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Let algorithms show if they can make better hiring choices



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It is not just our biases that get in the way but that past performance cannot predict results



We reported this week that top professional services firms in London, Scotland and the US practised widespread discrimination, shutting out recruits who did not belong to a select social and educational group.

Some of the firms had made an effort to look beyond top universities. London law and accountancy practices

had offered internships and mentoring to school and university students from less privileged backgrounds, according to the UK's Social Mobility and Child Poverty Commission, which studied the situation in England and Scotland.

But that did not significantly raise the number of trainee lawyers and accountants they hired from those groups. The problem was that, faced with a final set of potential recruits, too many interviewers opted for people with whom they felt comfortable.

One called it the roommate test. "Are they someone you want to share a room with?" Another said: "I'm very interested in people who've gone travelling" — which, as the Social Mobility Commission pointed out, required money.

Some firms said they did not have the time to search beyond the top universities, which had already selected the best students. "Number one people go to number one schools," said one US lawyer, quoted in a book called *Pedigree: How Elite Students Get Elite Jobs*.

An interviewer at a London law firm agreed that it was statistically highly probable that there

were able recruits at non-elite universities, but asked: “How much mud do I have to sift through . . . to find that diamond?”

But, even after dredging familiar waters, many of the firms did not seem happy with what they had found. The UK commission reported that many of the recruiters said the people they thought would be the best lawyers and accountants often did not end up having very successful careers.

No one who has ever done any hiring should be surprised by this. My own record in appointing people is mixed: some worked out, others did not.

It is not just our biases, unconscious or not, that get in the way. It is that people who succeed in one job do not necessarily thrive in the next one.

This is particularly true when people move into management. Those who seemed decisive flounder when having to deal with so much more information. Some, who seemed adept at talking people round, become authoritarian and inflexible when, as bosses, they encounter opposition.

As the investment advice says: past performance is no guarantee of future results.

This is why, while I am sceptical about some of the claims of big data enthusiasts, I am prepared to give a hearing to those who say algorithms would make better hiring decisions than humans.

Xerox Services teamed up with Evolv to help it recruit people for its call centres. Evolv used data on what made people leave their jobs to help Xerox reduce staff turnover.

People who belonged to fewer social networks were more likely to settle down at work. Xerox found that staff attrition at some call centres fell by 20 per cent. Other findings accorded with mine: experience was no predictor of how a candidate would perform.

The data-based process “actually opens up doors for people who would never have gotten to interview based on their CV”, Xerox said.

Could it work for more senior jobs? Laszlo Bock, Google’s head of “people operations”, insists it could. You do it “by looking at large sets of data and inferring relationships, similarities, and predictors of success and failure”, he wrote in a LinkedIn post.

Instead of looking for people with four years of accounting experience, you search for those with “ability to learn quantitative methods combined with a zeal for catching and correcting the smallest of errors, persuade with data, and thrive in social settings”, then use the data to tell

you what sorts of people are likely to have that.

I still see problems: interrogating the data still requires those fallible managers to understand and articulate what they are looking for.

Also, humans are not aeroplanes or even driverless cars. Doing their jobs requires them to interact with other quirky unpredictable people.

But let us see more experiments in data-driven recruitment and compare the outcome with what we have now. We can look at whether the results are any more impressive than our current flawed methods — and whether we uncover any hidden diamonds.

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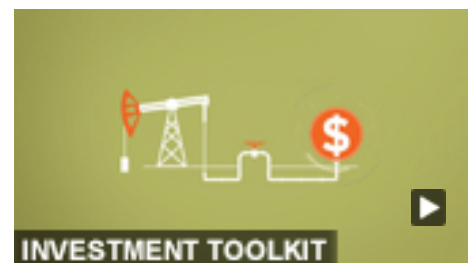
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