AWS re:Invent

NOV. 29 – DEC. 3, 2021 | LAS VEGAS, NV

ABW212

Why unconscious bias is bad for business

Gloria Goins (she/her)
Principal, Health Equity
Amazon Pharmacy

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Key assumptions

- All of you want to meet and exceed your business objectives
- None of you come to work to **intentionally** harm your coworkers, customers, business goals, or brand
- You are all committed to creating environments that optimize performance, innovation, and profitability
- If there was evidenced-based research that would enable you to drive greater business results and growth, you would want to know about it
- You are willing to try just **one new thing** to accelerate your business goals

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Our road map for today's session

- Unpack the business case for ID&E
- Share actual use cases
- Explore what gets in the way of creating inclusive cultures, products, and services
- Discuss how unconscious bias is bad for business
- Reflect on how to apply your key learnings

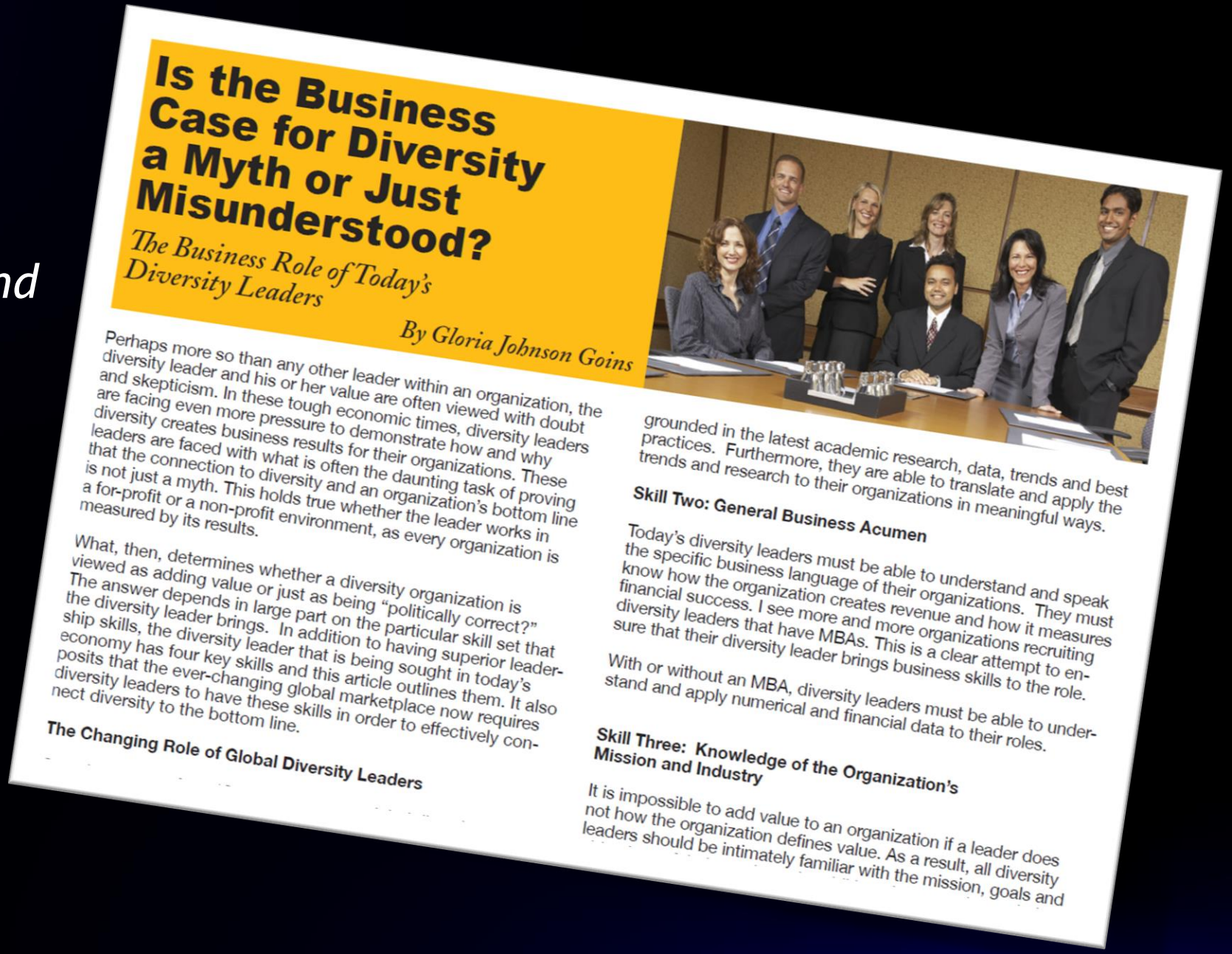
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Value proposition for ID&E

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Key takeaway

When properly understood and applied, diversity drives more business outcomes



Is the Business Case for Diversity a Myth or Just Misunderstood?

The Business Role of Today's Diversity Leaders

By Gloria Johnson Goins

Perhaps more so than any other leader within an organization, the diversity leader and his or her value are often viewed with doubt and skepticism. In these tough economic times, diversity leaders are facing even more pressure to demonstrate how and why diversity creates business results for their organizations. These leaders are faced with what is often the daunting task of proving that the connection to diversity and an organization's bottom line is not just a myth. This holds true whether the leader works in a for-profit or a non-profit environment, as every organization is measured by its results.

What, then, determines whether a diversity organization is viewed as adding value or just as being "politically correct?" The answer depends in large part on the particular skill set that the diversity leader brings. In addition to having superior leadership skills, the diversity leader that is being sought in today's economy has four key skills and this article outlines them. It also posits that the ever-changing global marketplace now requires diversity leaders to have these skills in order to effectively connect diversity to the bottom line.

The Changing Role of Global Diversity Leaders

grounded in the latest academic research, data, trends and best practices. Furthermore, they are able to translate and apply the trends and research to their organizations in meaningful ways.

Skill Two: General Business Acumen

Today's diversity leaders must be able to understand and speak the specific business language of their organizations. They must know how the organization creates revenue and how it measures financial success. I see more and more organizations recruiting diversity leaders that have MBAs. This is a clear attempt to ensure that their diversity leader brings business skills to the role.

With or without an MBA, diversity leaders must be able to understand and apply numerical and financial data to their roles.

Skill Three: Knowledge of the Organization's Mission and Industry

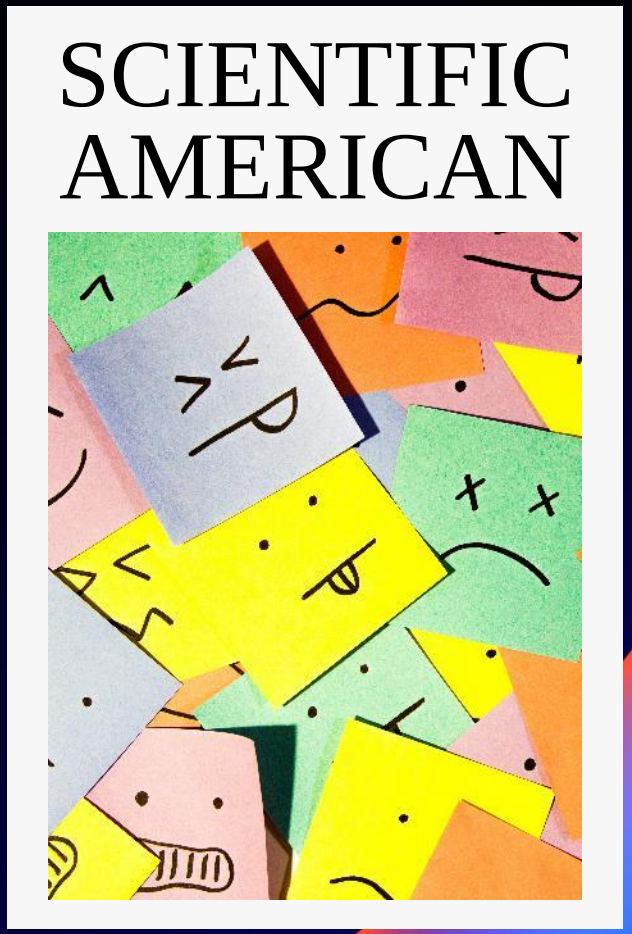
It is impossible to add value to an organization if a leader does not how the organization defines value. As a result, all diversity leaders should be intimately familiar with the mission, goals and

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Evidence-based research: “Diversity drives better results”

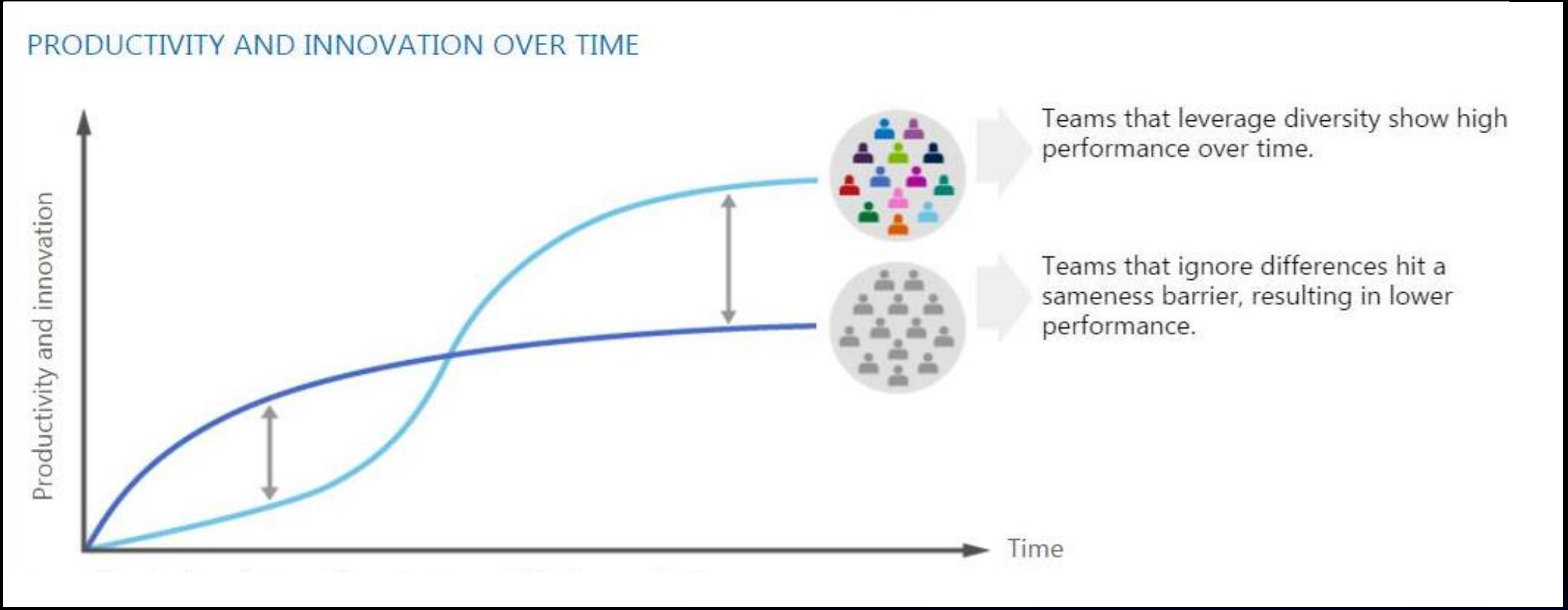
People who are different from one another in race, gender, and other dimensions bring unique information and experiences that lead to better decisions.

Katherine Phillips, Scientific American , “How Diversity Makes Us Smarter,” September 16, 2014



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When diverse teams work together . . . productivity and innovation improve



Source: Based on Bruce Tuckman's Team Development & Performance Model, Korn Ferry Institute "The Inclusive Leader", 2016

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Key findings

- Companies in the top quartile for gender diversity were 25% more likely to outperform industry-median EBIT growth than bottom-quartile companies
- Similarly, executive teams in the top quartile of ethnic diversity were 36% more likely to financially outperform the industry median

Source: *"Delivering Through Diversity"*, McKinsey and Company, January 2018



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Why inclusion matters

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Teams with inclusive leaders are . . .

- 17% more likely to report that they are high performing
- 20% more likely to say they make high-quality decisions
- 29% more likely to report working collaboratively
- 83% more likely to agree that they share diverse ideas to develop innovative solutions

Source: *"Why Inclusive Leaders Are Good for Organizations, and How to Become One,"* Harvard Business Review March 2019



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Six traits that distinguish inclusive leaders

- Visible commitment
- Humility
- Awareness of bias
- Curiosity about others
- Cultural intelligence
- Effective collaboration

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How does an inclusive leader show up?

Shares personal weaknesses

"[This leader] will openly ask about information that she is not aware of. She demonstrates a humble unpretentious work manner. This puts others at ease, enabling them to speak out and voice their opinions, which she values."

Learns about cultural differences

"[This leader] has taken the time to learn the ropes (common words, idioms, customs, likes/dislikes) and the cultural pillars."

Acknowledges team members as individuals

"[This leader] leads a team of over 100 people and yet addresses every team member by name, knows the work stream that they support and the work that they do."



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Why inclusive leadership matters to growth



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Case studies

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Better quality, lower prices… more sales

- In a 100-year history, Russell Athletic never had a contract with an HBCU
- Inked deal to supply all 10 SWAC conference schools with all apparel
- Generated $50 million in first year

Inside Russell Athletic's lucrative Southwestern Athletic Conference contract



BIRMINGHAM, Alabama -- Sports apparel supplier Russell Athletics supplies hundreds of thousands of dollars in free gear every year to Southwestern Athletic Conference institutions in exchange for exclusive licensing rights.

The contract between the industry giant and the historically black universities sports collective also gives the educational institutions a $5,000 stipend for coaching gear, a $2,000 product credit for the conference commissioner, and a number of cash incentives for winning teams.

In exchange, Russell gets to supply all 10 conference schools with all apparel until June 30, 2016. Russell also gets mandatory in-stadium advertising and free tickets to basketball and football home and playoffs games among other contract provisions.

SWAC has a separate five-year deal with Nike to supply the schools with shoes and other gear. Both deals are part of an industry that generates $4.6 billion annually.

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The power of the purse

- Launched “Purse of Power” initiative that doubled life insurance sales in one year
- 53% of women including single, married, or with a partner are primary breadwinners
- As of 2020, women hold $72 trillion in private wealth
- More willing to seek the advice of an advisor



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Miel and Cafe (Honey and Coffee)

- Paint brand developed for Hispanic customers based on customer feedback
- #1 selling paint brand
- Launched over two decades ago and still relevant and used with other companies
- Inspired other lines of paint focused on Historically Black Colleges and Universities



HOME DEPOT PAINT LINE CONNECTS WITH HISPANICS

Popular Colores Origenes Will Expand to All Stores

By Laurel Wentz, lwentz@crain.com, Published on July 05, 2006

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What gets in the way of having an inclusive culture?

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What do you see?



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The old saying goes, “we believe what we see,” but actually…

WE SEE WHAT WE BELIEVE



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HOW WE THINK

FASTER THAN THE BLINKING OF AN EYE!

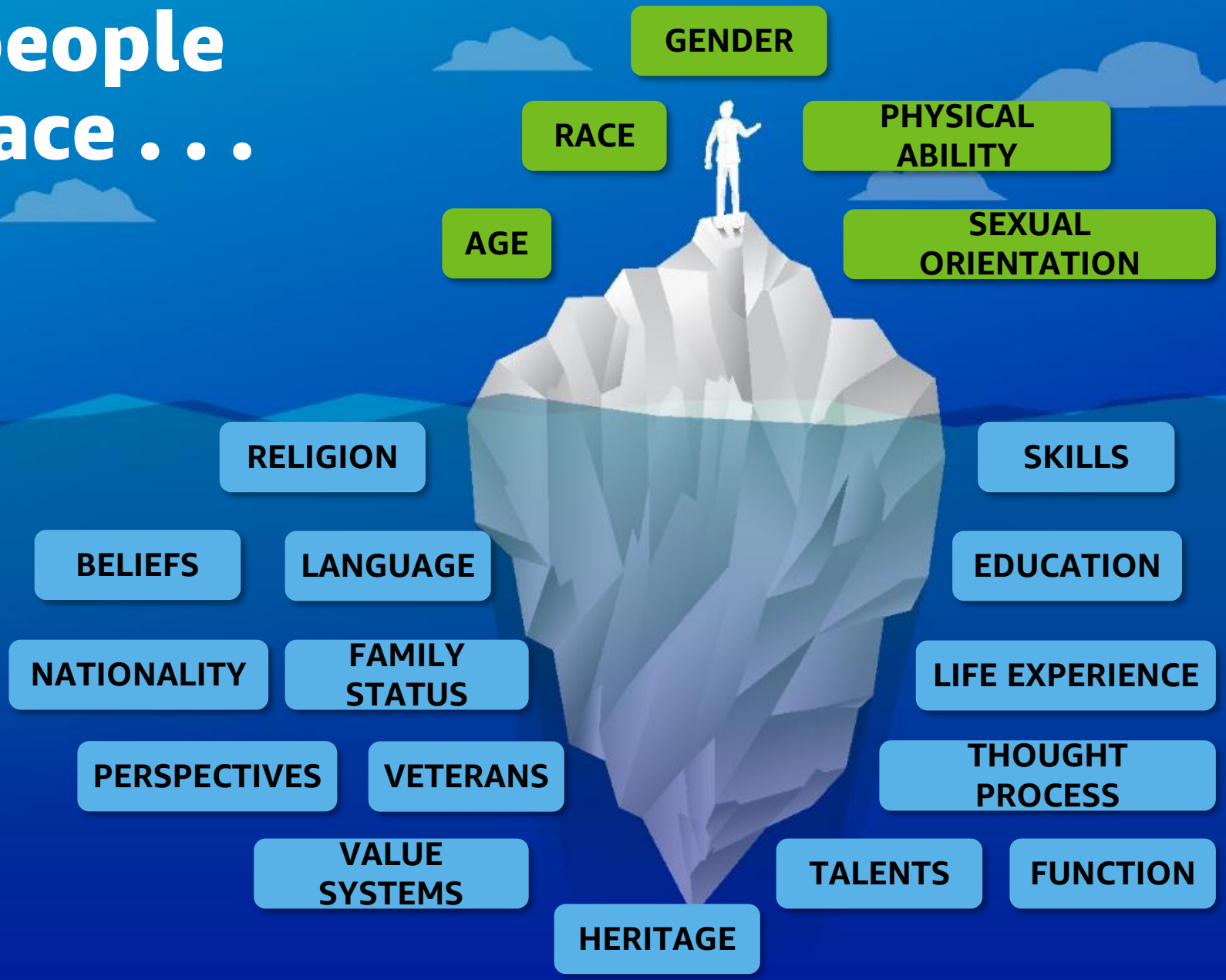
- A millisecond is 1/1,000 of a second
- 100 milliseconds – how quickly an individual's race/ethnicity is **noticed** and a decision is made whether or not that person is **trustworthy**
- 300–400 milliseconds: time for human eye to blink

Source: Fiske et al, Du Bois Review, 2009



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We only see people from the surface . . .



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What you can’t see from the surface . . .

- Studied 4 languages all at the same time
- Mother, grandmother, and great grandmother
- Learned how to proficiently ice skate in Miami, Florida
- One of the architects of mandatory ten-digit dialing for local calls
- Served as the executive coach for CEO of Bon Secours Health System

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Unconscious bias defined

"Unconscious (or implicit) bias" occurs when an individual's subconscious beliefs about attributes, such as race, ethnicity, gender, socioeconomic status, age, and sexual orientation, result in an **automatic** and **unconscious** reaction or behavior, **even in the well-intentioned person**.

Source: Santry, H. P., & Wren, S. M. (2012).



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Unconscious bias is human

Unconscious bias is not inherently bad – it's **natural and a part of our biological makeup**

Biological: Scientists estimate we are bombarded with **11 million** pieces of information at any one time

But our brain can only deal with **40-50 pieces** of this information at a given time

Source: Santry, H. P., & Wren, S. M. (2012).



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Key characteristics

- Automatic associations without: awareness, intention, or control
- Our unconscious associations often conflict with our conscious attitudes, behaviors, and intentions
- We generally tend to hold unconscious biases that favor our own in-group
- Unconscious biases are malleable



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99.999996% UNCONSCIOUS

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What does unconscious bias look like in society?



Drink temperature determines favorable rating



Large-bodied candidates receive less favorable ratings

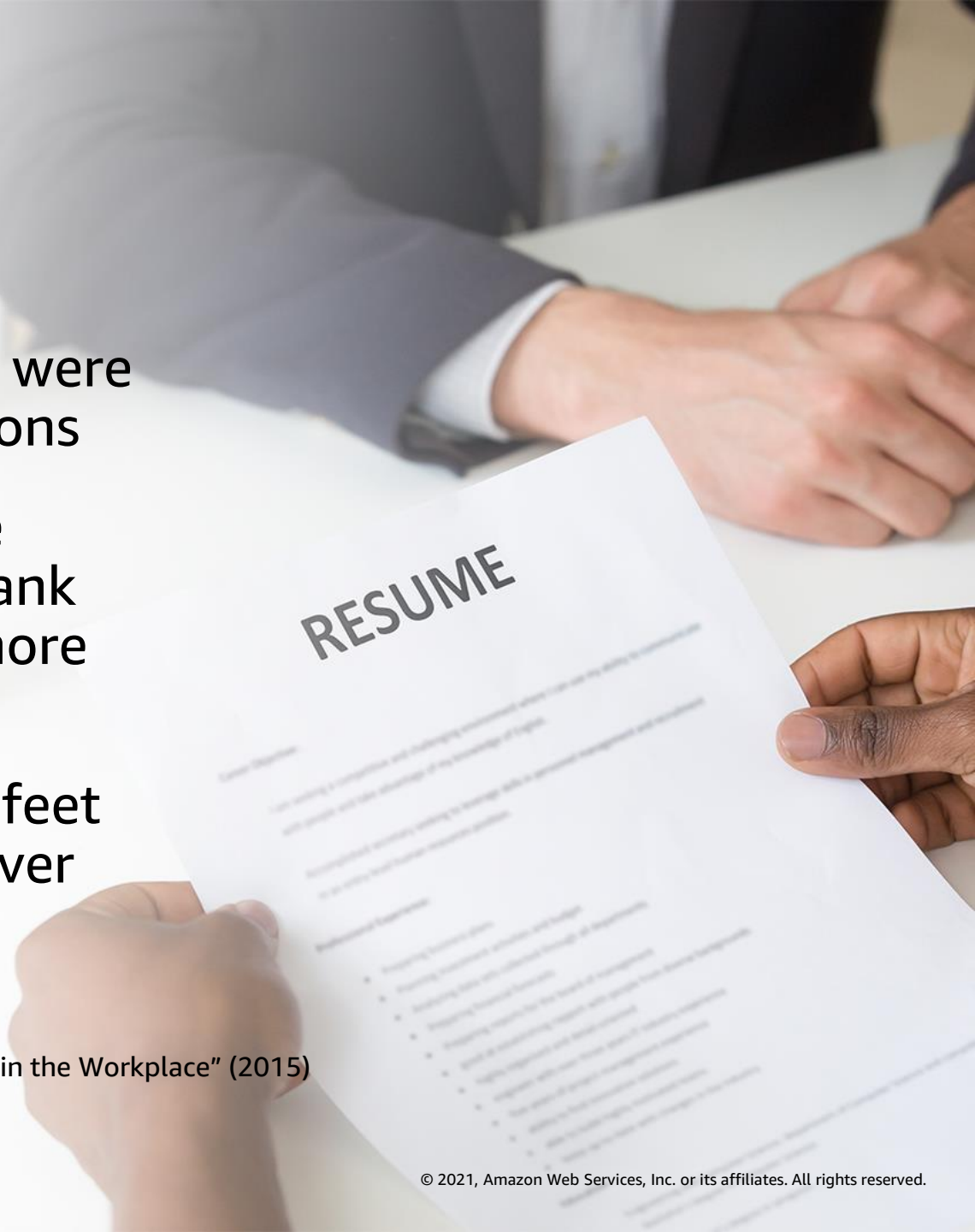


People with accents viewed as less factual

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Examples of unconscious bias in the workplace

- Job applicants with “white-sounding names” were more likely to be interviewed for open positions
- Yale University study found male and female scientists were more likely to hire men and rank them higher in competency, and pay them more per year
- Less than 15% of American men are over six feet tall, yet almost 60% of corporate CEOs are over six feet tall



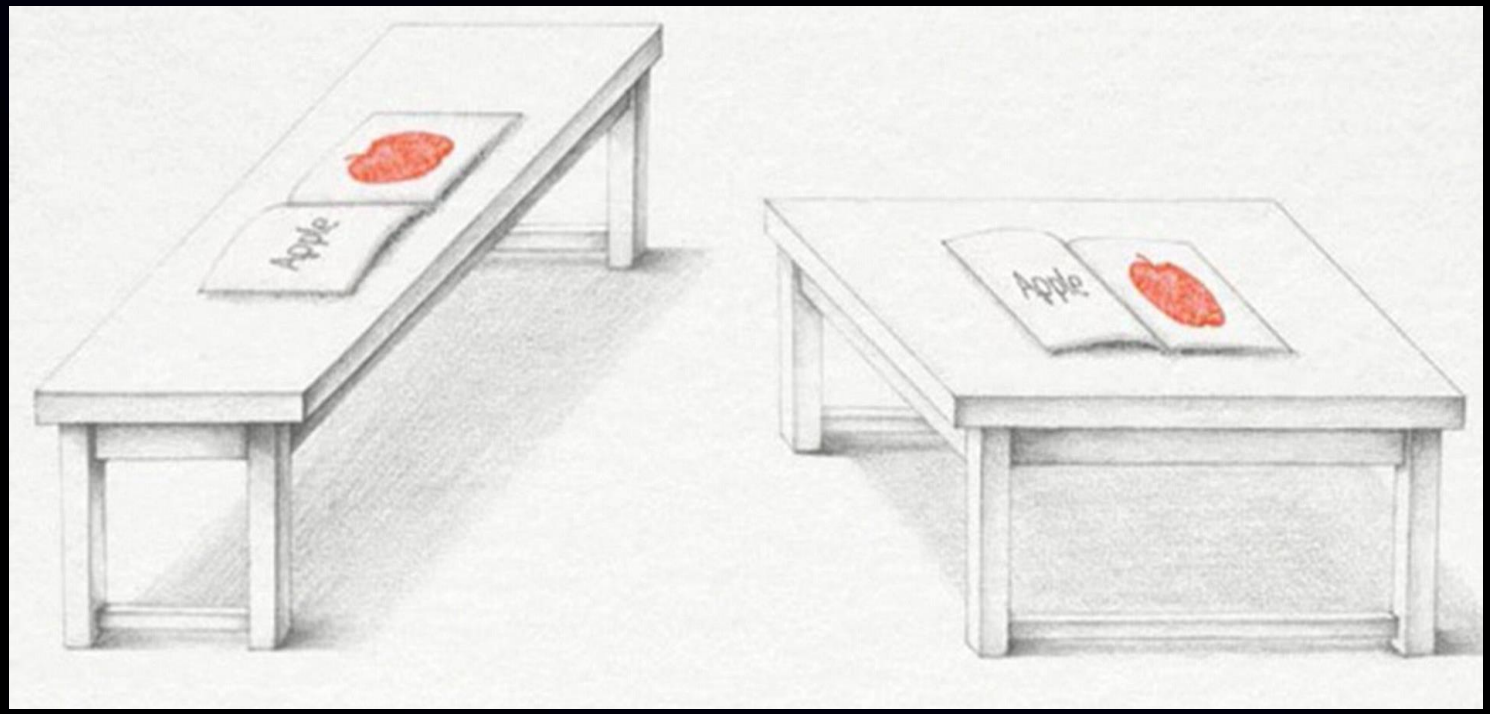
Source: UNC Kenan-Flager Business School Report, “The Real Effects of Unconscious Bias in the Workplace” (2015)

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Which table is bigger?

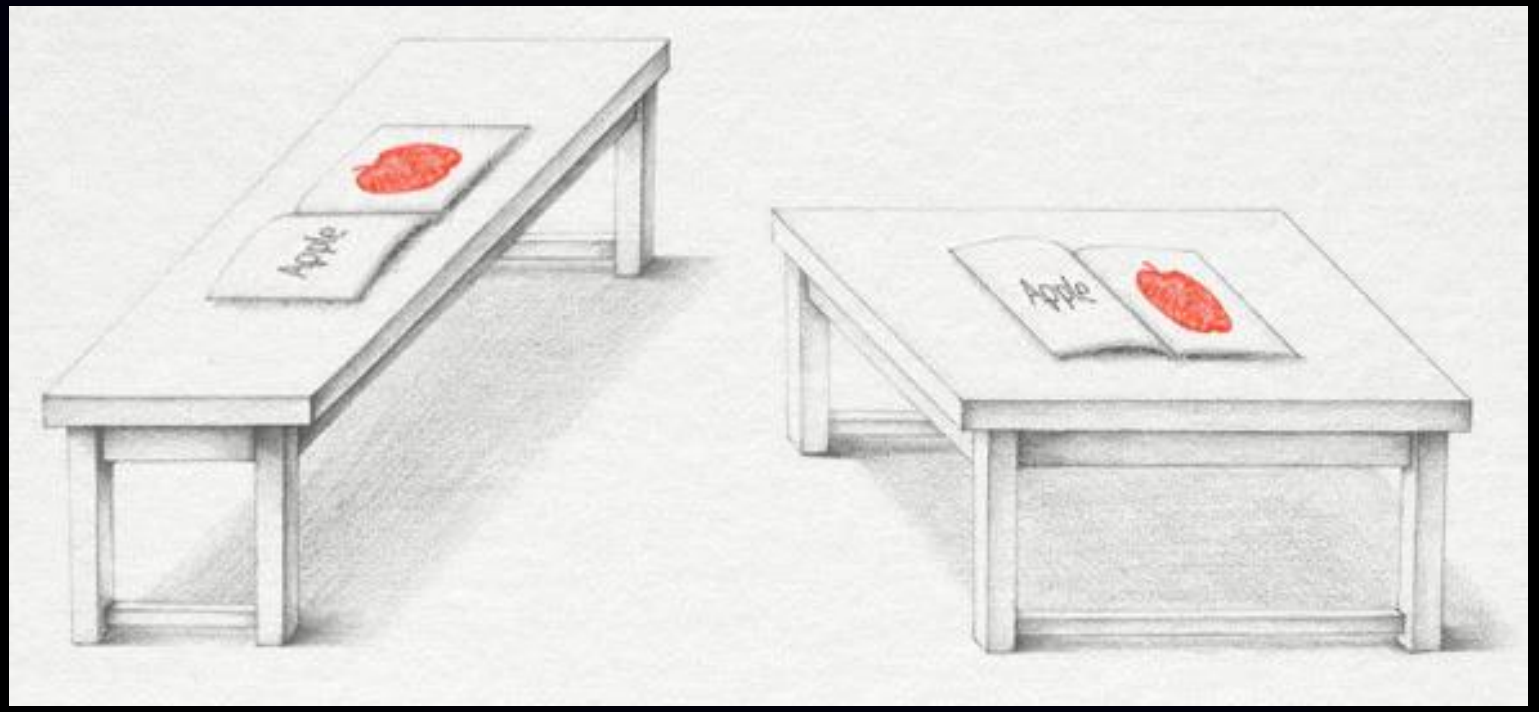
Table A

Table B



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Turning the tables: They are the same

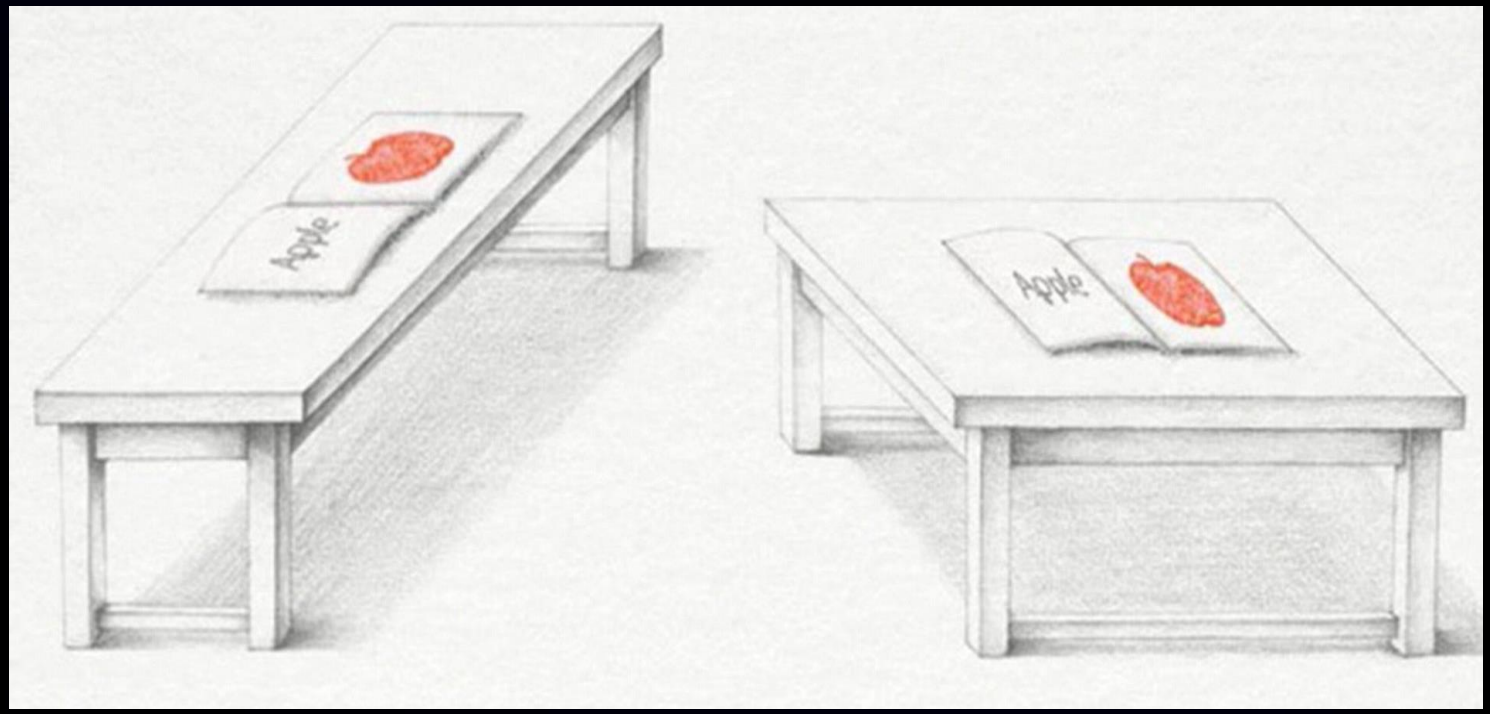


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Which table is bigger?

Table A

Table B

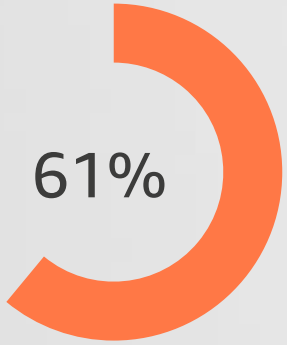


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What happens when people aren’t included?

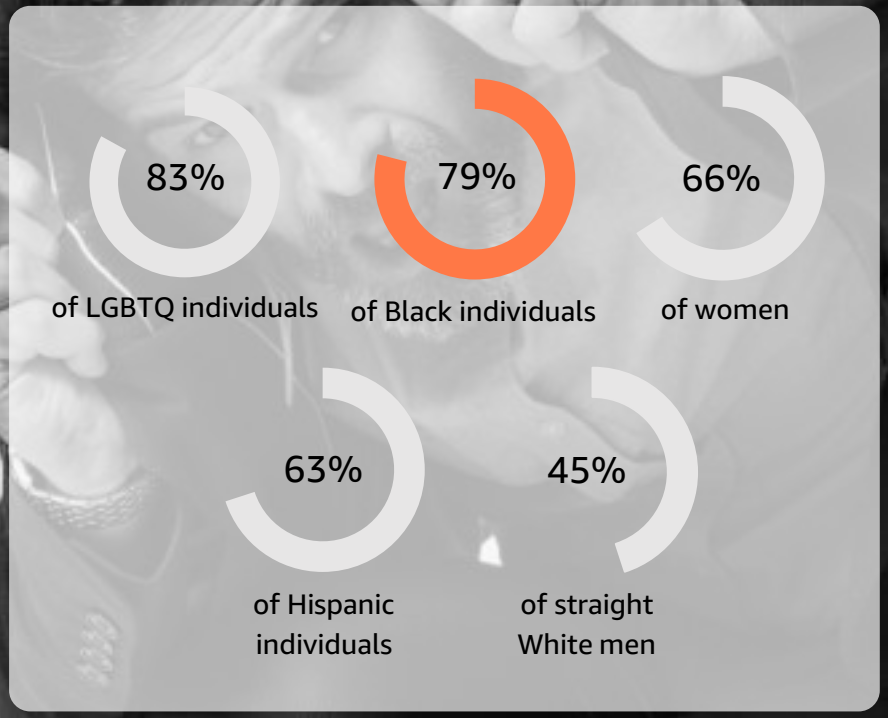
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Bend out of shape



of employees bend themselves out of shape to fit in at work

Source: Yoshino and Smith (2013)



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Bending out of shape is not only bad for business . . . people suffer



=



Psychological pain of feeling excluded

Physical pain

Source: Cikara & Fiske (2011)

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Organizations can create an inclusive culture when . . .

Everyone across the company works hard to



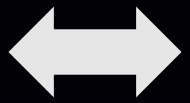
Appreciate people for who they are, especially when they are different from “me”



Make fair and equitable decisions about all people



Build connections between people who might otherwise see themselves as separate





Psychological safety

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The importance of psychological safety

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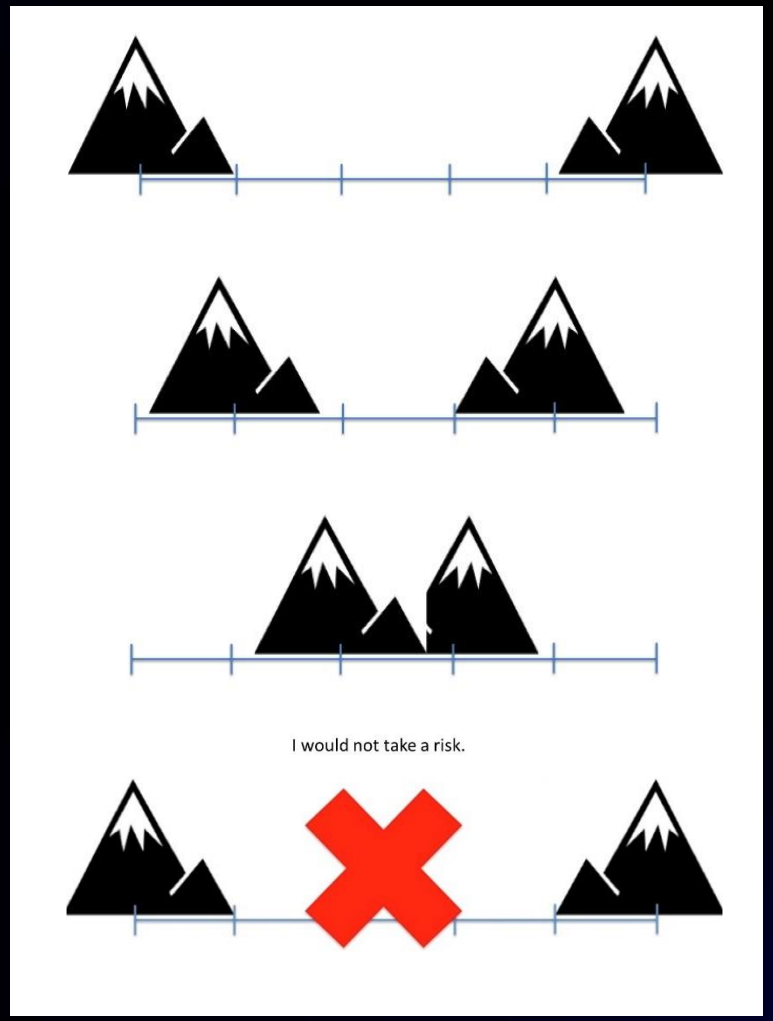
Psychological safety defined

- The feeling that people can suggest ideas, admit mistakes, and take risks without being embarrassed by the larger group
- Harvard and Google researchers discovered that psychological safety is the most important dynamic that sets successful teams apart
- The more psychologically safe people feel, the more willing and unafraid they'll be take the kind of calculated risks that can spark new innovations

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Imagine there is an opportunity to do something new within your team that involves a certain amount of risk. Think of this as jumping from one mountain top to another. There are four images below. The wider the gap between the mountains, the more risk that is involved. After reviewing the four options, choose the response that you feel best represents how much risk you would be willing to take within your current team.

How much risk would you take?
Option 1
Option 2
Option 3
Option 4



Source:https://goo.gl/4UNqaS

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What do you think would happen?

Option 1 (celebration)
Option 2 (hurt/humiliation)
Option 3 (termination/demotion/loss)



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How to create a psychologically safe team

- Show your team you're engaged
- Let your team see you understand
- Avoid blaming
- Be self-aware – and demand the same from your team
- Include your team in decision-making
- Be open to feedback
- Champion your team



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Lessons learned

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Are we seeing what's really there?



When you first look at this, do you see an old man with ivy leaves around him, or do you see a couple kissing?

(Source: *Zoom,* Banyai)

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What works well . . . what we learned

- We tend to work on first impressions – what seems obvious or preconceived ways of seeing things
- Different people see differently – this means they are looking at the same world and seeing different things
- We tend to deal with a small part of the whole picture and approach ID&E very tactically
- By taking a systems view or “lens,” we can see from multiple points of view or perspectives and see the whole picture

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What works well . . . what we learned

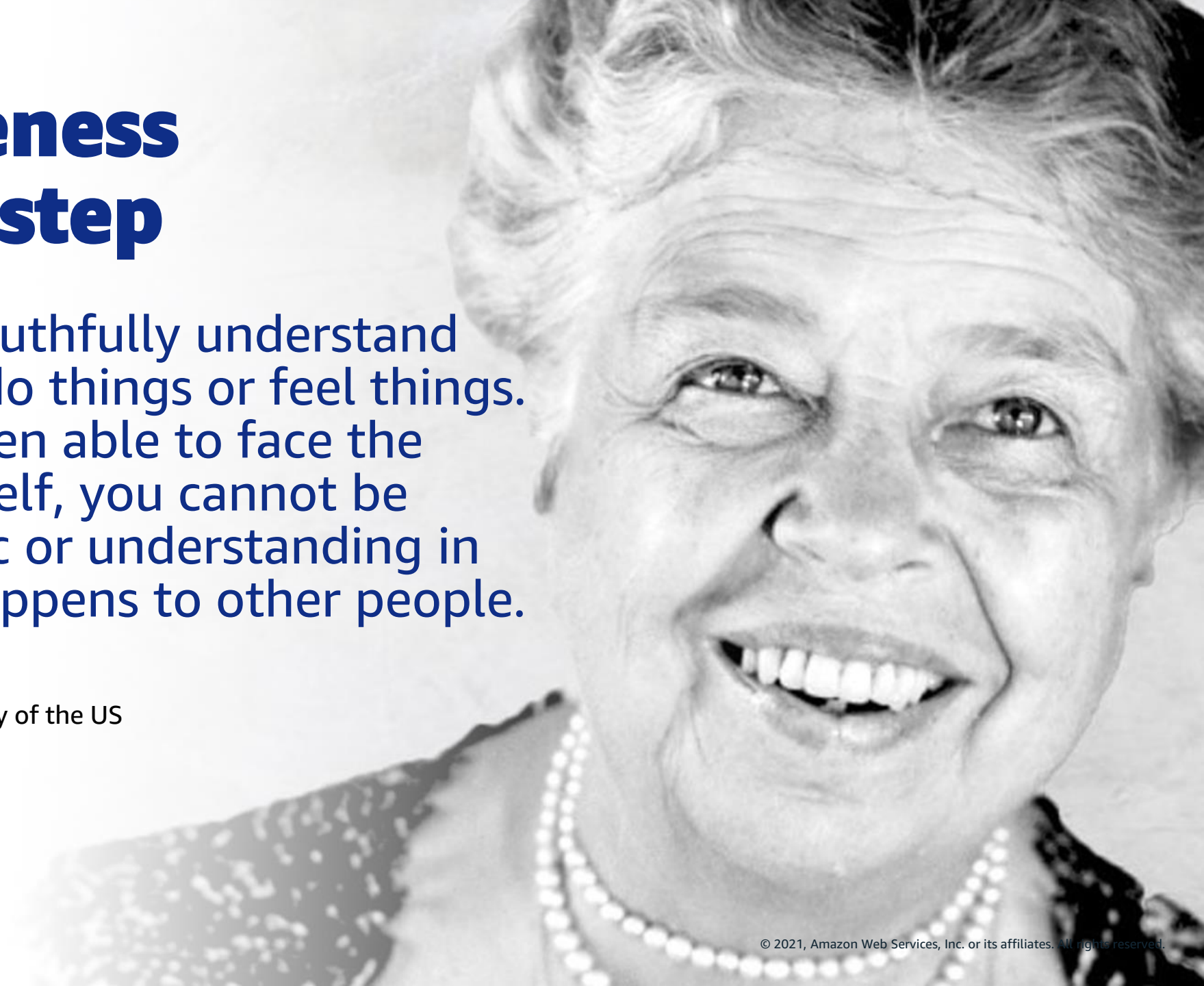
- ID&E goals are owned by business VPs (not by HR)
- Listening circles
- Measuring inclusion, diversity, and engagement
- Dedicated ID&E resources
- Incorporating ID&E into existing processes and mechanisms
- Offering multiple learning opportunities

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Self-awareness is the first step

You must try to truthfully understand what makes you do things or feel things. Until you have been able to face the truth about yourself, you cannot be really sympathetic or understanding in regard to what happens to other people.

Eleanor Roosevelt, Former First Lady of the US



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Cross-cultural competency is a must-have skill

Named #4 of the top 10 work skills needed for the future

Full list of skills:

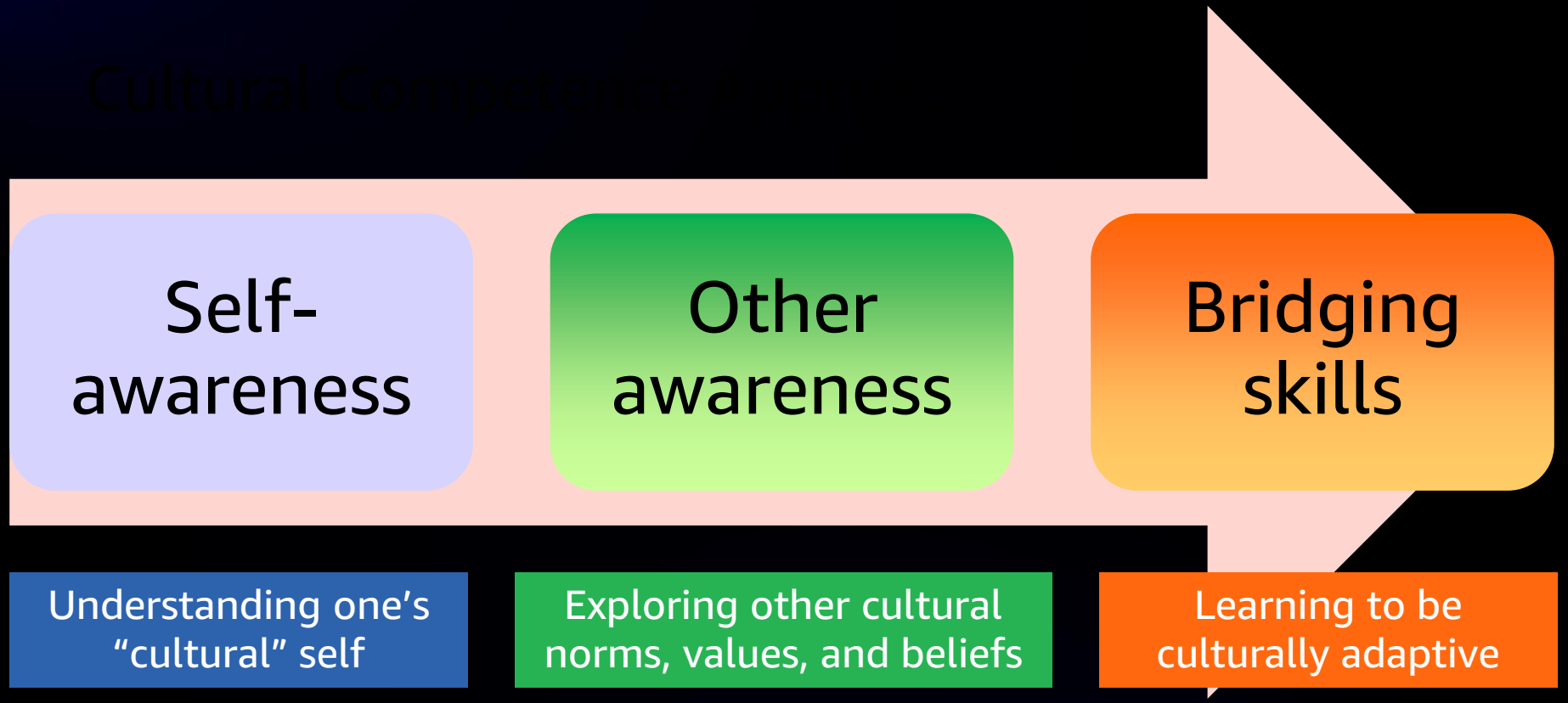
1. Sense-making
2. Social intelligence
3. Novel & adaptive thinking
4. Cross-cultural competency
5. Computational thinking
6. New media literacy
7. Trans-disciplinary
8. Design mindset
9. Cognitive load management
10. Virtual collaboration

(Future Work Skills, 2011)

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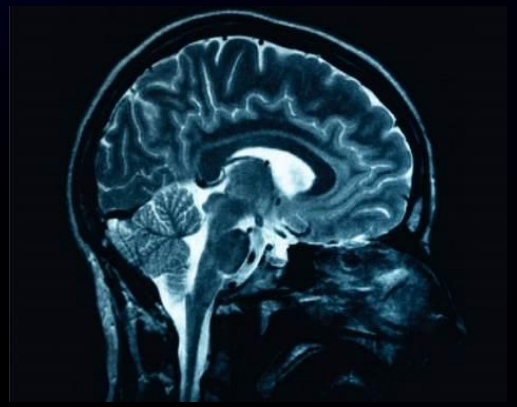
Building cultural competence



The ability to shift cultural perspective and adapt – or bridge – behavior to cultural commonality & difference

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How understanding neurology helps us change



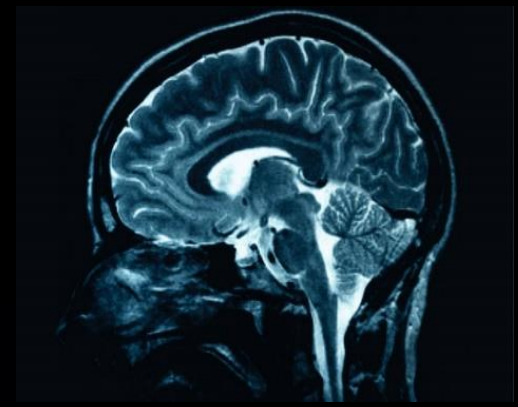
SYSTEM 1

- Emotional
- 70%
- Limbic system
- Fast
- Intuitive
- Automatic
- Effortless



Thinking Fast and Slow

By Danial Kahneman

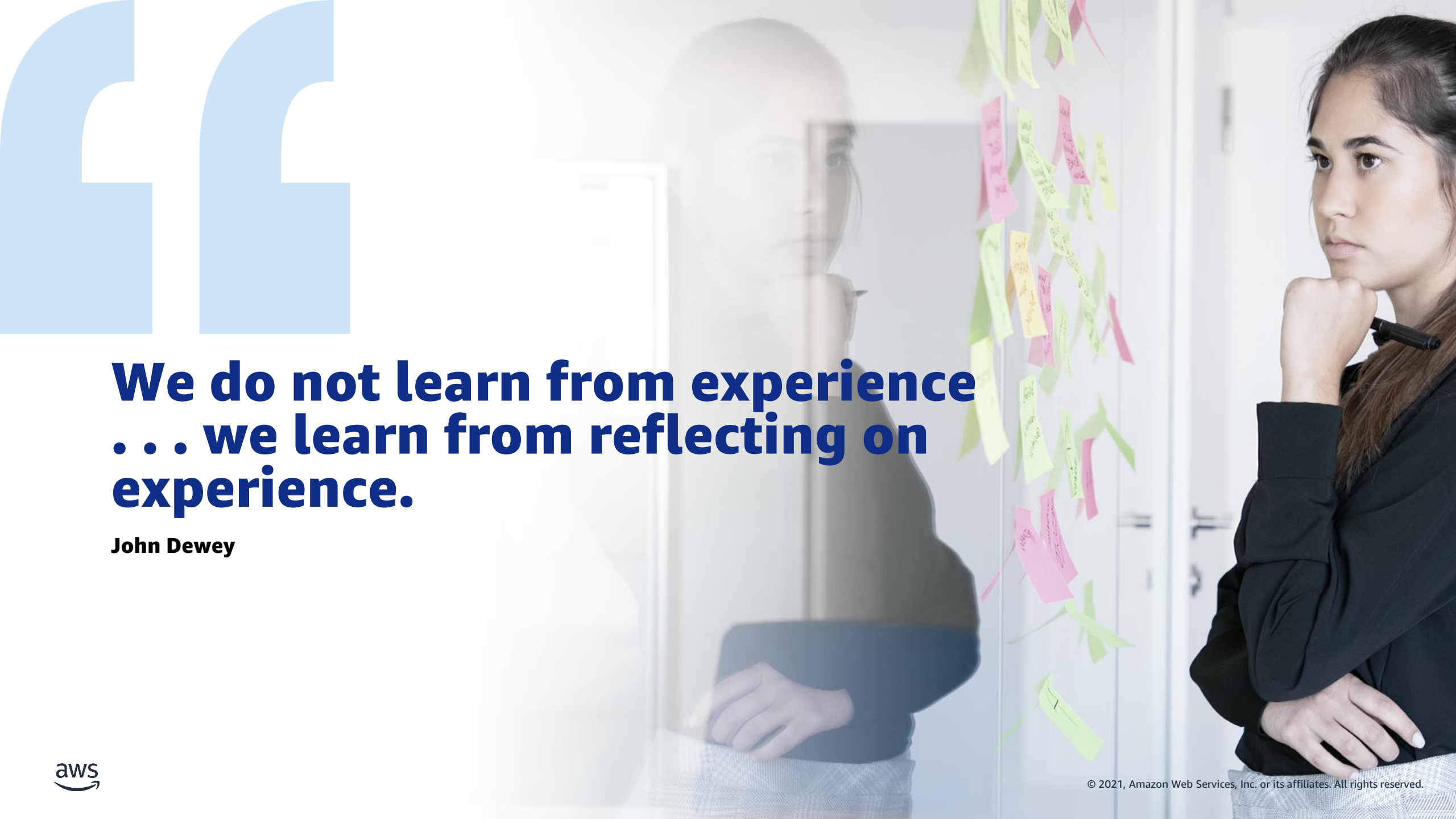


SYSTEM 2

- Rational
- 30%
- Prefrontal cortex
- Slow
- Intentional
- Choice
- Effortful

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We do not learn from experience . . . we learn from reflecting on experience.

John Dewey

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Check your blind spots

- In early the 1990s, Banaji, Greenwald, et al, began work on a tool called the Implicit Association Test (IAT)
  https://implicit.harvard.edu/implicit
- Now a well-accepted tool for measuring unconscious biases
- Not strongly correlated with conscious bias



Blind Spot

By Mahzarin R. Banaji and Anthony G. Greenwald

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Applying your new insights

- What were the most meaningful insights for you?
- What **one** new thing will you commit to doing?
- What **one** new thing will you recommend that your organization/team do to ensure that it is more diverse, inclusive, and equitable?



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Every now and then a man's mind is stretched by a new idea or sensation, and never shrinks back to its former dimensions.

Oliver Wendell Holmes, Sr., *Autocrat of the Breakfast Table*

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Thank you!

Gloria Goins

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