

Second Chance Hiring Toolkit for Employers



Introduction

After publishing a few blog articles about second chance hiring, we began to get a steady stream of phone calls and emails from companies asking for advice on how to do it.

We decided that the best way to support them is to tell the stories of other companies that have created second chance employment initiatives. Why they decided to create this type of hiring. How they did it. What they learned from the experience. And what kind of advice they can give to others who might be thinking about launching second chance hiring programs of their own. We're doing this through our Second Chance Employers Network.

Based on the number of visitors we've gotten on the Second Chance Employers Network section of our website – hundreds every week – we realized that we're providing information that business leaders need and want. So, we asked ourselves, what else can we do to promote the practice of fair chance hiring? In an era marked by a serious labor shortage, how can we help more companies find workers who are motivated, loyal, eager to work and appreciative of the opportunity they are given?

This toolkit is the result.

We hope you will find it useful in your efforts to explore the possibility of creating a second chance hiring initiative of your own. Or that it will give you some guidelines if you've already decided to do it.

We are interested to know what you think. So please feel free to contact us if you have any questions or suggestions.

And once your program is underway, let us know, and we'd be happy to speak with you about becoming a "member" of our Second Chance Employers Network and telling your story. That way other companies can learn from what you have done as well.



Making the case for second chance employment: a smart business decision

One of the main reasons to consider second chance hiring is that, if you don't, you're missing out on a very large pool of potential workers. After all, approximately 70 million people in the United States – an estimated one out of three adults – are living with a criminal record. And more than 600,000 people are released from prisons and 7 million from jails each year. We hope to inspire you to see the importance and benefits for employers in embracing the concept of second chance – or fair

chance, as some prefer to call it – hiring.
People who were previously incarcerated tend to make dedicated, loyal and long-lasting employees.
And there's research to back that up.

A study conducted by researchers at UMass Amherst, Harvard and George Washington University found that members of the military who were formerly incarcerated are promoted more rapidly and to higher ranks than other enlistees.

Those with any serious – and even not so serious – doubts, can check out the studies on second chance hiring done by Johns Hopkins Health System and the ACLU. You also may want to read The Business Case for Criminal Justice Reform: Second Chance Hiring, published by the U.S. Chamber of Commerce for even more evidence.

The Rand Corp. put together a research report, Resetting the Record: The Facts on Hiring People With Criminal Histories, released in early 2024. What it discovered, Rand says, can "help employers make better, fact-driven decisions about hiring people with criminal records."

And if that's not enough to convince potential employers of the benefits of fair chance hiring, the U.S. Chamber of Commerce, which represents thousands of businesses and is said to be the nation's largest lobbying group, is promoting the practice.

The organization's data center provides evidence that increasing employment for formerly incarcerated individuals or those with a criminal record creates opportunity, drives economic growth and strengthens the nation's social fabric.

The years of the Covid pandemic created a labor

shortage that affects nearly all industries in every state. And as of mid-2024, the Chamber data found that the U.S. labor force participation rate is currently at 62.7%. In other words, only 62.7% of the working-age, non-institutionalized U.S. population is either employed or actively seeking employment.

In addition, second chance hiring is becoming more acceptable among employers. In fact, according to the National Association of Manufacturers' 2024 Second Quarter Manufacturers' Outlook Survey, conducted between May 14 and June 3, 2024, 31% of manufacturing companies have a fair chance hiring program already in place.

It's not just employers who are in favor of fair chance employment. Employees want it too. A survey of 1,000 workers commissioned by Indeed in 2022 found that 92% of respondents said they would feel comfortable working with a person who had a nonviolent record with just a single incident. Not only would they not feel uncomfortable, but 73% of people responding said they would prefer to work for a second chance employer.

There are many reasons why companies may want to make fair chance hiring a part of their employee recruitment practices. It might be because they're attempting to fill a labor shortage; or hoping to attract loyal, dedicated, hardworking employees. Or maybe it's just the right thing to do.

Yes, one important thing may be that it's just the right thing to do, both for the individual involved and for society as a whole. Hiring those who have been justice-impacted helps keep them from returning to prison. Research by the U.S. Chamber of Commerce's data center has found that those in reentry who are able to hold a job for one year

after release experience a recidivism rate of just 16% over three years. Those who are unable to maintain employment, however, experience a 52% recidivism rate over that same time period.



Financial incentives

In addition to those benefits, by instituting second chance employment practices companies can take advantage of financial incentives offered by the Dept. of Labor.

The Work Opportunity Tax Credit (WOTC) is a program sponsored by the United States

Department of Labor to promote the hiring of people from specific target groups that experience barriers to employment. It applies to previously incarcerated individuals hired no later than one year after conviction or release from prison. The WOTC offers up to \$2,400 in tax relief for each qualifying hire from this population. And employers may claim a tax credit on an unlimited number of qualifying new hires.

Another employer benefit offered by the Dept. of Labor is The Federal Bonding Program. This

program protects employers who hire at-risk, hard-to-place jobseekers, primarily people in reentry. It provides up to \$5,000 worth of protection against losses that may come about from an employee committing forgery, theft, embezzlement or larceny. And it doesn't cost anything for either the employer or the employee.

State bonding coordinators can help companies enroll in the program. And you can find one by searching the program's online directory.

second chance hiring practices.

When considering hiring individuals from this population, it's essential to understand the challenges, stigma and biases they encounter during reentry as they leave prison and seek employment. A helpful way to gain this perspective is by watching the virtual reentry simulation 25 minute video created by Chekr.org, the corporate foundation of the Chekr background screening company.



Getting started

The best way to start your journey toward second chance hiring is to read Untapped Talent: How Second Chance Hiring Works for Your Business and the Community.

In this excellent book, Jeffrey Korzenik, chief economist of Fifth Third Commercial Bank, makes the case for hiring people with criminal records. And he outlines the strategies that companies can take to achieve success in doing so. The book, the only one of its kind that we know of, also tells the stories of some of the early efforts to institute



Taking the first steps

You can get an idea about where your company stands in its fair chance recruiting, human resources and employment practices by taking the 10-question Fair Chance Self-Assessment offered by Envoy, a social impact advisory firm that specializes in fair chance employment, among other things. This assessment will help you understand what sorts of fair chance practices your business has already implemented and areas in which it can improve.

It's very important to discuss your desire to

explore instituting second chance hiring with your company's senior leaders. Many of the companies we've interviewed for our Second Chance Employers Network profiles told us that this step is essential. And that this type of hiring won't work without buy-in from those at the top. Make sure before you begin that everyone – or almost everyone – is on board with the idea.

You may be able to accomplish this by putting together a list of reasons why you think the practice will benefit your company or nonprofit and present them to senior management. If they seem interested, send them links to some of the studies mentioned in this toolkit. And maybe suggest that they read Jeffrey Korzenik's book.



Turn to experts for help

A handful of organizations have created programs for those interested in establishing a second chance hiring initiative. These provide everything from education on the ins and outs of second chance employment to training that helps companies learn what they need to know to launch a program of their own.

SHRM -- the Society for Human Resource
Management, the world's largest organization for
human resources professionals with more than
300,000 members – has created the Getting Talent
Back to Work Self-Assessment.

The free assessment includes 10 multiple-choice questions focused on working with job seekers who have criminal records. And it takes less than 10 minutes to complete. Immediately after answering the questions, you will receive a customized report with information related to the answers you provided. This report will include tools and resources to help guide your company if it is thinking about launching a second chance hiring program.

As part of the organization's Getting Talent Back to Work initiative, SHRM has created a digital toolkit with a variety of resources related to every aspect of the second chance hiring process – from workplace readiness and talent acquisition to onboarding and talent development. In addition to those of SHRM itself, these include resources offered by Dave's Killer Bread Foundation, CareerOneStop, the U.S. Equal Employment Opportunity Commission and the Annie E. Casey Foundation.

SHRM also manages the Getting Talent Back to Work certificate program, a 10-hour curriculum that is free to both members and non-members alike. The program consists of 10 learning modules and a final exam and survey. Those who participate will learn how to, among other things, "create organizational strategies and processes to recruit, hire, retain and advance people with criminal records." They'll also receive a certificate upon completion.

Jobs for the Future acquired the Dave's Killer Bread Foundation's Second Chance Employment program in late 2022 and made it part of its Center for Justice and Economic Advancement. This program includes the Fair Chance Corporate Cohort, which offers an online training ground for businesses and nonprofits that have committed to hiring former justice system involved individuals. Each cohort takes place over eight weeks and requires a three- to four-hour weekly commitment. Upon completion, cohort members will have a practical plan for implementing second chance hiring.

The Second Chance Business Coalition, a coalition of large private companies that are interested in expanding second chance hiring, includes a host of resources on its website.

Perhaps the best tactic to use when exploring second chance hiring is to talk to some of the people who have done it. For the most part, we've found that business leaders who have launched second chance hiring programs are proud of what they've done and happy to share the knowledge they've gained in the process.

You can find these people in several ways. First of all, you may want to begin by looking at the profiles of the companies in our Second Chance Employers Network. The network includes examples that range from tiny companies like I Have a Bean coffee roastery, Black Power Redevelopers electrical contractor and R&R Head Labs barbershop to large, major corporations like Southern Pacific, Indeed and Radius Recycling. They cover a wide variety of industries that include manufacturing, food production, transportation and healthcare. Read the profiles and choose a company similar to yours. Try to find out the appropriate person to contact and give them a call or send them an email.

We can't promise anything, but our hope is that second chance employers will be happy to share their experiences with others to further expand this growing movement of creating fair chance employment.

You can also find some other companies in Jeffrey Korzenik's book and in Dave Killer Bread Foundation's Second Chance Playbook. In addition, the website of the Second Chance Business Coalition includes a list of its members. But these are major corporations. And it may be a bit of a challenge to find the right person to talk to. If that turns out to be the case, start with the employee who handles or leads the company's diversity, equity and inclusion (DEI) efforts.



Creating a second chance hiring program

Finding employees

Once you've set up a program, you have to create a pipeline of potential employees. There are a variety of ways to do this. Some companies we know say that word of mouth works best. But you have to have a number of second chance employees

already working for you to spread the word and attract more.

In the meantime, there are several tactics you can take to find recruiting partners who can help with your efforts.

You may want to list your job openings on Honest Jobs, the primary job search engine that specifically caters to people looking for second chances. And Honest Jobs can even set up a second chance hiring program for your company or nonprofit.

If you list on general job sites like Monster or Indeed, be sure to include the fact that you are a fair chance employer or that you will consider qualified applicants with criminal histories, previous justice-involved or whatever terminology you feel comfortable with.

There are a variety of local employment agencies across the nation that specialize in helping those with records find work. All Star Labor and Staffing in Oregon; and Working Fields, which operates in Vermont, New Hampshire and Massachusetts, are two that we have profiled. But there are others. So see if there are any in your area.

Also, be sure to check out the Kelly 33 Second Chance Program for possible direct and tempto-hire job candidates using this Kelly Services' innovative program.

While employment agencies offer a traditional way to find potential employees, you can also search out nonprofit organizations in your community that specialize in preparing formerly incarcerated job seekers to look for work. Dave's Killer Bread Foundation includes a Second Chance Ecosystem map on its website that

highlights some of these nonprofits.

The Second Chance Business Coalition also has a community partners map on its website where you can find more potential nonprofit organizations.

Another resource, one that was created by the Manufacturing Institute, explains how to build community partnerships, so you will know how to identify potential partners, and engage and work with them.

Those in the restaurant and food service business may want to check out the National Restaurant Association Educational Foundation's HOPES (Hospitality Opportunities for People Entering Society) program. The organization, spurred by a serious lack of workers in the industry, created HOPES in 2019 to offer individuals who have previous justice involvement job training, employment and advancement opportunities. It currently operates in seven states: Massachusetts, Illinois, Virginia, Delaware, Michigan, Ohio and Texas.

An internet search can be another very effective way of finding community partners who can make job applicant referrals. Searching by using terms such as "reentry programs in (city name and/or county name)" should produce potential organizations to contact. In addition to having the community partner's support and help with sourcing people to interview, many of these organizations are able to offer wraparound support services after you've hired their clients.

Another way to discover these organizations is to contact your local American Job Center. Sponsored by the U.S. Dept. of Labor, these job centers were created to help job seekers find work. And many of them include people who specialize in working with

those who want a fresh start. This link will take you to a search engine that uses locations to find offices that provide "Job Search Help for Ex-Offenders."



Consider the conviction

While some companies will accept applicants with most convictions – although many draw the line at sexual offenses – others carefully consider the nature of the offense and how long ago it was committed. You should also look at the crime and whether it would have any effect on the position being applied for. Many wouldn't hire someone who had been convicted of fraud or stealing from an employer to handle financial matters, for example. But a crime, even a violent crime, committed when the person was younger, shouldn't rule them out, especially if they can prove they've made steps toward rehabilitation.



Background checks

If you want to be a fair chance employer and feel the need to run background checks, it's best to do that after you've made a provisional offer. If applicants haven't already discussed their history, give them a chance to do so. That way they can explain what they've done to better themselves. This could include a variety of rehabilitation programs and educational opportunities both in prison and since they left.



Once they're hired

There are many things you, as an employer, can do to make second chance hires feel welcome, be able to adjust to their new working environment and ultimately remain employed, achieve advancement and be successful.

Pair them with a mentor.

For many second chance hires, this may be their first job post-prison. Providing a mentor who can help them adjust, understand the company culture and learn their job can help ensure success. The mentor could be a person who is doing a similar job or possibly someone who was a fair chance hire themselves.

Establish a supportive environment.

Make second chance hires part of your diversity equity and inclusion (DEI) efforts. Inform your employees that you plan to launch a second chance hiring initiative. Also explain to them what it's all about and the benefits it can bring to them, to your company and to society. You may also include it in the employee handbook to show that this type of practice is an important element in your company culture.

Arrange support services.

People in reentry may no doubt need more help and support than most other employees. Depending on their particular circumstances and how long they had been in prison, they may not be up-to-speed on technology and need to be referred to classes to help with that. Their driver's license may have expired. They might need to find housing. Or they may have transportation issues. Second chance hires may also need a more

flexible schedule so they can take time off to meet with their parole officer and take care of other obligations that might be required of them.

Companies that want to provide official support have one of two options. They can create programs themselves or turn to local nonprofits that provide wraparound services.

Here are some examples of companies that are included in our Second Chance Employers Network:

MOD Super Fast Pizza LLC, a national restaurant chain with more than 500 outlets in 29 states, has allied itself with hundreds of community-based partners across the U.S. to provide wrap-around services for its second chance hires.

Rhino Foods, a major cookie dough supplier to ice cream companies and located in Burlington, Vt., has a resource coordinator to help take care of people's needs. She is employed by United Way but works onsite at the company for 20 to 30 hours per week. Her job is to connect employees with the resources they need, whether it's paying heating bills, finding childcare or figuring out the best way to get a GED. Rhino pays United Way for her services.

Greyston Bakery, a Yonkers, N.Y. baking business that sells brownies to Ben & Jerry's, Whole Foods and other outlets, has an arrangement similar to Rhino Foods. Westchester Jewish Community Services employs and pays for a full-time resource and support specialist that helps Greyston Bakery employees with any challenges they may be facing.

Flagger Force, a traffic control company with operations in nine states, helps employees meet transportation challenges by operating an

employer-sponsored transportation program that pairs employees who have company vehicles with new hires who do not have a driver's license and/ or vehicle. The company also provides round-the-clock support that connects employees to the help they need, whether it concerns workplace relationships, finances, life events or mental health.

Decide whether to make fair chance hiring part of your branding.

Whether you will want to make fair chance hiring part of your branding is totally up to you. While many companies keep their involvement in this type of hiring practice low key, others – mainly some small and mid-size companies – make it an important part of their branding and say it helps them attract customers.

And we have some excellent examples in our Second Chance Employers Network.

Awake Window & Door Co., a manufacturer of luxury windows and doors in Gilbert, Ariz., uses its business in a unique way to educate its customers, suppliers and others about the problem of mass incarceration.

The company has created serial numbers that have significance in terms of incarceration. And it devotes a page for each of the series in its product brochure to tell the story. For example, its 105 Casement & Awning Window series is named for the fact that one out of five people currently incarcerated is in for a nonviolent drug offense. Its 425 Series Window Wall brings attention to the statistic that the U.S. has 25 per cent of the world's prison population but only 4 per cent of its total population. And Awake's 505 series hinged door lets the public know that 50 percent of the people

who leave prison will be re incarcerated within five years.

R&R Head Labs – a Denver barbershop that was named the best in the city by 5280 – Denver's Mile High Magazine – is another business that puts second chance hiring at the forefront of who it is.

The homepage of the company's website declares that "Everybody deserves a second chance" in big bold letters. And the "about" page tells the stories of each of its employees, highlighting their experiences, the challenges they have successfully overcome and what being a barber means to them.

Crossroads Solar, a South Bend, Ind. based solar panel manufacturer, promotes itself as "a socially conscious company committed to people and the planet." The company's website highlights the fact that its employees are "released felons who have served their time and earned the opportunity to reenter the workforce with dignity."



The best approach

The best approach could be as simple as getting

started, making a hire, and refining the process as you go along.

This method can guard against inertia. It allows your organization to take immediate action in hiring from this new talent pipeline rather than getting stuck in overthinking. By starting with a simple step – making your first hire – you will create momentum and lay the foundation for continuous improvement, thus making it easier to gradually build a more formal, successful program. Here's an example of 30 companies hiring two workers leaving jail or prison and tracking their progress for two years (a concept known as 30-2-2).

It's only the beginning

These tips we shared are just the beginning. The beginning of a chance to be a change maker. And to be part of a movement that will help thousands of people find employment. Help them create a new life for themselves and contribute their unique talents and skills to the American workforce and the bottom lines of companies across the U.S. Will you join them?



