
Are You Discriminating Without Realising It?



By [Stefan Thau](#) , INSEAD

Discriminatory decisions are often driven by a combination of internalised stereotypes and rational self-interest.

It's a widely held if often-lamented belief that we as humans generally prefer the company of **others similar to ourselves**. We tend to deal with the discomforts of diversity by assigning stereotypes to outward characteristics we don't share, from race to age to physical attractiveness. But does this pattern affect how we make consequential business decisions, such as whom to hire in a key role, where it's crucial to evaluate each candidate on his or her own merits?

The results of a series of recent studies Sunny Lee (University College of London), Marko Pitesa (University of Maryland) and Madan Pillutla (London Business School) and I conducted indicate that stereotypes are indeed factored into these sorts of decisions, but not necessarily in the way the "birds of a feather" theory would dictate. Rather, self-interest drove how individuals chose a candidate. Their decisions were based on the perception of candidates' stereotypical cultural strengths.

Stereotypes and selection

For the paper “[Discrimination in Selection Decisions: Integrating Stereotype Fit and Interdependence Theories](#)”, we focused on stereotypes regarding Caucasians and Asians—namely, that Caucasians excel at tasks requiring force of personality, while Asians are better at solving advanced analytical or mathematical problems. Respectively, our three studies involved participant groups of white males, South Korean males, and ethnically-mixed males.

Our first study had participants choose between similarly qualified candidates named “Geoffrey Johnson” and “Yoshi Takahashi” for either a debating (stereotypically a white specialty) or a stock-forecasting (stereotypically suited to Asian strengths) tournament. In addition to the nature of the tournament, we varied whether “Geoffrey” and “Yoshi” were presented as potential partners or opponents. Unbeknownst to participants, both the tournament and the candidates were imaginary.

In the next study, we gave the same challenge to a group of Korean management consultants who weren’t told they were part of an experiment. The third study used a job recruitment scenario rather than a tournament, with the same basic methodology.

Ultimately, the cooperation-vs.-competition binary proved decisive across all three studies. The vast majority of participants, regardless of their own race, appeared to use prevailing stereotypes to guess at the potential outcomes of their choice and proceeded accordingly. When asked to choose a collaborator, they consistently selected the candidate from the race stereotypically better-suited for the task. When choosing their competition, they did the opposite.

Potentially broad implications

These findings aren’t strictly limited to stereotypes related to Caucasians and Asians. In a subsequent study using identical methods, we found the exact same pattern when we used the stereotype that older adults are more stable, and younger ones more creative. Our [previous paper](#) found that attractive males, who are generally perceived to be more competent than non-attractive males, were preferred as collaborators but not as competitors.

The interdependence factor

The common factor across all these experiments was interdependence: All decisions were made with the expectation that the potential candidate's performance would have a direct impact on the decision-maker's own success. These findings imply that when interdependence comes into play in real-world selection decisions, self-interest tends to take precedence over the general inclination to favour one's own social group. Discrimination enters the picture as decision-makers rely on stereotypes in an attempt to figure out how the available options might affect their own prospects.

It is probable that the pattern described above becomes more relevant as the interdependence factor increases. It should be most relevant in cases where selection decisions are made by peers, but could theoretically appear wherever some amount of interdependence is unavoidable, such as in an SME.

Peer selectors, show your work

More and more companies are [incorporating peers into the hiring process](#) as part of an organisational march toward innovation. But our research suggests that there are risks to circumventing hiring managers, if organisations do not somehow address the potential for discrimination that emerges when peers select peers. One tool managers can use to ensure objectivity is a focused accountability system, whereby decision-makers are required to not only make a selection but also explain how they arrived at their decision. Research has shown that accountability has the potential to reduce self-interest and forces people to scrutinise information better. It's much harder to make self-serving choices when you have to answer for your rationale.

A delicate balance for job-seekers

If you're on the other side of the table, i.e. a candidate seeking selection from potential future peers, it helps to be cognizant of how you're likely being evaluated. If peer selectors favour candidates who are strong, but not strong enough to make them suffer by comparison, applicants are in the awkward position of having to put their best foot forward without coming across as an over-ambitious competitor. This delicate balance could be even harder to pull off if you're competing against candidates with characteristics (age, race, etc.) that make them a better stereotypical fit for the role.

In real-world organisations, the line between competition and collaboration is not nearly as clear as it was in our experiments. Almost any working

environment will involve elements of both. But one strong implication of our research is that rational decision-makers will continue to use stereotypes as a guide, unless either more specific information or keen managerial oversight intervenes.

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About the research

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