

Expanding the Labor Market

# Second Chance Hiring for Returning Citizens

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Nationally, there are more job vacancies than applicants in the labor market. However, hiring practices generally exclude individuals with a criminal record from securing employment. Expanding the applicant pool to include returning citizens is a viable workforce solution to the increased job vacancies.

The COVID-19 Pandemic forced many employees out of work and employers reduced production. In 2022, there were 11.5 million more job vacancies than unemployed workers.<sup>i</sup> Currently, job vacancies continue to increase unexpectedly for employers. Yet, hiring practices restrict formerly incarcerated individuals, or those with a criminal record, from obtaining employment.

The United States has the highest incarceration rate in the world. Most incarcerated individuals are of working age. Over 650,000 inmates leave prison every year.<sup>ii</sup> Although the majority of returning citizens were employed pre-incarceration,<sup>iii</sup> less than half of formerly incarcerated individuals secure employment.<sup>iv</sup> In fact, 75% of returning citizens remain unemployed one-year post-release.<sup>v</sup> Considering that 95% of incarcerated individuals return to the community, reconsidering hiring practices to include returning citizens can assist with alleviating the workforce shortage.

Restricting hiring to individuals without a criminal record or who have committed certain crimes is a multifaceted hindrance. While companies are obligated to protect their assets and reputation, maintaining the status quo hiring processes limit the applicant pool for vacant positions. Over seventy million individuals in the United States have a criminal record.<sup>vi</sup> This includes individuals who have or will be reintegrating to the communities. Therefore, “second chance” hiring can have a positive impact on the workforce and with successful community reintegration.



## Unemployment Hinders Successful Community Reintegration

Returning citizens often face higher unemployment rates compared to the general population.<sup>vii</sup> Various factors contribute to this, including employer biases, limited job opportunities, unrecognized but relevant skills, and the challenges associated with reentering the workforce after a period of incarceration. Moreover, many employers have biases and reservations about hiring individuals with criminal records. In a study conducted to explore employers' perspectives on hiring returning citizens, it was identified that employers' primary concern was backlash from customer perceptions.<sup>viii</sup> However, recent research revealed that customers are no more or less likely to make purchases or receive services from organizations that hire employees with criminal histories.<sup>ix</sup>

A lack of employment post-incarceration has severe consequences such as financial instability and increased likelihood of returning to prison.<sup>x</sup> Studies have revealed that employment is correlated with reducing recidivism.<sup>xi</sup> Justice-involved individuals who secure jobs post-release are less likely to violate parole and are more successful in the community than those who are unemployed.<sup>viii</sup> Furthermore, returning citizens with no recent work history are at greater risk of recidivism compared to their counterparts with a recent work history.<sup>xii</sup> With regards to employers' hesitations in hiring returning citizens and the impact of employment on recidivism, unemployment is a barrier to returning being successful during reintegration.

## Returning Citizens are Overlooked Qualified Applicants

Returning citizens possess the qualifications needed to fill employment gaps in the current labor market. During incarceration, returning citizens gain marketable, transferable skills that are beneficial to employers and needed in the general community. For example, as of 2017, nearly 300 inmates in California prisons completed an in-prison computer coding program.<sup>xiii</sup> Approximately three dozen of those inmates were released by 2017, with all of them securing employment and none had recidivated.<sup>xiii</sup> Similarly, incarcerated individuals nationwide participate in employment programs with private companies to produce products and services. In turn, prisoners contribute to society, support their family members, and compensate crime victims.<sup>xiv</sup>

Providing education and skill development programs to returning citizens can greatly enhance their employability. Additionally, transitional job programs offer opportunities to returning citizens, providing them with work experience and helping build a positive employment history. Approximately 61% of inmates participate in prison work programs.<sup>xv</sup> Equipping returning citizens with relevant skills increases their chances of finding sustainable employment. However, the majority (71%) of returning citizens that seek employment post-incarceration report their criminal record as a challenge.<sup>vii</sup> Considering that many returning citizens completed education and/or employment programs to qualify for jobs post-release, employers are overlooking skilled applicants. Moreover, when employers do



offer “second chances”, returning citizens are often limited to low wage employment.<sup>xvi</sup> To this end, returning citizens have a need for workforce solutions that break employment barriers.

Recently, Ban the Box and Fair Hiring Practices have focused on second chance employment to remove the stigma and barriers of criminal histories. In an effort for returning citizens’ job applications to be reviewed based on the qualifications possessed—rather than the criminal history—Ban the Box laws remove the requirement to disclose criminal records on job applications. Thus, improving the chances of returning citizens to secure employment. Although there are policies advocating for returning citizens to enter the workforce, less than half of the United States have passed Ban the Box laws. Furthermore, many employers make hiring decisions for returning citizens based on the type of crime committed.<sup>xviii</sup> Thus, criminal histories continue to overshadow qualifications in the hiring process for returning citizens.

### Providing Solutions and Breaking Barriers

Providing second chances to returning citizens through workforce solutions offer returning citizens the opportunity to demonstrate their work experiences and abilities to employers. In turn, providing a path for returning citizens to enter the labor market, overcome stigmas, and reduce recidivism. Furthermore, workforce solutions permit employers to incorporate an inclusive culture while mitigating risk through a Human Resource paradigm shift. Research from Deloitte found that inclusive organizations are eight times more likely to achieve better business outcomes, six times more likely to be innovative and agile, and two times more likely to meet or exceed financial targets.<sup>xix</sup> Furthermore, organizations that are willing to hire returning citizens have access to talented applicants that are often forgotten or overlooked by other employers.

Differing from transitional employment programs that end upon community reintegration and hiring legislation that is inconsistent nationwide, workforce solutions offer returning citizens an opportunity to steadily engage in the labor market. Recent research revealed that employees with a criminal record have higher retention rates.<sup>xx</sup> Furthermore, 85% of human resources leaders and 81%

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of business leaders say that second chance hires perform the same or better than other employees.<sup>xix</sup> Therefore, workforce solutions is mutually beneficial for employers and returning citizens.

## Regular Engagement in the Workforce Matters

Employment through a staffing agency often sparks concerns about the length of employment and lack of benefits. In turn, staffing agencies are often referred to as *temp agencies* and individuals are often deterred from receiving employment assistance. Furthermore, employers are concerned about the dependability of employees hired by staffing agencies.

Differing from traditional staffing agencies, workforce solutions offer opportunities for employers and job applicants to solve employment problems and overcome stigmas. Workforce solutions consider employment needs from various angles, the skills possessed and required, and the stability desired by employees. In addition to regular income, workforce solutions consider the stability desired by employees to care for self and families. Thus, voluntary benefits such as insurance, retirement, and employee assistance programs are offered to individuals employed in a staffing agency assigned position. Focused on making a difference, all individuals, including returning citizens, are considered for employment to regularly engage in the workforce.

Although prior research identified that justice-involved individuals must maintain consistent, stable employment to prevent returning to prison, a recent study revealed that inconsistent but regular engagement with the labor market is similarly effective as consistent employment in reducing recidivism.<sup>xii</sup> Therefore, employment through workforce solutions is a strategic approach for returning citizens to avoid returning to prison, to provide for families, and to become established post-incarceration.

## Staffing Agency as a Workforce Solution

The decline in job applicants have resulted in many employers reducing productivity and experiencing a decline in revenue. Therefore, employers may perceive using a staffing agency as an additional cost, especially if the employer have established internal hiring resources.

The costs associated with utilizing a staffing agency as a workforce solution are minimal compared to the benefits. Workforce solutions offer employers access to a wider candidate pool, as many job-seekers view staffing agencies as a one-stop employment solution to enter multiple avenues of the workforce. Additionally, staffing agencies utilize their expertise to pre-screen and vet candidates to hire qualified employees. Moreover, utilizing a staffing agency provides the flexibility to scale the workforce as needed. By outsourcing the hiring process, employers can focus on their core business operations while the staffing agency assumes responsibility of the recruitment process. Major companies, such as Coca Cola, utilize staffing agencies to identify individuals with the required talent to fill vacant positions and reduce the time-to-hire.<sup>xxi</sup> In turn, companies save time and money.

## Employment Solution for Industry or Skill-Specific Roles

In some industries or for certain specialized positions, employers have specific requirements and prefer to directly target candidates with the required skills and experience. Many employers believe staffing agencies may not have the expertise or access to the niche talent pool they are seeking.

Contrary to this belief, staffing agencies can assist employers with specialized talent recruitment. Staffing agencies specialize in recruitment and have expertise in understanding job markets, industry trends, and specific skill requirements. Furthermore, staffing agencies are abreast of the changing employment laws and regulations, staffing trends, and candidate expectations. This knowledge and experience can assist employers in making more informed decisions in the hiring process and ensure candidates with the right skills and qualifications are hired for positions. Additionally, staffing agencies can assist employers with hiring well-qualified, skilled returning citizens to expand the job-applicant pool. As mentioned previously, returning citizens receiving specialized training and possess skills needed in skill-specific roles throughout various industries.



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## Hiring Practices that Make a Difference

Providing opportunities for “second chances”, major corporations such as Wal-Mart, Starbucks, and Home Depot have modernized their hiring practices to include returning citizens. JPMorgan Chase & Company has expanded hiring opportunities for justice-involved individuals resulting in the hiring of over 2,100 individuals with criminal backgrounds in 2020 — approximately 10% of their new hires in the United States. Furthermore, Coca Cola has extended workforce solutions to hire qualified employees through staffing agencies. Therefore, revamping hiring practices to include returning citizens and utilizing workforce solutions is not new. However, there is a need for expansion.

Hiring returning citizens provide opportunities to develop and refine skills. Returning citizens can gain practical experience, learn new tasks, and enhance their transferable skills. This can be particularly beneficial for individuals who may need to refresh their skills or adapt to new technologies or industry practices. Furthermore, employers that hire returning citizens gain access to government incentives and support. Specifically, the Federal Work Opportunity Tax Credit (WOTC) is available to employers for hiring individuals within a year of being convicted of a felony or being released from prison from the felony. Employers who hire returning citizens demonstrate a commitment to social responsibility and contribute to community reintegration efforts. This can positively impact the community’s perception of the organization, enhance its reputation, and create a positive public image.

Utilizing staffing agencies to expand hiring practices permits employers to fill vacancies and save time. Additionally, staffing agencies allows returning citizens to demonstrate their work ethic, reliability, and commitment to employers. It provides an opportunity to build a positive work history, showcase their skills and abilities, and establish a track record of success. This can be instrumental in overcoming the stigma associated with having a criminal record and enhancing future employment prospects. Furthermore, staffing agencies expose returning citizens to a variety of workplaces and industries. This exposure can help returning citizens expand their professional network and make valuable connections with employers, co-workers, and industry professionals. These connections can lead to potential full-time employment opportunities or provide references for future job applications.

Second Chance Hiring is an opportunity for employers to make a difference and focus on providing an employment solution that impacts society. When companies have hiring limitations that create a barrier for success, the economy is stifled, returning citizens are at risk, and internal success is impacted.

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### About Us



2C Workforce Solutions goes beyond the scope of a conventional staffing agency. With over 30 years of workforce staffing industry experience, 2C Workforce Solutions is a staffing solutions provider that focuses on connecting people with opportunities to make a difference. At 2C Workforce Solutions, we recognize the distinctiveness of each applicant, considering their unique career aspirations, and collaborate with our network of employers to ensure equal opportunities for all. Our motivation is to make impactful changes to the lives of our candidates, our business partners and employers, and the communities to which we support. 2C Workforce Solutions strive to provide an excellent experience while solving a problem.

2C Workforce Solutions is headquartered at 1601 McDonough Place, Suites C & D, McDonough, Georgia 30253. To inquire about our opportunities as a job seeker or employer, contact us at [info@2ccareers.com](mailto:info@2ccareers.com). To learn more, please visit [2ccareers.com](http://2ccareers.com).

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