

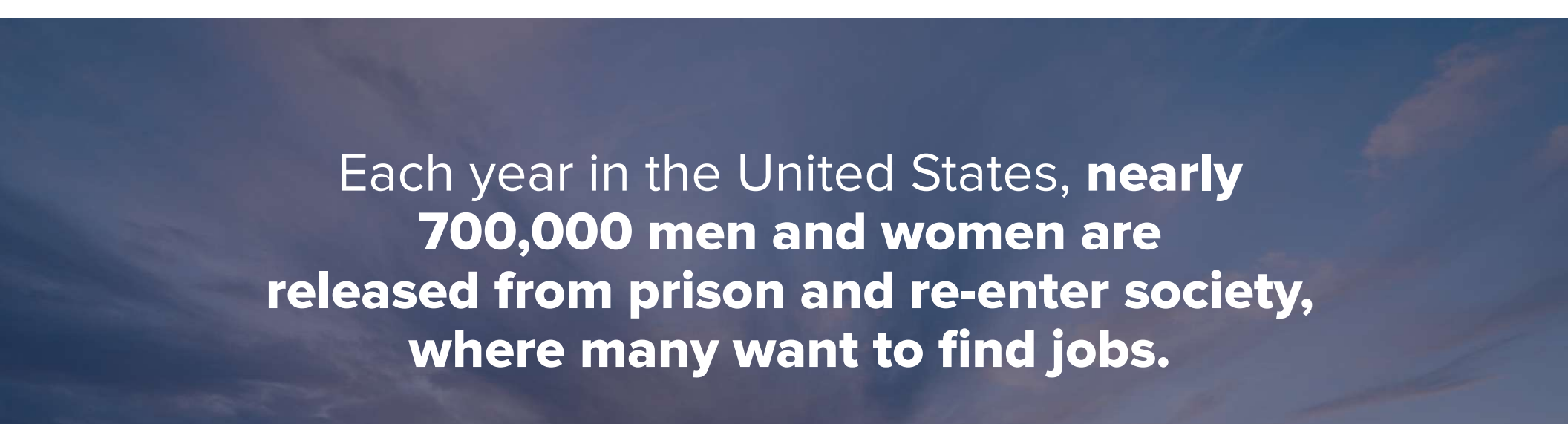


BETTER WORKPLACES
BETTER WORLD™

JANUARY 2019

Getting Talent Back to Work Toolkit

THE RESOURCES YOU NEED TO ADVANCE THE HIRING OF WORKERS WITH A CRIMINAL BACKGROUND.



Each year in the United States, **nearly 700,000 men and women are released from prison and re-enter society, where many want to find jobs.**

Yet despite the growing need among U.S. employers for workers, applicants with a criminal record often face huge obstacles to achieving gainful employment.

As the nation reaches nearly full employment, business leaders and human resources professionals are considering this previously overlooked population for the first time as a source for workers. In fact, job applicants with criminal records are proving to be a viable workplace solution for many organizations.

This toolkit can be used by any employer to get talent back to work ... today.

It provides the information, guidance and tools needed to hire confidently from this untapped labor pool and make an impact.

Are Employees Willing to Work with Individuals with Criminal Records?

While a great deal of uncertainty about hiring workers with criminal records still exists among some senior executives today, a recent study commissioned by the Society for Human Resource Management (SHRM) and the Charles Koch Institute (CKI) finds that employees generally are open to working side by side with the formerly incarcerated:

Many are willing to work with or hire individuals with criminal records ...



... yet few companies are actively recruiting individuals with criminal records

While willingness to hire is high, few say their company actively recruits individuals with criminal records. Just 5 percent of managers and 3 percent of HR professionals report this type of recruitment. This is consistent across organizations of different types and sizes.



Source: A study commissioned by the Society for Human Resource Management (SHRM) and the Charles Koch Institute (CKI).

Why Companies Hire Individuals with Criminal Records

Companies are understandably concerned about the safety of their workers and customers as well as their own assets and public image.

But today, many HR professionals are finding that the best approach to hiring individuals with criminal backgrounds is not so different from the hiring approach they use for everyone else: to evaluate each candidate on his or her merits.

That doesn't mean throwing caution to the wind and forgoing background checks. Rather, it's about giving candidates with criminal backgrounds a chance to be included in the selection process, carefully assessing the nature of their crimes and the time since conviction against the requirements of the job and balancing overall risks against potential rewards.

The SHRM/CKI report found that among both managers and HR professionals, the top reasons for extending job offers to workers with criminal records are to hire the best candidate, give individuals a second chance and make the community a better place—though the weight placed on these factors differs between the two groups of respondents.

THE TOP REASONS COMPANIES GIVE FOR HIRING INDIVIDUALS WITH CRIMINAL RECORDS

We want to hire the best candidate for the job regardless of criminal record.



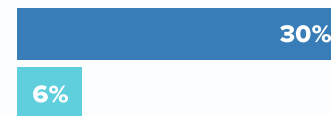
We want to make the community a better place.



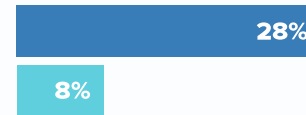
We want to give a second chance to individuals.



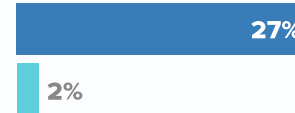
It gives our company or organization a better reputation with current employees.



It gives us a better reputation with those outside the company or organization.



We are incentivized by tax rebates or other government incentives.



MANAGERS
HR PROFESSIONALS

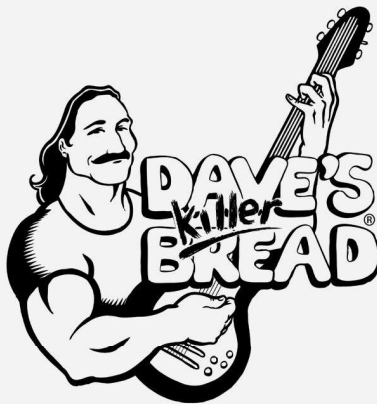
Q&A

Q: WHY SHOULD I HIRE SOMEONE WITH A RECORD?

**A: NOT EVERYONE WITH A CRIMINAL RECORD IS A CAREER CRIMINAL**

Many people with a record have made a single mistake, and, for millions, that mistake was possession of marijuana or driving under the influence. For others, it was shoplifting, passing a bad check or having an argument that turned into a physical fight.

When such crimes are not habitual the individual is often more vigilant in remaining on the right side of the law.



Our formerly incarcerated employees aren't just 'nonproblems.' They're role models in terms of performance, attendance and teamwork. They have an especially strong incentive to deliver value because they've seen the alternative, and, in the overwhelming majority of cases, they deliver.

—Gretchen Peterson, CHRO, Dave's Killer Bread

Q&A

Q: DO PEOPLE WITH CRIMINAL RECORDS MAKE GOOD EMPLOYEES?**A: MANY EMPLOYERS HAVE HAD VERY POSITIVE RESULTS FROM GIVING PEOPLE WITH RECORDS A SECOND CHANCE**

Johns Hopkins Medicine has hired hundreds of people with records, many for critical jobs involving patient care. When it conducted a multiyear audit of accidents and other major negative events involving employees, it found that not even one had been caused by an employee with a record. This is not unusual.

Other employers have reported that people with records often are so grateful for a chance that they are the most dedicated employees in the company and among those with the best retention rates.



Of all the groups we targeted, people with criminal records turned out to be the best employees, in part because they usually have a desire to create a better life for themselves ... and are often highly motivated.

—Denver-based telecommunications company founder

INCENTIVES & SUPPORT

Programs at nearly every level of government offer financial incentives for organizations that hire people re-entering the community after serving prison time. Additional support services are offered by state and local development programs.

Incentives & Support

Work Opportunity Tax Credit

The U.S. Department of Labor offers the Work Opportunity Tax Credit to organizations that hire ex-felons within a year of their being convicted or released from prison. It is a credit against the first and second year's wages paid to qualified employees.

Federal Bonding Program

The department's Federal Bonding Program provides fidelity bonds for at-risk, hard-to-place job seekers for the first six months of employment at no charge to the employer. Each bond has a \$5,000 limit with no deductible.

Local Workforce Development Programs

Many states and municipalities have workforce development programs whose missions revolve around training and supporting people with criminal histories as they transition back into the general population.

If an employer requires niche skills or needs to hire in volume, these organizations can help it connect with the right candidates. Many of the programs even provide training so new hires will have needed skills before they start the job.

Local Community and Faith-Based Organizations

Local community and faith-based organizations also offer re-entry programs that help with housing and transportation, along with employment-related services.

CULTURE & COMMUNICATION

Organizations must embody their values from the top down.

Policies and practices must be representative of the employer's commitment to hiring the most-qualified candidates in a fair and consistent manner.

Culture & Communication



Employers with one-size-fits-all onboarding and orientation programs may wish to consider individualizing these processes for formerly incarcerated job candidates. Returning to the working world can be a shock, and more time to acclimate and assistance from a buddy system would be beneficial. Available training and development programs would be key to highlight for this population.

Employee communications should be honest and transparent. Sharing your hiring philosophy with employees and providing an avenue for them to ask questions will help allay fears and concerns and assimilate their commitment into the culture.

Ongoing training for HR departments and hiring managers should encompass knowledge of discrimination laws, consistent and fair hiring practices, and concrete messaging regarding their part in supporting the organization's commitment to second-chance hiring. The employer is relying on the hiring team to make the goal a reality and should infuse its communications with that sense of responsibility and the impact being made.

I hadn't realized the pace of life out here would affect me so much—it's really fast. Coming from no movement—no cars, no trains—even the colors [in prison] are limited. It was just a weird feeling. Being around all the movement and having to work all day and come home [was a difficult adjustment].

—Steve Lacerda, former inmate of San Quentin State Prison

Culture & Communication

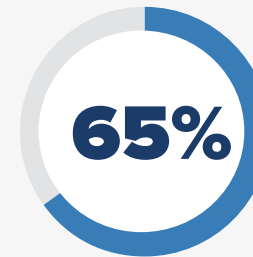
External Impact

Culture changes over time. Committing to a fair-hiring initiative is a sensitive enough issue that even companies included on lists of “offender-friendly” employers are often reluctant to discuss their staffing practices for fear of alienating customers or damaging their public image.

But that reluctance is not warranted. Greyston Bakery, a small business based in Yonkers, N.Y., has a unique “open hiring” method, filling open positions with no questions asked. About 65 percent of the \$20 million company’s current workforce was formerly incarcerated. In an *Inc.* magazine interview, CEO Mike Brady referred to them as “fully functional and productive members of our team” and adds, “Our history is a demonstration that people coming out of the criminal justice system make for an amazing workforce.”

MOD Pizza embraces what it calls “impact hiring” by taking steps to hire people with backgrounds of incarceration, homelessness, drug addiction or mental disability. MOD has grown from five stores in Washington state to 380 stores across 28 states and the United Kingdom.

With 2017 sales hitting \$275 million, MOD was named the fastest-growing restaurant chain in the U.S. by research firm Technomic.



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\$275 MILLION the revenue generated by MOD Pizza in 2017

- MOD Pizza operates nearly **400 stores** in the United States and the United Kingdom.
- MOD Pizza generated **\$275 million** in revenue in 2017.
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Culture & Communication

Further Involvement

Executives can further their involvement by supporting fair-chance licensing regulation reform.

- More than **25 percent** of U.S. jobs require a license or certification.
- Each state has an **average of 56 occupational and 43 business licensing laws** with mandatory restrictions for people with felony convictions.

Extend your reach—engage with other organizations with which you have significant relationships to further the discussion and increase your impact.

Culture and Communication Resources

The following resources provide general information on culture and communications.

- [New Employee Onboarding Guide](#)
- [Managing the Employee Onboarding and Assimilation Process](#)
- [Understanding and Developing Organizational Culture](#)
- [Managing Organizational Communication](#)
- [PowerPoint Presentation – New-Hire Orientation](#)
- [New-Hire Orientation Process](#)

Additional Resources

SHRM/CKI Research

- [Workers with Criminal Records](#)

SHRM Q&As

- [Can background checks be conducted on independent contractors and other contingent workers?](#)
- [What are the California rules on asking job applicants or employees about arrests and convictions?](#)
- [What are the California rules regarding employer use of an outside agency to perform background checks? How do these rules differ from federal law?](#)
- [Are there federal and/or state laws prohibiting employers from asking applicants about arrests and convictions?](#)
- [Can an employer conduct a background check before extending an offer of employment?](#)

SHRM Policies

- [Background Check Policy and Procedure](#)
- [Hiring Policy and Procedures](#)
- [California Background Checking Policy](#)
- [California Hiring Policy](#)

SHRM Forms

- [Employment Reference Request Form \(Mail\)](#)
- [Employment Reference Request Form \(Phone\)](#)

Other SHRM Resources

- [Conducting Background Investigations and Reference Checks](#)
- [SHRM Resource Page—Background Checks](#)



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