



How to keep bias from hurting the bottom line

By Angela Peacock | October 6, 2016

When NBC's Matt Lauer hosted a presidential forum back in September, many felt he treated the candidates differently. He tended to interrupt Hillary Clinton more often than Donald Trump. He asked Clinton more difficult questions and seemed to challenge her responses more.

How did this happen? One possible reason is a phenomenon known as unconscious bias, which colors our perceptions of others and, if unchecked, can morph into stereotypes or prejudice.

Bias is easy to spot in the political arena, but it can also be a problem for leaders attempting to build high-performing teams. That's particularly important in healthcare, where changes in reimbursement and delivery models are forcing organizational changes – and requiring innovation and collaboration on an unprecedented scale.

Research from athenahealth shows that physician engagement levels are strikingly low and that trust in leadership is a key driver of engagement. That means healthcare leaders need to recognize how unconscious bias can impact the way they select, hire, or promote talent, motivate their staff for maximum performance, and ultimately, serve patients and customers.

Why diversity matters for business

No leader goes to work deliberately planning to keep women or minorities out of the senior ranks in their organizations, and yet it happens. And it's easy to measure how unconscious bias – and its downstream effect of a lack of diversity – affects the bottom line.

A Deloitte report from 2013 found that if 10 percent more of a company's employees feel included, work attendance can improve by almost one day per year per employee. A McKinsey & Company report last year found that gender-diverse companies are 15 percent more likely to outperform their less-diverse counterparts, and ethnically-diverse companies are 35 percent more likely to outperform those that are less diverse.

The McKinsey report also found a linear relationship between racial and ethnic diversity and better financial performance: for every 10 percent increase in diversity on the senior-executive team, earnings before interest and taxes rise 0.8 percent.



For healthcare, with its razor-thin profit margins, increasing earnings by mere percentage points can be the difference between adding additional service lines, upgrading patient facilities, or providing more charity care.

Leadership makes a difference

One way leaders can overcome unconscious bias and its downstream effects is by creating a culture of inclusion – the space in which anyone can excel. Bringing together a group of people who think differently, have different life experiences, and see through different lenses, in an environment where everyone can be heard, will help deliver better strategic decisions.

A recent New York Times Magazine article recounted the challenges Google faced when it tried to create high performing teams. One critical factor in success, they found, was “psychological safety,” defined by Harvard Business School professor Amy Edmonson as “a team climate characterized by interpersonal trust and mutual respect in which people are comfortable being themselves.”

As they build effective teams, leaders also need to be conscious of their own actions. When I train corporate leaders, I offer these tips:

Tip 1: Question and be curious.

If a colleague makes a statement that you feel has demonstrated bias, remember that he or she might not be aware of it. Aim to be supportive, rather than accusatory. Encourage him to trace his thoughts or associations, to better understand where the bias is coming from.

In the same way, question yourself. If you notice yourself making an assumption without the evidence to support it, ask yourself the following questions:

- Is this true?
- Is it always true?
- What evidence do I have?

Tip 2: Practice supportive dialogue.

Approach suspected biases with this four-step approach to ensure a constructive outcome.

1. Acknowledge (feelings): “I understand you have a belief that a single mother will not be right for this role.”

2. Clarify (avoid assumptions): “Am I missing something, as I am still unclear about this?”
3. Explore (evidence): “When you say you feel clients would be unhappy, help me understand what you mean by that.”
4. Solve (moving forward): “What would a better situation look like for you?”

To be 21st-century leaders, healthcare executives cannot afford to walk past talent in their own organizations just because it doesn't dress like them, speak like them, or walk like them.

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