Combating hiring discrimination with anonymous job applications

Ulf Rinne says discrimination is still a big problem in today’s globalised world.
Even in today’s globalized world, discrimination is still a big problem. It is both unfair and costly – and not just for the individuals who experience discrimination, but also for society at large. While biased behaviour, for example on the basis of race and ethnicity, has been documented in a wide range of consumer markets, labour market discrimination receives the most attention.

False hope for a fair hearing
A key barrier is access to jobs. Societal costs may be particularly large when skills, experience and qualifications are not the main criteria on which recruiters base hiring decisions. Nonetheless, strikingly different callback rates following initial job applications have been documented for similarly qualified applicants from minority or other disadvantaged groups, such as immigrants, women, and older workers.

It is simply a false hope that only a candidate’s skills, experience and qualifications influence the response when sending off a CV to a prospective employer. For example, research from across the globe suggests that already a candidate’s name can lead to far fewer calls to interview. This means that Lakisha or Jamal will receive less invitations to a job interview than Emily or Greg in the United States if they are equally qualified. Similarly, Ali will receive fewer callbacks than Erik in Sweden, and Fatih will be less frequently invited than Dennis in Germany.

A straightforward idea
What will happen if the characteristics identifying minority group status are unknown to recruiters? Hiring discrimination should become impossible. The concept of anonymous job applications puts this straightforward idea into practice. It means that certain key pieces of information remain undisclosed in the written application documents which recruiters use in deciding whom to invite for a job interview. The hidden characteristics can vary in different settings, but they would typically include the applicant’s name, gender, age, race and ethnicity, and photo.
Whereas this approach is new and innovative in recruitment, anonymous procedures have long been used in other areas. For example, scientists have long used double-blind and single-blind procedures in experimental research studies. Blind auditions for symphony orchestras have demonstrated a strong impact on gender composition. Similarly, and more recently, the reality TV singing competition franchise *The Voice* features in its first stage of competition the ‘blind auditions’. This is one important reason why the show is often regarded as primarily focusing on singing ability, especially when compared to its main rival franchises *Idol* and *The X Factor*. These experiences clearly demonstrate that it is generally possible to decide or select anonymously and to achieve the intended outcomes.

**Practical experiences in Europe**

Although the use of anonymous job applications has also been proposed in the United States, empirical evidence on their effects is mainly available from field experiments in European countries. Among the practical experiences that have been rigorously evaluated are relatively large projects in France, Germany, the Netherlands, and Sweden. More recently, it has been announced that the new policy tool will also be implemented in the United Kingdom.

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According to Prime Minister David Cameron, the substantial amount of hiring discrimination is “disgraceful for 21st century Britain”. Hence, renowned British employers and universities will soon only see application documents without the applicant’s name.

In Germany, meanwhile, the process of rethinking recruitment practices has stagnated. Despite positive findings from pilot projects, anonymous job applications are not broadly used by German employers. This is unfortunate because a simpler, fairer and more efficient principle of candidate preselection is hard to imagine. This view is supported by the encouraging findings of several European studies. In most experiments, the callback rates of minority group candidates do not differ from those of comparable majority group candidates when ‘blind’ recruiting is introduced. This is what one would expect: If application documents preserve anonymity effectively, discrimination becomes impossible.

**Stereotypes, prejudices and implicit bias**

Even if recruiters rarely consciously discriminate against minority candidates, their hiring decisions will be regularly not only based on rational grounds. Unconscious thoughts play a significant role in the preselection. Stereotypes and prejudices influence recruiters’ choices, resulting in implicit bias. As a result, the best candidates might not survive the preselection stage, simply because of a foreign-sounding name or a disturbing photo. The imminent danger is therefore that objectively important criteria – such as skills, experience and qualifications – do not matter as much as they should.

That is very hard to understand, especially in times of incipient shortages of skilled workers. And it is even harder to understand when there is a reasonable alternative available that can be implemented at reasonable costs. For example, standardized forms have proven as a very practical implementation method in the German experiments because they actually ‘outsource’ the costs of anonymizing application documents to the candidates. Although
companies must schedule in advance some time to adapt the form to the respective job profile and thus also bear some costs, this pays off afterwards as applications become more meaningful and comparable, allowing faster and more objective decisions.

**Myths and misinterpretations**

Are more people invited when anonymous job applications are used? Actually, it is quite revealing when employers put forward this argument because it would imply that with standard applications, the pool of applicants is reduced on the basis of characteristics such as the candidate’s name, gender, age, origin or appearance. However, only when ‘blind’ applications are used, it is guaranteed that such features indeed play no role in the preselection. For companies, this also means less potential conflict with anti-discrimination law – and a non-negligible image boost as anonymous job applications can be viewed as a strong and credible commitment to equality of opportunity and diversity in recruitment. This can ultimately lead to more diverse applications and to better hiring outcomes.

Next to skills, experience and qualifications, also social skills and interpersonal skills are increasingly important criteria when employers screen the market for the most suitable candidates. However, it is a common misinterpretation that these latter skills could be better assessed with conventional application documents. Instead, information about hobbies, interests and motivation can and should be part of ‘anonymous’ documents in any format.

**Will discrimination only be postponed?**

Another frequent objection against the use of anonymous job applications is that with this approach, discrimination would only be shifted to a later stage in the application process. And certainly, when a candidate’s identity is revealed, and that would be not later than during the personal job interview, any conscious form of discrimination is possible and likely to happen. An employer who in no case wants to hire a woman, an immigrant or a candidate from another minority group would also not hire such a person when anonymous job applications are used. But the
situation is different when discriminatory behaviour results from subconscious processes because some minority applicants get at least the opportunity to rebut prejudices and stereotypes in a personal interview.

The success of anonymous job applications thus relies on the assumption that stereotypes and prejudices play a more important role in decisions that are based on application documents than in decisions that are influenced by the applicant’s appearance in person. However, it seems plausible that this assumption holds as in standard recruitment, discrimination appears to be strongest at the time when employers decide whom to interview.

**Ambiguous effects and unintended consequences**

It could be the case that structural differences between applicant groups have even stronger effects when recruiting anonymously. That is because information may be interpreted differently if the context is changed. For example, if recruiters are not aware of the applicant’s family situation, migration background, or disadvantaged neighbourhood, that information cannot be used to rationalize below-average education outcomes, a lack of labour market experience, or insufficient language skills.

Experiments tend to show that anonymous job applications increase the probability that minority applicants will be invited for interview. However, there are also some indications of the opposite effect, when anonymity prevents employers from favouring minority applicants or taking extenuating circumstances into account. That means that before introducing anonymous job applications it is crucial to identify which of three initial conditions exist: discrimination, affirmative action, or equality of opportunity.

Not surprisingly, the effects of anonymous job applications are as different as the established practice to be changed. The often-voiced complaint that anonymity prevents employers from favouring minority applicants when credentials are equal may thus be valid – at least in the initial stage of the hiring process, and depending on the
initial conditions. But the sad truth is that in most cases, there is initially at last some form of hiring discrimination. Minority candidates will thus on average benefit from the introduction of anonymous job applications.

**Recruiters’ perceptions may change**
Empirical evidence shows that the recruiters’ perceptions of anonymous job applications substantially change when they have had practical experience with this novel approach. For example, the results of a survey among the participating employers in a regional German experiment, displayed in Figure 1, clearly document their opinion change.

Before the experiment had started, recruiters were rather sceptical that anonymous job applications are a more objective and more efficient method of screening and selecting candidates. Only about a third of them thought that the new approach was more objective and an even smaller share supposed that it was more efficient. However, after the project had ended, a clear majority of recruiters perceived the novel approach as superior in terms of objectivity. Also substantially more recruiters regarded it as being more efficient than standard practices at the end of the experiment.

So even sceptical recruiters may finally support anonymous job applications – in particular if they have made some practical experiences with them. In contrast, a survey among applicants in the same regional German experiment documents a very broad support for ‘blind’ recruiting on the supply side: an overwhelming majority of 80 percent perceives anonymous applications as the more objective method.

**No universal remedy, but large potential**
Ultimately, anonymous job applications are not a panacea, but they have the potential to level the recruitment playing field to a substantial extent. In a number of contexts, the callback rates of minority applicants would not dif-
Figure 1. Recruiters’ perceptions about anonymous job applications before and after participating in a regional German experiment

- Anonymous job applications are more objective:
  - Before: 64% Agree, 36% Disagree
  - After: 56% Agree, 44% Disagree

- Anonymous job applications are more efficient:
  - Before: 73% Agree, 27% Disagree
  - After: 59% Agree, 41% Disagree

fer anymore from those of comparable majority applicants. But it is also true that anonymous job applications have their limits.

They are clearly not a universal remedy to combat any form of discrimination. They target one specific stage in the recruitment process and may eliminate discrimination at that stage. But there are many other circumstances where discrimination against minority candidates is present that are not affected by anonymous job applications. For example, combating discrimination in education or promotions is clearly beyond the scope of this approach. ■

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