



# THE AI CHALLENGE

**Yes, artificial intelligence is biased. But you can make it work for you, instead of against you, in the workplace.**

BY KIMBERLY OLSON

**T**he days of HR personnel thumbing through stacks of résumés are quickly receding into history. Today, most companies—79 percent—use automation, artificial intelligence (AI), or both for recruitment and hiring, according to a 2022 survey from

the Society for Human Resource Management.

Companies use such technologies to screen incoming résumés (64 percent), communicate with job seekers (69 percent), and preselect applicants for interviews (25 percent). Then post-hire, 38 percent use it for performance management.

Organizations are embracing automation for good reasons. Recruitment tools that use AI, for example, can help create more accurate job postings and weed through résumés at lightning speed, saving busy recruiters valuable time. And on the career development front, AI tools can direct employees toward relevant learning opportunities.

Unfortunately, AI isn't as fair as we might hope. Being clear-eyed about potential bias is key to helping mitigate it.

## **Impartial algorithms**

Users have noticed various types of AI bias emerging, according to DataRobot's 2022 *State of AI Bias* report.

DataRobot surveyed more than 350 tech leaders in the United States and the United Kingdom, including CIOs, IT directors, and data scientists. Of those surveyed, 32 percent reported gender discrimination and 29 percent reported racial discrimination by their own AI tools. Bias based on age was found by 32 percent, on sexual orientation by 19 percent, and on religion by 18 percent. It's not surprising, then, that 19 percent noticed AI excluding qualified job applicants.

"The repercussions of AI bias are significant," the report states. "Companies have a lot to lose—revenue, customers, employees, trust—by neglecting to address it."

They might even end up in court. In August 2023, iTutorGroup Inc. was sued by the US Equal Employment

Opportunity Commission (EEOC) for using software that screened out older job applicants, in the country's first AI hiring-discrimination lawsuit. The bias was discovered when an older job applicant was rejected—and then resubmitted their résumé with a younger birthdate and got an interview. The company, which admitted no wrongdoing, paid a \$365,000 settlement to a group of more than 200 rejected job applicants.

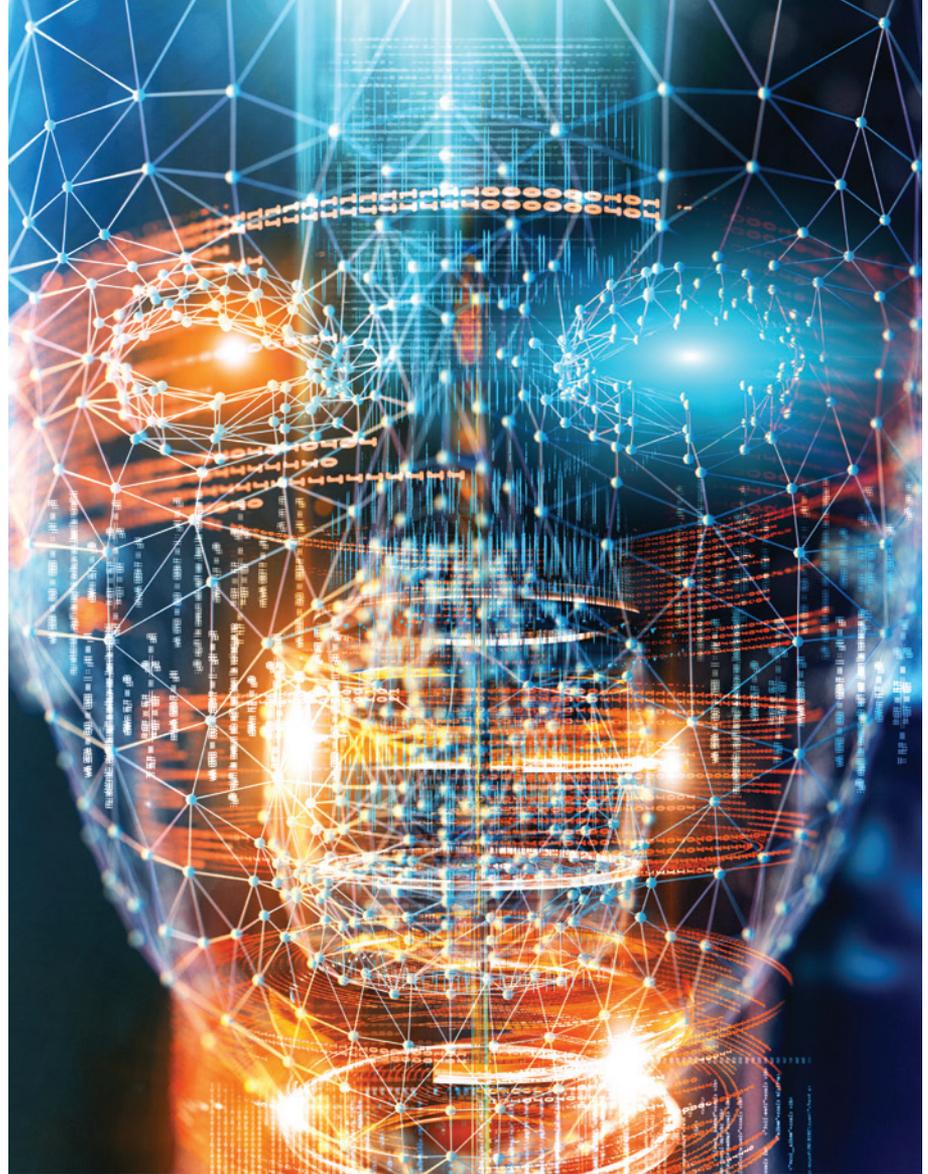
### The roots of AI bias

One cause of AI bias is the data that it's fed, which trains AI's algorithms so it can reach conclusions.

If a company is hiring a systems engineer, the AI might prefer job seekers whose résumés have patterns like those of previous systems engineers. If the organization has historically hired mostly men for that position, the AI might downgrade résumés from candidates who, for example, attended a women's college or belong to a women's organization. In essence, the types of job candidates who've been overlooked in the past will continue to be overlooked.

So data can be accurate but also skewed. "It's not about data lying," says Ifeoma Ajunwa, JD, PhD, a law professor and founding director of the Artificial Intelligence and Decision Making Research Program at the University of North Carolina School of Law. "It's more about data having incongruities. Data can be incomplete, data can be inaccurate, and data can also be biased if the collection procedures were biased."

Bias also gets introduced because humans make judgments, which then show up in the data. "Someone saying, 'Oh, we like to hire people from certain schools' can actually be code," says Ajunwa, who authored *The Quantified Worker: Law and Technology in the Modern Workplace*. "It can be a way to say we are hiring people from a certain economic class or we are choosing white males because those are predominantly the types of people



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who went to those schools. But if you couch it as, 'We like people who went to X school,' then it's hidden."

That bias might be shared by just a few managers, but AI helps it spread. "What if those managers are now in charge of training the AI?" Ajunwa posits. "Then that bias can infect the entire system. So AI can actually amplify bias and continue to replicate it."

### Reducing bias

It's not possible to remove AI bias completely, and some bias is actually

beneficial. If you're trying to address hepatitis in women, for example, you'd want data from women. But detecting and mitigating unfair bias has become a focus of organizations that want to ensure equity and protect their brand.

"The first step [for organizations] is to ask themselves, Are we adopting this AI system because it is truly relevant for our work, or are we doing it because it's fashionable?" says Ajunwa.

It's prudent to question the belief that technology always offers the best solution, a tendency called "technochauvinism," a term coined by Joy Buolamwini, PhD, an AI researcher whose TED Talk on algorithmic bias has garnered more than 1.6 million views.

For companies that choose to use AI, DataRobot suggests training employees on AI bias prevention and perhaps even hiring an AI bias or ethics expert.

Then, when purchasing an AI tool, Ajunwa advises companies to carefully examine the claims made by the vendor. In DataRobot's survey, only two in five companies said that their vendors are very transparent about steps taken to protect against bias.

Organizations like the Data & Trust Alliance are stepping in to help. The Alliance is a consortium of 26 businesses and organizations—kept purposefully small—that joined forces to create and adopt responsible practices around intelligent systems. Its first project was a procurement questionnaire that any company can use to screen AI vendors, so they know exactly what they're buying.

"Any time you want to bring AI into your environment, you have to have a good understanding of the value it's going to give you and the risks, bias being one of them," says Saira Jesani, deputy executive director of the Alliance. She notes that in 2021, bias became the issue that most concerned Alliance members, overtaking concerns around privacy.

More than 80 experts—from member companies and external sources—representing a cross-section of gender and racial diversity, helped develop the AI vendor questionnaire. "We have a distinguished engineer at IBM, the head of DEI at the NFL, the assistant general counsel at Nike," Jesani says. "We then validated their work by 200 experts across HR, AI, and also academia and vendors."

The questionnaire—which comes in a robust version with 55 questions or a briefer version for newbies—is free to any organization that wants to evaluate AI vendors. "We created education to go with it that gives basics on AI and bias," Jesani says. "It also explains what each question means, why it's important, and what a good answer looks like—red, yellow, green."

Ajunwa says it's also important to implement guardrails in the future. "That might be instituting auditing mechanisms and protocols to check

## Automation and AI: What's the Difference?

The terms *automation* and *artificial intelligence* are sometimes employed interchangeably, but they're not the same.

**Automation** involves using machines or software to perform repetitive or time-consuming tasks, like assembling a car or doing a complex math problem. Humans create a set of rules and automation follows them.

Some automation uses **artificial intelligence** (AI) to mimic the way humans think. Artificial intelligence learns on its own and can reason, provide insights, and create. The popular AI chatbot ChatGPT, for example, can write a poem in a particular style.

that the AI is doing what it's supposed to do," she says.

To stay informed about the latest issues related to AI bias, companies can keep tabs on watchdog organizations like the Algorithmic Justice League, the ACLU, and the Electronic Privacy Information Center.

### Evolving laws

Some companies are taking the initiative to mitigate AI bias, but it's something that all organizations that use AI will need to address.

The EEOC is ramping up its enforcement efforts against automated discrimination, with a focus on AI bias. Meanwhile, New York City became the first local jurisdiction requiring employers using AI for hiring and promotion to conduct AI bias audits, with other cities expected to follow suit.

In October 2022, the Biden Administration issued a Blueprint for an AI Bill of Rights. In February 2023, President

Biden signed an executive order requiring federal agencies to mitigate bias in their AI tools. That same month, he signed another executive order establishing eight guidelines for AI safety, including around equity and civil rights. There's also been talk about federal regulation.

According to DataRobot's report, 81 percent of tech leaders want the government to regulate AI bias. Their concerns around AI bias include loss of customer trust (56 percent), reputational damage (50 percent), loss of employee trust (42 percent), lawsuits (25 percent), and eroding shareholder value (22 percent).

"A lot of employers using automated hiring are not necessarily nefarious or ill-intentioned," Ajunwa says. "On the other hand, because of the lack of regulation, vendors can make all sorts of claims that could be deceptive to the employer. [Regulations can] put the vendor on notice as to what's allowed and what's not allowed in developing the AI. They also would help the employer know what sort of uses [of AI] would be seen as potentially discriminatory."

### Building better AI

A more diverse tech community could also help create more fair-minded AI. "Think about the work of Timnit Gebru and Joy Buolamwini showing that, for example, some facial recognition systems had trouble recognizing darker-skinned folks," Ajunwa says. "This clearly shows that those systems were not tested on darker-skinned folks. So [having] darker-skinned folks, people of different genders, of different sexual orientations in Silicon Valley would help obviate those kinds of problems because those types of people would raise that issue at the design stage."

Jesani says those outside the tech world also have a role. "They should [share their] opinion of how to get the most out of AI and to regulate it," she says. "There's a call for all voices to be heard." **IN**