Unconscious Biases we see in Product Development

prepared for Agile New England

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Suggested schedule for the next hour:

- -Sharing story 5 min
- -What is unconscious bias? 15 min
- -5 unconscious biases seen in Product

 Davidonment 10 min
- Development -10 min
- -Affinity Bias exercise 20 min
- -Q&A remaining time

Unconscious Biases are

- •mental shortcuts we make
- •prejudices we have (but aren't aware of)
- •biases might be based on skin color, gender, age, height, weight, introversion versus extroversion, where someone went to college, city vs country....

If you can name it, there's probably an unconscious bias for it

Unconscious Bias



•it's how our brain evolved to mentally group things together to help make sense of the world

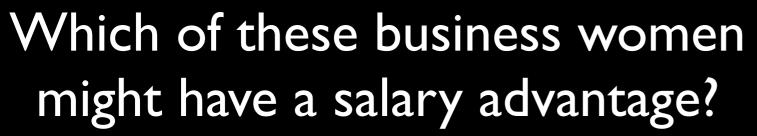
"Human beings are faced with around 11 million bits of information at any given moment" ~Timothy Wilson, author of "Strangers to Ourselves: Discovering the Adaptive Unconscious."





•from a survival point of view, this mental grouping helped the brain make quick decisions









Which of these business men might have a career advantage?





Which one might be a CEO?

Unconscious Bias



- "Blonde women see 7% increase in salary over brunette/redheads"
- "Mature-faced" people had a career advantage over "baby-faced" people²
- •More CEO's named "John" than there are women CEOs³

Scores of studies document how unconscious bias affects workplace decisions

- 1. http://amosyang.net/wp-content/uploads/2012/11/physicalappearanceandwages.pdf
- 2.https://faculty.fuqua.duke.edu/~charvey/Media/2010/VS_April_27_2010.pdf
- 3. https://www.nytimes.com/2015/03/03/upshot/fewer-women-run-big-companies-than-men-named-john.html?_r=1&abt=0002&abg=1

5 Biases commonly seen in Product Development

- •Affinity Bias a tendency to warm up to people like ourselves
- Bandwagon effect believe something because other people believe it
- •Confirmation Bias interpret/favor/recall information which confirms one's preexisting hypotheses
- Ikea affect when the labor leads to love
- •Sunk cost fallacy justification of increased investment in a decision, based on the cumulative prior "sunk cost"

Assertions

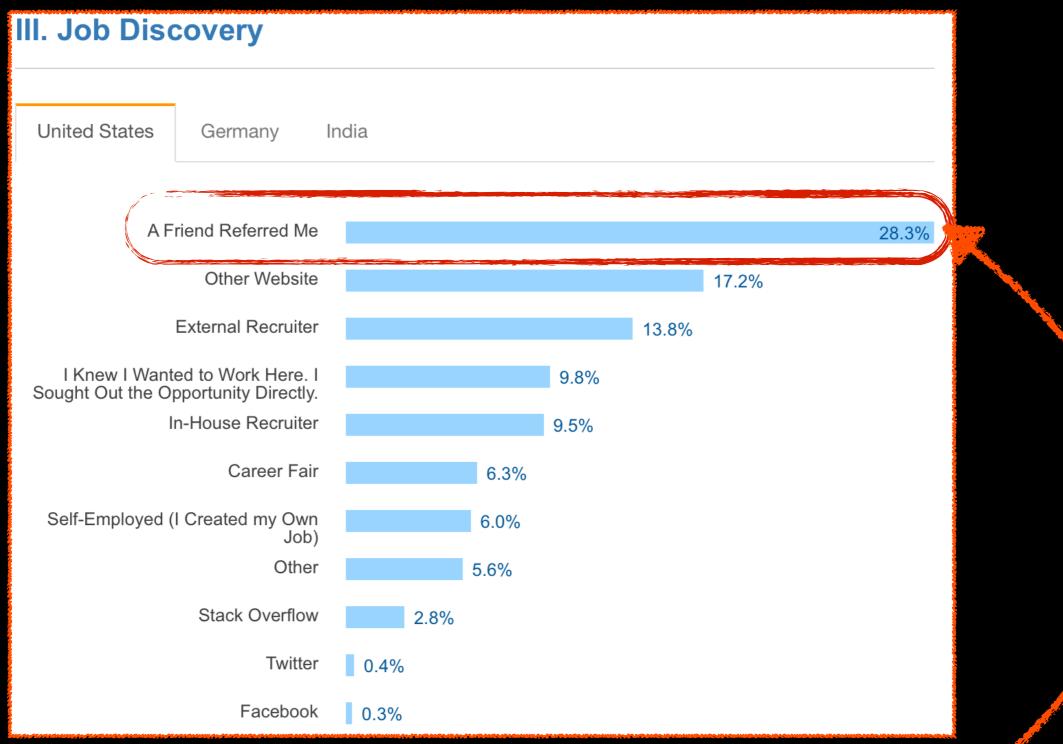
- •An inclusive workforce is needed to be able to hire top talent, drive innovation, foster creativity, and guide business strategies.
- •Multiple, diverse perspectives lead to new ideas, new services, new products, and encourage out-of-the-box thinking.

agree? any to add?

A couple of examples

- The kid on the team from Missouri
- The boardroom full of men

How do folks find jobs?



"Affinity Group" referrals??

How do we find people?

Post on job boards

Capture referrals

Target those with skills we need



Close on

compensation

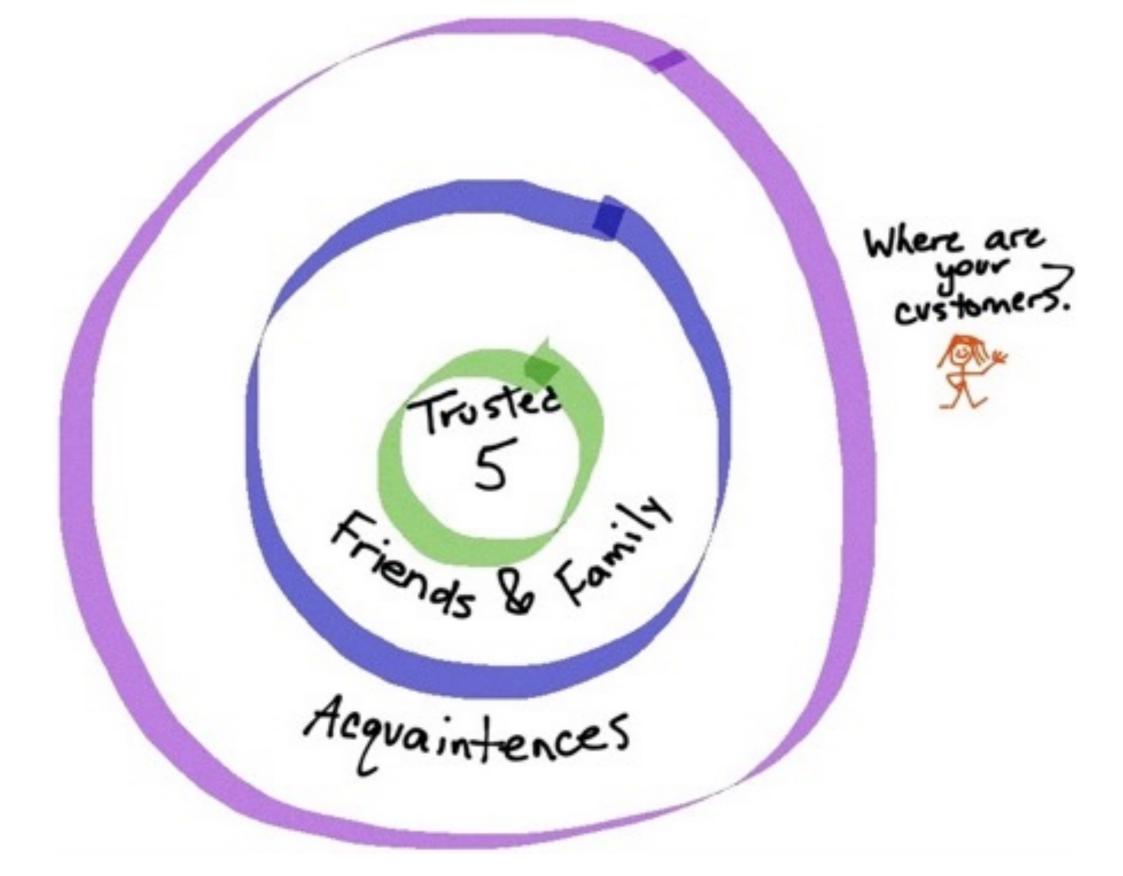
Warning: Hiring strategy for a talent surplus

Affinity bias exercise

Affinity Bias Exercise

High Trust	Gender	Race/ Ethnicity	Foreign born	Age	Sexual Orientation	Disability	Education	Marital Status	Religious denomination	Other?
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Circles of trust



Questions:

- •Looking at diversity and inclusion as a business strategy, how would embracing diversity and inclusion, i.e. embracing diverse perspectives, have an impact on
- customer empathy?
- worldview of markets?
- potential customers?
- opportunities?
- possibilities...?

In a Feb 2015 McKinsey study of 366 public companies analyzed, those in the top quartile for racial and ethnic diversity were 35% more likely to have financial returns above national industry medians. http://www.mckinsey.com/business-functions/ organization/our-insights/why-diversity-matters