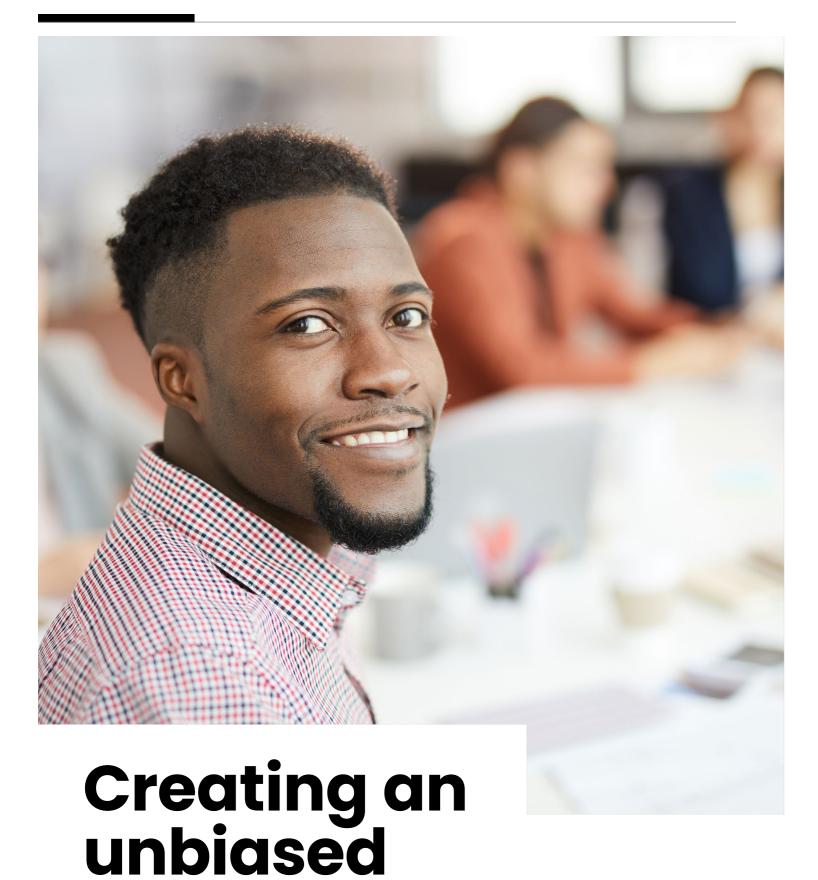
discrimination on the basis of physical appearance and attractiveness.

#### **RACISM**

consists of ideologies based on a desire to dominate or a belief in the inferiority of another race.

#### **SEXISM**

discrimination due to a persons sex or gender.



approach

# Have a fair process

HAVE A FAIR PROCESS

What decisions you make, will naturally affect the outcome. Sounds reasonable, but did you know that humans make I decision every 2,5 seconds! So how can we make those decisions count in recruitment? How are those decisions made, what are they based on, and do we make the same decision every time for different candidates?

First, and perhaps a bit obvious, we need to understand what decision we need to make in every given situation. For recruitment, this might seem like the easy part "we know what we're looking for in this position" – right? But we need to understand all the hidden data that's behind a decision and first and foremost. And we also need to understand how to collect and measure that data. Easier said than done in most cases. But since we've spend a lot of time figuring this out, tried out many models and processes, we thought we might share our successful model with you, so that more companies can contribute from the approach.

To have an unbiased recruitment process might, at first thought, seem like a noble thing to do, but what it actually does is forcing your organization to qualify other parameters making it possible to look for future potential in each individual. But having an unbiased hiring strategy will not only boost inclusion by enabling equality but it will also strengthen the employer brand since it promotes openness. Inclusion is also closely linked to employee engagement which is a critical component of productivity, financial performance and employee retention.

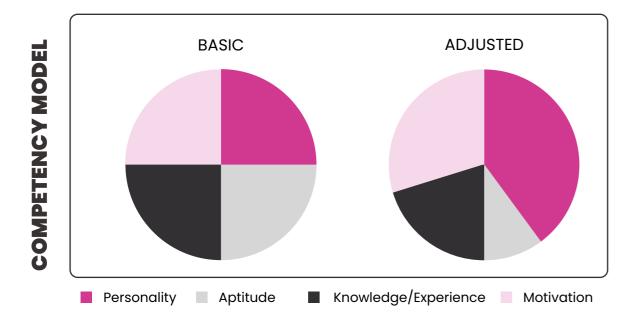
By creating an unbiased recruitment process, you get an opportunity to look beyond our own preconceived opinions and create a process which focuses on measurable qualification data that is actually relevant for making informed decisions with higher quality. That means that this, perhaps noble approach to want to treat all candidates in the same way, looking at the data firstly, also contributes to a higher quality outcome, therefore the value of the effort put in to this approach becomes multiplied. <sup>1</sup>

<sup>1</sup> McKinsey & Company, "Diversity Wins: How inclusion matters" 2022

# Focus on relevant information

We created a competency model to help you keep focus on the relevant data and to put all applicants in the right context. We always use the competence model as a compass while initiating our process.

To be able to create measurable data from your process, you need to focus on the right areas for data collection and decide on the right competence for the specific role you're recruiting for. A common misconception is that competence consists only of theoretical or practical knowledge and this is the most common area of basing your selection decision on, if only looking at a resume for example. The optimal combination for defining competence is not only to look for specific knowledge and experience, but also personality traits, aptitude and motivation. Competence should always be related to a specific task or situation and the different areas might therefore vary in importance depending on what role you're recruiting for, meaning, one candidate might be very competent for one role, but the opposite for another.



# **Personality**

Personality is what makes you, you. Your feelings, behaviour and thoughts. There are many schools of thoughts in how to categorise individuals and we're not here to argue which is most correct. There's Type theory, suggesting that there are a limited number of personalities relating to our biology. Trait theory which breaks down personality into seven different categories. Psychodynmics, Behavioural and Humanist to name but a few. In recruitment terms, personality traits are also known as soft skills and can be an indicator of a candidates success in a role. Need someone in a high stress and paced restaurant position? Type theory suggests Type B: low stress, even-tempered and patient, whilst Trait theories say high conscientiousness and low neuroticiscm. The important thing is to take a look at each person as an individual case and being as objective as possible.

# **Aptitude**

Aptitude is the ability to see logical patterns and connections, draw accurate conclusions for incomplete information and handle new situations within the right time frame. With the right aptitude, the chance of performing early in a new role increases, by understanding new tasks and translate previous knowledge into a new environment.

# **Knowledge/Experience**

Knowledge is the understanding of facts or concepts. Something a person may have learned both through experience and training as well as education. With the right knowledge for the position, the probability increases that the individual understands their area of work and performs in the role.

## **Motivation**

The driving force behind our actions, and also our professional success. There are two commonly discussed types of motivational factors; Extrinsic, forces affecting the individual from the outside like a reward, and Intrinsic, internal such as solving complex problems for gratification. Whilst motivation itself has three major components: activation, persistence, and intensity. With each of us having these weighted to different degrees. When we understand what motivates a candidate, we can see whether they fit the role or can be recommended elsewhere. Ensuring fit, ensures a higher probability of success within that role.

# 18 ways to create an unbiased approach and achieve higher results

We wanted to share the most valuable tips we have collected from developing our unbiased recruitment methodology for the past 15 years.

**7** - Diversity is a process, not a policy.

One of the keys for understanding your work around creating a diverse workforce is understanding that diversity needs real commitment, it needs continuous work, and it needs alignment. Just forming a policy around your diversity doesn't create the deep impact. To get real results you need to be working with awareness, highlight the areas in your organization with high impact, educate your co-workers on benefits, on business value but also pitfalls.

2-Use a well-defined competency model. Make sure to measure skills, nothing else. Define the skills. A great definition is: Personality Traits, Aptitude, Knowledge and Motivation. Feel free to use our model presented on page 19. (Used successfully by Swedish Recruiting Agency TNG, who are focused on unbiased recruitment)

3-Structure!
Structuring
your process and
controlling how
you measure
relevant data is
key for you decision-making and
analysis.

# 4 - Collect objective data.

Select your parameters, stick to them throughout the process and make sure you use the same data for all your applicants when reviewing results.

# 5 - Stop making endless wish lists.

Consider open up the adverts instead of listing criteria that might potentially and unconsciously 6-Tonality is key.
Certain words
may attract certain
groups of applicants. Some words
are more masculine
and might therefore unconsciously
exclude potential
talents.

7-Collect data at the right part of the process. No need for information that's not used in the early stages of the process. For example, social security number at the beginning. Accurate data is more important than a lot of data. A lot of data can contribute to inserting unconscious bias into your process.

Pression, a picture says more than a thousand words. And it sure does, it says a lot of the person looking at the picture and what biases they have. In recruitment that does not help us overcome our preconceived opinions.

**The state of the process anonymous.** And keep it anonymous as long as possible. See example of what we did with teamtailor and Swedish company Veteranpoolen.

**10-No age.** Age is just a number, but knowing someone's age during a recruitment process might unconsciously trigger our mind to fall into the bias-trap. A common misconception is that we think that someone older or younger should have different energy levels, or certain personality traits that we falsely connect with age.

To make sure you evaluate all candidate on the same parameters, set up in the beginning of the process. Use the competency model again, set your up your parameters in the beginning of the process. What should be prioritized and what not?

12-Screen for potential in the beginning. Integrate a screening step before even looking at a resume. This will assist you with creating stats and data for your process. Looking at the data before you look at other information that might affect your decision.

13-No cover letters.
Cover-letters contains a lot of unstructured information that can trigger bias.

15-Watch out for unconscious bias in the interview. Our first impressions are strong and colours our judgment. Make sure you have a good structure, use skill-based questions, make sure you get all of the answer written down, stick to you questions, don't improvise. Try not to assume things from the candidates answer, ask instead, bring clarification if something is unclear.

- Recog-Tnize cognitive biases. If using video interviews, ask the candidate to turn off their camera and try to listen only to the voice. Or use Tengai for fully blind-interviews, to create a unique experience for your candidates.

# 16-Salary expectations.

Talk about expectations early on in the process to break the myth of "over qualification"

7-Separate your decision makers. If you have a several recruiters or decision makers in your process, make sure their opinions are separated from each other to avoid conformity bias.

P-Communication communication communication. We can't emphasize on this enough. In order to create a successful unbiased process (goes for any type of process) you need to communicate with you candidates. That communications starts while setting up your process by defining, for this process – who will be talking to, what tonality should I use to make sure we attract well-suited applicants. Use that tonality consistently throughout the process.



# Is your recruitment process unbiased?

The only way to improve your process is to evaluate and adapt your methods continuosly. Take a moment think about four areas of your recruitment process that could be influenced by bias.

1.

2

3



# How technology can mitigate bias

As you probably figured out by know, the unbiased process is our passion. It's our overall purpose to make sure that hidden biases don't sneak into the recruitment process to help recruiters and hiring managers with richer data so that they can base their decision on relevant information.

But can bias sometimes be a good thing? We get this question quite often, especially from very experienced recruiters. As recruiters we've been fed with constant historical belief that we should trust our gut and that intuition is a good thing when it comes to decision making. In situations where speed is more valuable than precision.

After taking a deep-dive into all the different potential biases that could occur during different stages of the recruitment process, you might feel that it's a full time-job to design a process to reduce the pitfalls of bias and that you just don't have time to care about possible biases. This is where technology can help create, unlock and sort the relevant data you need to make informed decisions. In addition to handling every single applicant in the same respectful way and creating measurable data that is structured to help you and your organization. Because when you use technology as a smart assistant, you can supercharge your recruiting powers.

There are several AI-based recruiting tools available in the market, each with its own unique features and capabilities. For example, some tools may focus on maximizing marketing efforts and connecting with candidates in real-time, while others may have an AI chatbot that interacts with candidates to determine the best role fit and show them how to apply. These tools offer a wide range of benefits to recruiters, including faster candidate sourcing, improved accuracy and efficiency, and better collaboration with their team.

Al technology analyzes massive amounts of data and using algorithms and machine learning can determine who would be the best and most qualified candidates based on the available data. With each new data point, the Al gets better at processing and recognizing stellar candidates. This type of large-scale processing is beyond the scope of what the human brain is capable of. Best of all, the Al assesses this data without being burdened with assumptions and biases.

# **Helpful technologies**

# 1. ATS - functionality

The core in all recruitment processes, your applicant tracking system for handling all recruiting data.

#### 1.Anonymous applications

Many ATS's on the market have an anonymous mode where your applicants name is hidden. Some of the ATS's also takes it as far as hiding names of former employers, schools you went to or other things that might potentially trigger unconscious bias.

#### 2.Killer Q's instead of resumes for early screening

A useful way of not having to look at resumes in the beginning of the process and risk to be influenced by bias is to use screening questions. Those screening questions might be things you need to know to be able to make a initial decision. Knowledge and skills that are easily presented such as language skills, drivers license, specific certifications and graduations necessary for carrying out the role.

# 2. Wide spread of adverts

The number one thing in every recruitment process is to be attractive so people want to apply. It is therefore important to use several kinds of media outlets and critically review your platform and the visual language you are using. Traditionally we've been taught to narrow down our target group, since advertising for anybody and anywhere is both costly and might be hard to navigate a wider range of applicants in the selection process. However, the platform/channels you choose needs to be in balance. For example, if you only advertise for automotive sales people in a car magazine or on a platform with the same demographic, you will have a very homogeneous group to choose from and you might miss out on potential talent coming from elsewhere.

# 3. Text-analysis for your ads

The tonality you use and the words you choose has a huge impact on the people you attract, so choose wisely. Today, there are tools on the market (for example Textio) that helps you analyse the words used in your advert to identify if they are connected to any subconscious judgment, and structure them into feminine and masculine. This will help you to keep a neutral tonality in your adverts and make sure you don't exclude potential talents or groups of applicants.

# 4. Interview software for early stage assessment

#### 1. 2-way manual interviews

Video-tools such as Meets, Zoom or Teams are popular. To make sure you don't risk being influenced by bias such as appearance, age or race, exclude the video and use audio only. Video-tools also makes it possible to record your interview to have more than one recruiter or hiring manager to make an evaluation of the outcome to secure objectivity.

#### 2. 1-way recorded interviews

There are interview softwares with pre-defined questions that will help you keep a structured record of your interviews. While these are comfortable for recuiters, they do not always create a good candidate experience.

### 3. 2-way automatic interviews

Use advanced conversational AI to create an interactive and fun interview experience. Automatic interviews uses Natural Language Understanding (NLU) to create a human-like conversations and lowers the risk of bias in the beginning of the recruitment process. An automatic interview is can help recruiters assess for and screen for relevant personality traits and help make better hiring decisions.

### 5. Reference software

To make sure the bottom of your funnel creates objective data, software for reference checks might come in good use. Structure your reference-check with the same questions for all potential hires and the possibility of rating traits and knowledge relevant for the job. Available software on the market offers automated solutions that can be tailored to your needs to also make sure you mitigate bias from earlier employers or co-workers to be able to make a final informed decision.

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# T≡ngai

Tengai is an interactive, AI interview with a validated candidate screening software. Developed to assist hiring teams with saving up to 90% of the recruitment costs and countless of hours. Because when Tengai is integrated in the process, recruiters become better equipped to scout and understand potential employees before even having the first interview. While also giving applicants a dignified candidate experience and an opportunity to add more information to their application.

To learn more visit **tengai.io**