

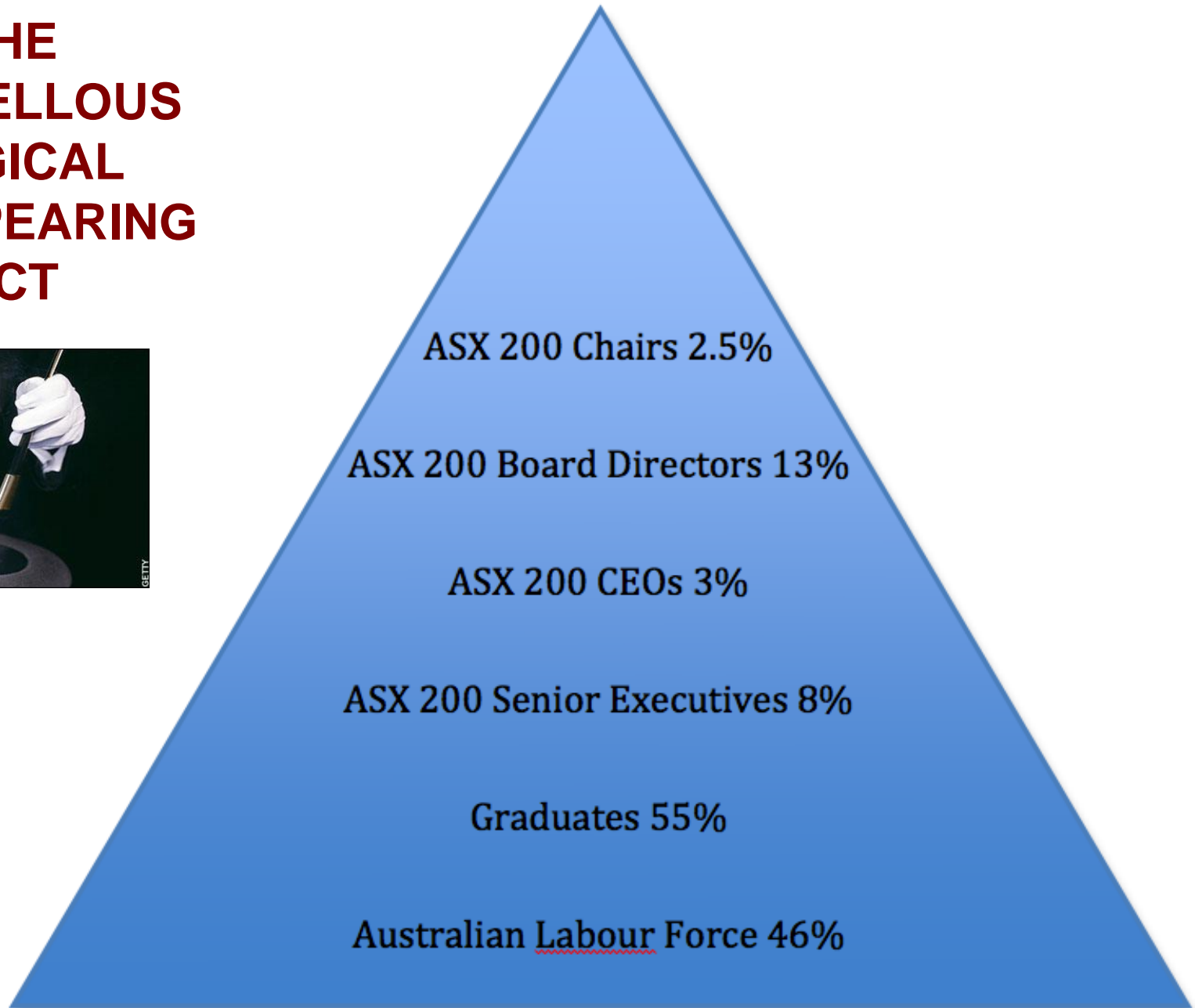


UNDERSTANDING UNCONSCIOUS BIAS

2nd May 2016



THE MARVELLOUS MAGICAL DISAPPEARING ACT



Question 1

What percentage do full-time non-managerial women employees earn in hourly earnings compared to men's rate?

- A – 57.6% of men's rate
- B – 90.2% of men's rate
- C – 88.4% of men's rate

Question 2

Which OECD country has the smallest gender pay gap?

- A – Italy
- B – United Kingdom
- C – USA
- D – Australia

Question 3

Which of the following industries in Australia has the biggest gender pay gap?

- A – Finance & Insurance
- B – Construction
- C – Manufacturing
- D – Health & Social Assistance

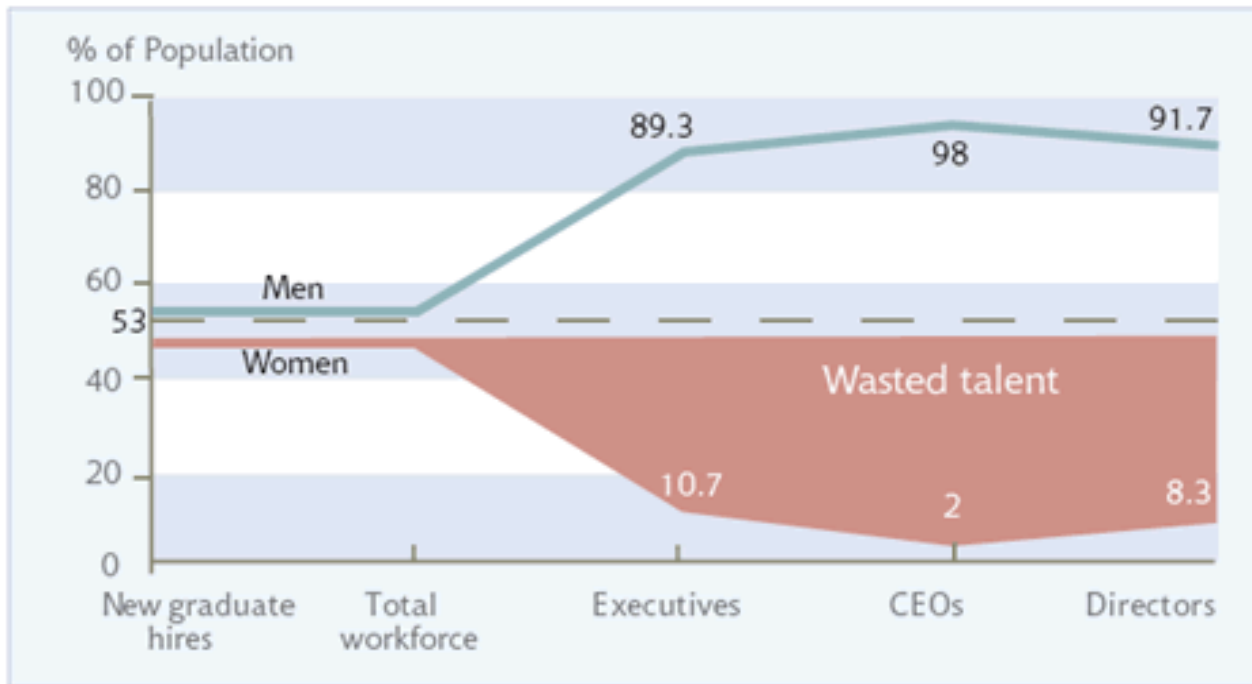
Question 4

At which age group is the gender pay gap in full-time earnings at its biggest?

- A – 20-30
- B – 30-34
- C – 35-39
- D – 40-44
- E – 45-49
- F – 50-54

Is Talent Triumphant?

Fig 1: The "Stupid Curve"



Source: The CEW CEO Kit edition 2, EOWA Australian Census of Women in Leadership 2008

“Companies where women are most strongly represented at board or top-management level are also the companies that perform best”

Women Matter: Gender diversity, a corporate performance driver, McKinsey & Company, 2007



Imposed measures - ASX Guidelines & Reporting

- Gender reporting from 1st January 2011,
‘adopt and disclose a diversity policy that includes measurable objectives relating to gender’
- Companies must disclose information on:
 - gender diversity targets,
 - remuneration
 - numbers of women across all levels of a company including the Board of Directors.
- Reporting is mandated – report or explain *“if not why not”*



ASX

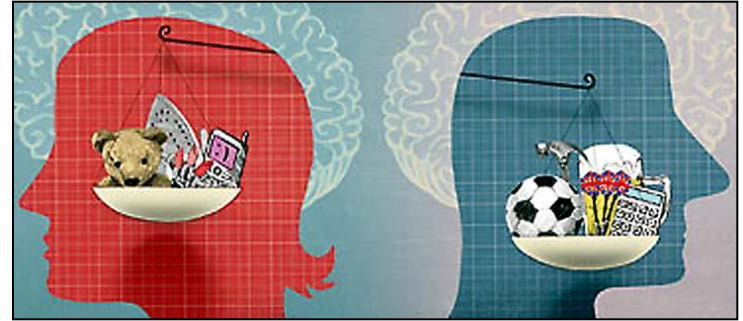
AUSTRALIAN STOCK EXCHANGE



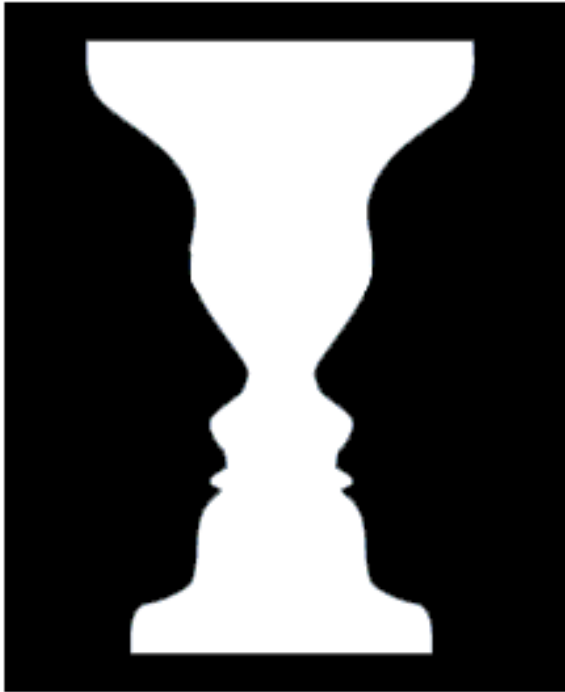
OPTIMISS
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Unconscious Bias

- **Expectations about a person that influence our judgments**
- Allow efficient, sometime in accurate, processing of information
- Are based on your experience
- Are held by men and women about gender, ethnicity, age and all other group memberships
- People are often not aware of them.



What do you see?



Ingredients for Unconscious Bias

- Ambiguity (including lack of information)
- Stress from competing tasks
- Time pressure
- Lack of critical mass

Has a significant effect in:

- Hiring
- Promotion or performance reviews

Common types of bias

Performance

**Competence /
Likeability**

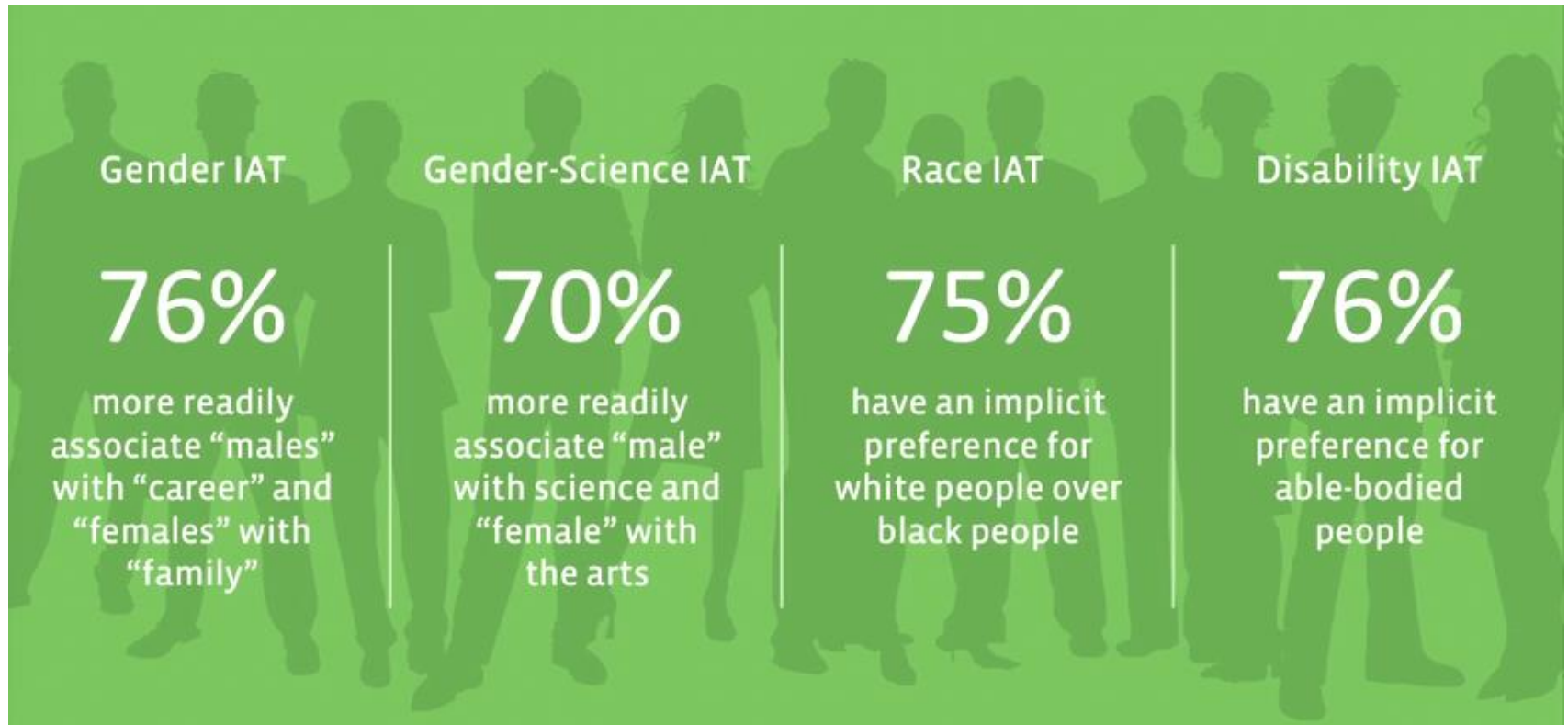
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Strategies to spot bias

Implicit Association Test

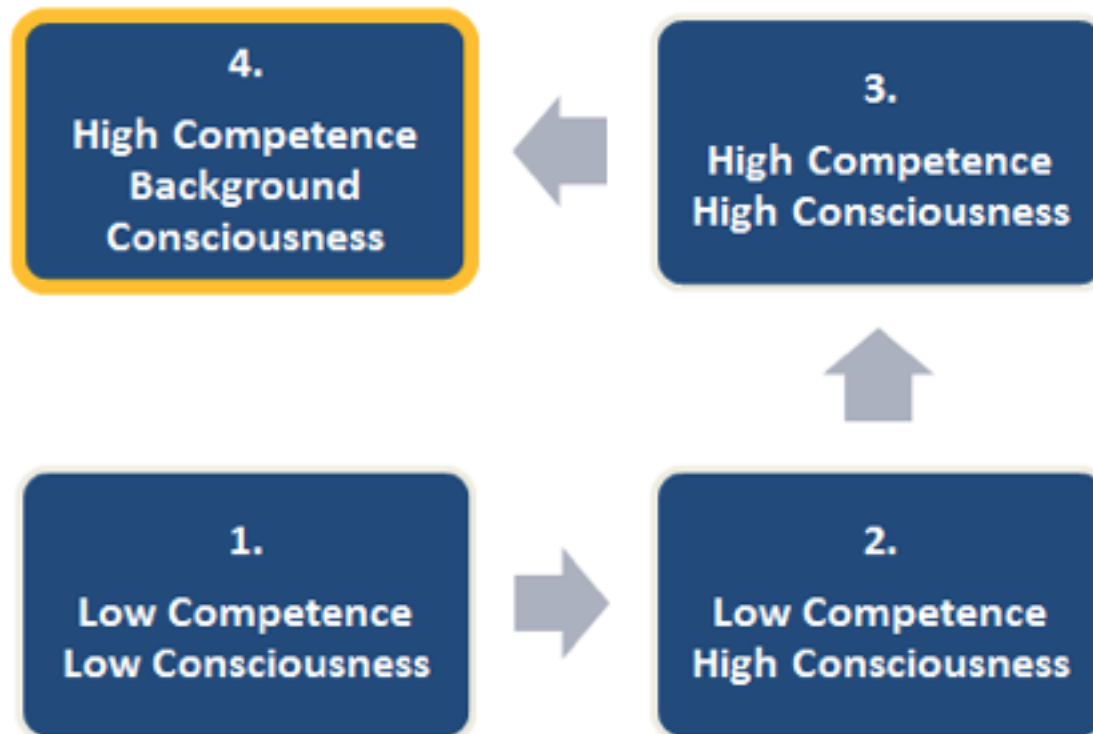
- 14 tests: gender, race, sexuality, age etc
- 4.5 million tests undertaken since tool developed in 1998
- Captures divergence between conscious and unconscious bias: ie what people say and what people do

IAT Results



Solution to address bias

- If legislation and organisation policies are not working, what will?
- Unconscious competence Quadrant Model



Organisational Framework



Strategies for you to mitigate unconscious bias

- Increase conscious awareness of bias and how bias leads to overlooking talent
 - Implicit Association Test:
<https://implicit.harvard.edu/implicit/>
 - Broaden awareness
 - Increase sense of responsibility
 - Promote good practices

Specifics to counteract bias

- Be specific and transparent about expectations for performance
- Be structured and transparent about decision making such as promotion, performance reviews and recruitment
- Push back on the likeability penalty
- Take care recognising accomplishments
- Rotate office 'housework'
- Challenge assumptions around working parents

Questions?

