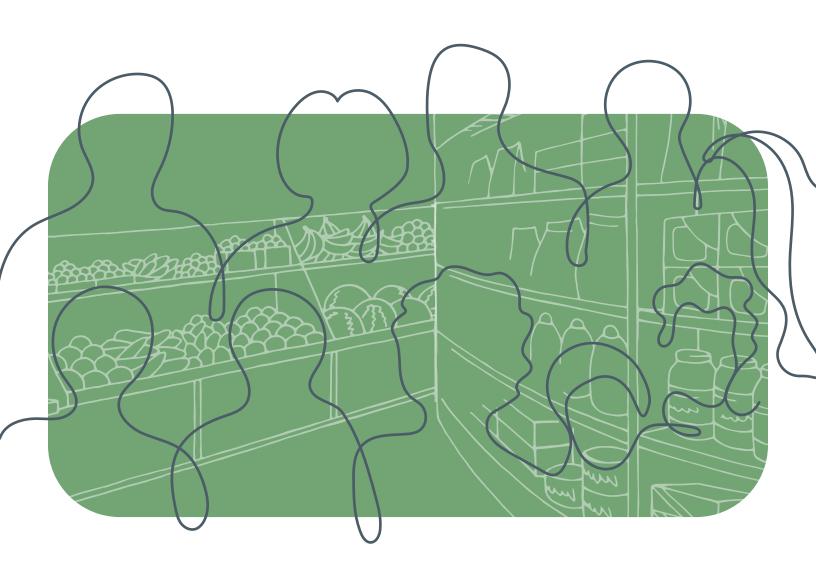


SECOND CHANCE HIRING A RESOURCE GUIDE



SECOND CHANCE HIRING: A RESOURCE GUIDE

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FMI

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About FMI:

As the food industry association, FMI works with and on behalf of the entire industry to advance a safer, healthier and more efficient consumer food supply chain. FMI brings together a wide range of members across the value chain—from retailers that sell to consumers, to producers that supply food and other products, as well as the wide variety of companies providing critical services—to amplify the collective work of the industry. www.fmi.org

Methodology:

This document represents a compilation of corporate and academic resources and serves as a reference document for FMI members considering and/or enhancing second chance hiring programs.

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OVERVIEW

Formerly incarcerated individuals, and those with any type of criminal record, make up roughly one third of the United States population. Ultimately, that leaves about 70 million people in an extensive and diverse talent pool that is largely untapped by employers.¹

According to the leading convener on workplace issues, Society for Human Resources Management (SHRM), "Second chance hiring is the practice of giving individuals with criminal records a fair and equal opportunity for employment." One of the greatest barriers formerly incarcerated individuals experience is the likelihood of being considered for work. The chance of receiving a second interview decreases by 50% for those with a criminal record. Lack of employment while attempting to reintegrate into society increases the probability of returning to prison.

Each year, an estimated 600,000 people are released from prison.⁴ As they join those who have also been impacted by the criminal justice system, the number of individuals seeking a fresh start continues to grow across the country.

EXECUTIVE SUMMARY

Second chance hiring is an opportunity for companies in the food industry to access a new talent pool while positively impacting others and their communities.

This guide suggests steps you can take when looking to implement second chance hiring practices or creating a program within your company. Furthermore, you will learn about companies in the industry that have already engaged with second chance hiring and leverage their examples in developing and implementing your own program.

The resources surrounding second chance hiring initiatives are abundant. You can find an organized list of resources, organizations and contacts in the last section of this guide, along with what they can do to support you.

BENEFITS OF A SECOND CHANCE PROGRAM

Second chance hiring programs give those looking to reintegrate into society the opportunity to find employment with the potential for development into a career, and they also provide numerous benefits to the companies choosing to employ them.

Perceptions and Misconceptions

Formerly incarcerated individuals face several stereotypes that inhibit their ability to successfully find employment. The article <u>"9 Myths About Hiring People with Criminal Records"</u> highlights some of these common misconceptions, such as:

- They will be an increased security risk and cause issues at work.
- They are less reliable and will increase the company's turnover rate.
- They will contribute to an increase in the company's expenses.
- They are more likely to underperform and lack many skills needed for the job.
- They will continue to commit acts of crime.

Employer Benefits

The experiences of those committed to second chance hiring and research suggests that these perceptions and misconceptions are not always the case; instead, employers have discovered many benefits that counter these stereotypes:

- Loyal, motivated and high-performing workers: Research shows that
 companies that engage in second chance hiring can expect to have more loyal,
 motivated and hardworking employees in their company.⁵ Cited in the
 organization's "Getting Talent Back to Work Report," the SHRM Foundation
 uncovered that "81% of business leaders and 85% of HR professionals believe
 workers with criminal records perform their jobs about the same or better than
 workers without criminal records."⁶
- **Less turnover**: Employers have found a decrease in turnover rates among those with a criminal record, on average 12.2% lower than other employees. Also, for companies implementing these hiring programs, overall turnover rates have decreased from 25% to 11%.⁷ The Cornell University article on myths about hiring formerly incarcerated individuals suggests that these employees are more motivated to successfully perform because they know that their job opportunities are limited.⁸
- **Reduced costs**: With better retention rates, employers do not have to spend nearly as much on recruitment and training costs since they are not constantly hiring as many new employees. For each worker in this category, this process can cost around \$4,000, according to research analysts. There are also potential federal tax credits for employers under the Work Opportunity Tax Credit (WOTC). These credits can reach up to \$9,600 for hiring employees in a certain protected

class, which often includes formerly incarcerated individuals.¹⁰

• **Inclusive, diverse workplace**: In the United States, Black adults are six times more likely, and Latino adults are three times more likely, to be in prison than white adults. The practice of second chance hiring is a way to increase and support your diversity, equity and inclusion program efforts by tapping into this specific candidate pool and creating a workforce that better represents the diversity within the United States.¹¹

Employee Benefits

For formerly incarcerated individuals, landing a job is a pivotal point in getting back on track and turning their lives around. The report written by the U.S. Chamber of Commerce claims various direct benefits of second chance hiring on employees who have been impacted by the criminal justice system:

- **Steady income**¹²: Receiving a paycheck allows these individuals to financially support themselves and their families.
- **Meaningful connections**¹³: Second chance hires can build relationships and create a professional network.
- **Stability and responsibilities**¹⁴: Because companies enforce corporate policies, employees have an opportunity to develop responsible traits and positive habits. These could include timeliness, communication, respect, patience and organizational skills.

Additionally, the U.S. Chamber of Commerce claims that employment opportunities are proven to reduce recidivism rates of formerly incarcerated individuals, which measures the likelihood of a re-arrest after release from prison. Research suggests that unemployed, formerly incarcerated individuals were twice as likely to be re-arrested compared to those who found work within two years after release.¹⁵

BEST PRACTICES - Partnerships & Program Design

As your company considers designing and implementing a second chance hiring program, here are a few key components to consider:

1. Review and Evaluate

First, consider reviewing your current hiring policy and practices in detail. This way you can establish what works, what you can build from and what may need to be left in the past. ¹⁶ After a thorough review, consider a set of goals that you wish to achieve in terms of hiring and retaining your workforce within the company.

2. Establish Partnerships

Arguably, one of the most important components of this process is finding a strategic hiring partner. Some employers have found the most beneficial partnerships are with their local court systems, and others have turned to nonprofit organizations for guidance. If you are struggling to find a starting point, the Second Chance Business Coalition (SCBC) has mapped out community-based organizations around the country in the form of an interactive Community Partners Map. They have created categories of partnership types, including employer partnerships, industry-specific training, job retention supports, re-entry programming and work-readiness training.

3. Outline and Design

The next step to consider is coming up with a plan of action. There are many elements your company can discuss in terms of the program's policy and design. This could include topics such as candidate eligibility. For example, some companies will only hire second chance employees who have committed nonviolent crimes. Another example would be discussing modes of communication and transparency. It is critical to have support from the entirety of the organization, from the executives to the employees who will work directly alongside the second chance hires.¹⁷ The partnerships you have begun to establish will be a great reference while you draft your company's plan.

4. Development Training

Many second chance candidates lack scholastic training and skill sets. By creating job training programs or partnering with educational facilities and organizations, these individuals can acquire the skills to grow and meet the standards and goals of an organization.¹⁸

5. Foster Support

Wraparound support systems will provide more opportunities for those individuals transitioning from incarceration to the workplace. Some support

systems to think about implementing include mentorship or peer programs, mental health resources and financial management support.¹⁹

6. Re-evaluate and Adjust

Creating a hiring plan for previously incarcerated individuals is not a one-size-fits-all approach. Several nonprofits, such as the Beacon of Hope Business Alliance, suggest learning from, and testing, different tactics. Don't let small failures deter you from creating change even when employees do not work out.²⁰

INDUSTRY EXAMPLES - Retailers & Product Suppliers Successfully Implementing Second Chance Programs

Kroger Creates New Beginnings Program

In 2017, Kroger created their New Beginnings Program, employing those in need of a second chance at some of their manufacturing plants. From the start, it was determined a success, with a retention rate of 93% at its inception.²¹ Now, as a part of their Framework for Action and commitment to DEI, Kroger has decided to renew and expand their New Beginnings Program.²²

Walmart Participates in the Second Chance Business Coalition

As a founding member of the Second Chance Business Coalition, Walmart says it prioritizes minimizing the barriers faced by those with a criminal past through their second chance hiring efforts.²³ They largely advocate for the ban-the-box campaign, which pushes for laws that remove criminal history job application questions. They also offer conditional jobs prior to the background check and provide a circumstance review process for candidates with a record.²⁴

Riesbeck Food Markets Goes Local to Affect Change

Although their program is not highly formalized, Riesbeck's Food Markets' hiring practices have brought significant benefits to the company and employees alike. Leaders at Riesbeck's said they approached local judges to explain their objectives with the initiative and discovered genuine interest in collaborating. According to the company's President and CEO, Richard Riesbeck, they now successfully employ recommended candidates who have done time for nonviolent crimes, including one individual who was promoted to a department manager position within just two years of employment.

Dave's Killer Bread Models Its Company from Experience

Dave's Killer Bread can be found on the shelves of many grocery stores across the country. With one-third of the company's employee partners obtaining a criminal record, the brand is a leading example and proponent of second chance hiring in the food industry, as Dave himself spent 15 years in prison.²⁵ Dave Dahl founded the company in 2005 with the support of his family's bakery. After Dave was released, his brother Glenn gave him the opportunity to help bake bread, and Dahl ultimately attributed this gesture to turning his life around.²⁶ As a result, their core values and company standards are centered around "hiring the best person for the job, regardless of criminal history."²⁷ In 2015, the company continued to advance their efforts by creating the <u>Dave's Killer Bread Foundation (DKBF)</u>.²⁸

RESOURCES & NEXT STEPS

Whether you are looking for ways to further advance an existing second chance hiring program, create one from scratch, start out small with implementing a few practices or just learn more about the initiative, there are many organizations and resources readily available. Listed below are five organizations that can help with all things second chance hiring. These organizations are just a few that provide useful learning tools, guidebooks and enrollment programs.

1. <u>Uplift Solutions</u>

As part of their <u>Workforce Solutions Program</u>, Uplift Solutions offers a five-to-six-week program for previously incarcerated individuals, providing rehabilitation and supermarket-specific training. Through employer engagement, they provide guidance and support to companies implementing their second chance hiring process. With their partner Brown's Super Stores Inc., for example, candidates leave the Workforce Solutions Program prepared with the basics for working in the food retail industry.

Contact: communications@upliftsolutions.org

2. Second Chance Business Coalition (SCBC)

For those looking for a <u>starting point</u>, the Second Chance Business Coalition (SCBC) provides plentiful resources, a variety of tools to implement these programs and metrics for success. Recently, the coalition created a new <u>Onramps Guide</u>, which offers four pathways with many actions for employers at all different stages of their second chance hiring journey. As previously mentioned, their <u>Community Partners Map</u> is a resource for researching geographic partners and organizations.

Contact: info@secondchancebusinesscoalition.org

3. <u>Dave's Killer Bread Foundation (DKBF)</u>

The Dave's Killer Bread Foundation (DKBF) offers an eight-week program, the <u>Second Chance Corporate Cohort</u>, where companies can enroll their Human Resource and Operations professionals to learn about creating a customized second chance hiring program with guidance from experts in the area. They have also created a <u>Second Chance Ecosystem</u>, which provides employers with a map of recruiting partners and wrap-around service providers throughout the United States. DKBF was recently acquired by the national nonprofit <u>Jobs for the Future (JFF)</u>, where it will support the mission of the organization's <u>Center for Justice & Economic Advancement</u> to improve second chance employment efforts.²⁹

Contact: info@dkbfoundation.org

4. Society for Human Resource Management (SHRM) Foundation's Getting Talent Back to Work Initiative

SHRM Foundation's Getting Talent Back to Work Initiative is a place to consider at the start of a company's second chance hiring journey. They have created an <u>assessment</u> that will provide a personalized report regarding how your company can best go about implementing these practices. Businesses can also earn <u>The Getting Talent Back to Work certificate</u> through their strategically designed program. Their website also contains a five-step <u>digital toolkit</u>.

Contact: shrmfoundation@shrm.org

5. Georgetown Pivot Program

The Georgetown University Pivot Program partners with the D.C. Department of Employment Services to select a group of individuals who were last incarcerated within the past five years and provide them with academic and employment opportunities. Employer partners https://doi.org/10.1008/journal.org/<a> as either interns or graduates.

Contact: pivot@georgetown.edu

For more information and related resources, please visit www.fmi.org/workforce.

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Contact Information

FMI 2345 Crystal Drive Suite 800 Arlington, VA 22202 (202) 452-8444

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