



# A DIFFERENT VISION

**INCREASINGLY, BUSINESSES ARE TAKING FURTHER STEPS TO BOOST DIVERSITY. CAN UNCONSCIOUS BIAS BE ELIMINATED THROUGH BLIND RECRUITMENT?**

**IT IS A FACT** that organisations are increasingly aware of; companies with more diverse workforces outperform their less diverse competitors.

**McKinsey's *Diversity Matters*** report found that companies in the top quartile for gender diversity and ethnic minority board representation became 15 per cent and 35 per cent more likely, respectively, to financially outperform those in the bottom quartile.

From an organisation-wide perspective, evidence of the positive impact of increased representation has also been found. A 2012 **Deloitte** study captured the views and experiences of 1,550 employees at three large Australian businesses operating in manufacturing, retail and healthcare, and identified an 80 per cent improvement in business performance when levels of diversity and inclusion were high.

An earlier **American Sociological Association** study found that a workforce comprising employees of both genders and varying racial backgrounds resulted in positive business outcomes. They consistently reported higher customer numbers than less diverse workforces. Those with the highest rates of racial diversity reported an average of 35,000 customers, compared with 22,700 average customers among companies with the lowest rates. The difference was even larger for gender diversity rates. The study also revealed that for every one per cent rise in the rate of gender diversity and ethnic diversity in a workforce, sales revenue rose by three per cent and nine per cent respectively.

Diversity is recognised as key to increasing



creativity and productivity, and finding solutions to fresh challenges. As part of their strategy to increase workplace diversity, many organisations have adopted a practice known as blind recruitment, in which personally identifiable information, such as name, gender, age and education, is omitted from applicant CVs. The aim is to overcome unconscious bias, a facet of human nature that can be counterproductive for a strategy to improve diversity.

### BACK TO BASICS

“Everyone has unconscious bias,” says Yvonne Smyth, Head of Diversity at Hays. “At its most basic, it is about whether you see someone as part of your ‘in group’. For example, do you have a caucasian-sounding name, as I do? Did you go to the same university as me? However, when it comes to any kind of selection at key points in careers, which could be recruitment, promotion, being put forward for a stretch project, even giving feedback, this can influence the shape of someone’s career and the opportunities they have. Unconscious bias comes into play because you are exercising personal judgement.”

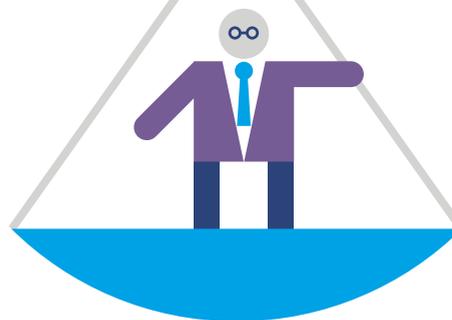
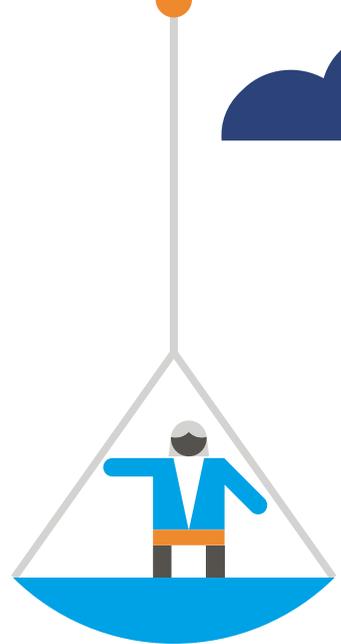
One of the earliest examples of the technique being put into practice actually took place in 1980 in the **Toronto Symphony Orchestra**, which, up

until then, was comprised almost entirely of white male musicians. Recognising that they had a diversity problem, they tried a different approach to auditioning new members.

Sitting behind a screen, the panel of recruiters could only hear the music of those auditioning for the orchestra. They could no longer see them. They even put carpet down so that high heels could not be heard. The impact of this on the hiring decisions resulted in a previously all-white, male ensemble becoming a near 50-50 split of male and female, with a lot more diversity and, clearly, the sound they wanted for their orchestra.

As Dan Robertson, Diversity and Inclusion Director at the **Employers Network for Equality & Inclusion**, explains, the same thing happens in recruitment. He says: “When we look at a CV, we judge people based on whether or not they went to university, which one they attended, where they are from, their hobbies and interests and so on; thus, our unconscious biases are working against our conscious efforts to hire diverse talent. By taking out that personal information, effectively using a blind CV policy, you reduce the unconscious bias and start to make decisions based on people’s ability and competencies to do the job.”

For evidence of how this affects the UK labour ▶



► market, look no further than a test conducted by the **BBC's** *Inside Out London* in February this year. It involved sending CVs from two candidates, 'Adam' and 'Mohamed', who had identical skills and experience, in response to 100 job opportunities. Adam was offered 12 interviews, while Mohamed was offered four. Although the results were based on a small sample size, they tally with the findings of previous academic studies.

As employers recognise the negative implications that unconscious bias can have for diversity strategies, interest in the use of blind recruitment gathers pace.

In the UK in 2015, with the government taking a lead, a group of public and private sector organisations, including the **NHS**, civil service, local government and the **BBC**, and major companies such as **HSBC**, **EY** and **Virgin Money**, agreed to use 'name-blind' recruitment for graduates and apprentices.

Clearly, this technique has a huge role to play in helping organisations ensure a diverse flow of talent into their selection procedures. However, as Nic Hammarling, Partner, Head of Diversity at business psychology firm **Pearn Kandola**, points out, blind screening does not automatically render an organisation's shortlisting processes bias-free.

She says: "Letters of reference and even application forms can easily contain information that alludes to someone's background. Comments such as being a 'proud father of two', for example, negate the removal of personal data on the form."

### PROVEN RESULTS

Organisations that do implement blind recruitment policies almost always see a more diverse workforce as a result, leading to improvements across the business, from teamwork to productivity.

Two years ago, EY overhauled its trainee recruitment strategy and introduced a blind CV policy. Maggie Stilwell, Managing Partner for Talent UK & Ireland, says: "We are one of the UK's top ten graduate employers. Strategically, diversity and inclusion are very important for us, so a blind CV policy was an enabler that gave us a specific advantage as a socially mobile organisation."

Historically, some elements of the recruitment system had worked against people coming from state-run schools. The new system stopped filtering

“A BLIND CV POLICY GAVE US A SPECIFIC ADVANTAGE AS A SOCIALLY MOBILE ORGANISATION”

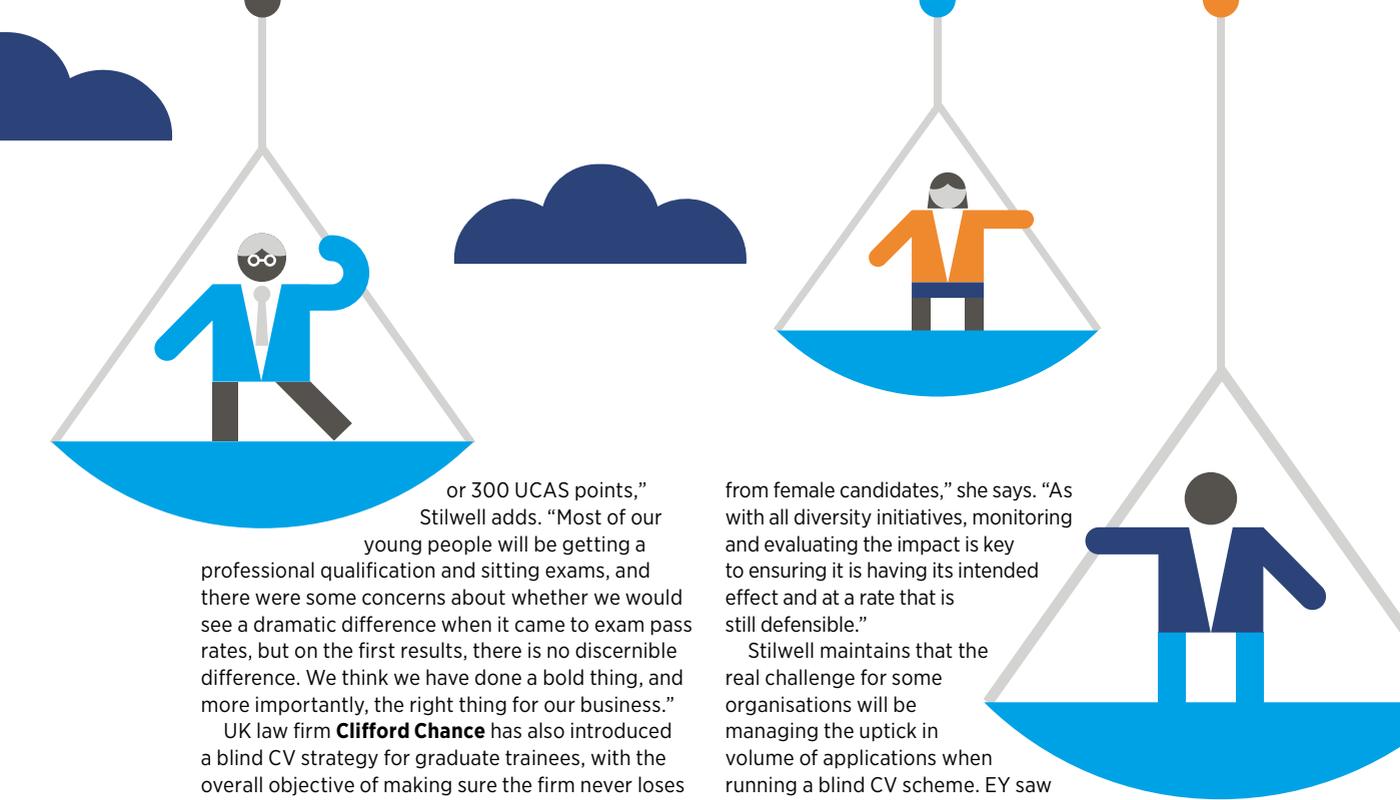
— MAGGIE STILWELL, EY

on degree classification, and which school they attended.

"Of course, not everyone will be successful applying for our opportunities," says Stilwell. "There is a series of aptitude and situational tests to be completed, but the blind CV scheme means that you are looking at people as individuals."

The firm's trainee recruitment cycle takes a year, so having launched the scheme in September 2015, the first candidates joined EY in 2016.

"The thing I'm really pleased about is that one in five of those who joined us in September didn't have a 2:1



or 300 UCAS points,” Stilwell adds. “Most of our young people will be getting a professional qualification and sitting exams, and there were some concerns about whether we would see a dramatic difference when it came to exam pass rates, but on the first results, there is no discernible difference. We think we have done a bold thing, and more importantly, the right thing for our business.”

UK law firm **Clifford Chance** has also introduced a blind CV strategy for graduate trainees, with the overall objective of making sure the firm never loses out on talent, wherever it may come from.

“We need to make sure we hire the very best candidates, regardless of the institution of study, degree discipline or background,” says Head of Graduate Talent Laura Yeates. “Since taking these steps, we’ve seen the number of institutions from which we receive applications, and subsequently make hires from, increase.

“Candidate feedback has also been overwhelmingly positive due to a feeling of being able to position their strengths and unique selling points more effectively in the interview.”

For the time being, Clifford Chance is limiting its blind CV policy to its graduate recruitment, and will continue to measure the impact. In other roles and other areas of the firm, relevant experience is obviously more important, and therefore the benefits of using the technique are not as clear-cut.

### INTERNAL EDUCATION

If organisations are to maximise the benefits of a blind recruitment strategy, it is important for their employees, particularly managers, to be aware of their own unconscious biases and, through training, learn to recognise and better manage them at key points of judgement and selection.

Is blind recruitment foolproof? According to Hammarling, there is some research showing that the introduction of blind shortlisting has made no difference to the gender balance of those shortlisted, while others have found that the representation of women in the shortlist actually decreases with the introduction of blind shortlisting processes.

“This may well be the case in organisations where there is a lot of encouragement to attract applications

from female candidates,” she says. “As with all diversity initiatives, monitoring and evaluating the impact is key to ensuring it is having its intended effect and at a rate that is still defensible.”

Stilwell maintains that the real challenge for some organisations will be managing the uptick in volume of applications when running a blind CV scheme. EY saw a 75 per cent increase in the number of applications on launching its scheme, but had also invested in a new technology platform to cope with the extra demand.

She says: “Some companies may not have that available to them. However, for us it was an investment decision. As an organisation, we want to give our clients the very best people. Looking back, too many assumptions were made about what makes people successful here – exams are important, but by no means the only thing that makes them successful.”

### RECOGNISING RESTRICTIONS

If there are any downsides to blind recruitment, they relate to the limitations of the technique. As Smyth points out, in order to increase social inclusion, it might actually be useful for a potential employer to know the background of the individual – for example, what school they went to and what grades they got.

She says: “If you go completely blind, there is a risk that you lose some valuable information. If someone went to a school that generally did not perform well, but still managed to get to Oxford, you want to know that, because that person has super-high potential. You can take things too far. This is well intentioned; it is all about widening access to a talent pool and giving opportunities to the widest possible range of people, not just on the basis of actual achievement, but on potential.

“Generally speaking, making CVs more blind than they currently are is a good thing because it does help mitigate bias. However, blind recruitment is not a silver bullet, neither absolutely right nor absolutely wrong. It is a tool that you can use to create a level playing field, so use it, but use it with caution.” ■