## What is Fair Chance Hiring (FCH)?

Fair chance hiring (FCH), also known as second chance hiring, is an approach to employee recruitment and retention in which employers adopt policies to make jobs more accessible to people with criminal records. Employers that successfully practice FCH develop thoughtful criteria for conviction-based denial and establish supportive and accessible workplaces for employees with records.

## Why does FCH matter?

More than 80 million people in the U.S. have a criminal record – that's nearly one in three American adults! Despite strong evidence of being reliable and high-performing workers, people with criminal records face persistent barriers to employment. By practicing FCH, employers can build a talented and committed workforce, advance diversity and inclusion goals, and help strengthen communities.

**1. Talent Recruitment and Workforce Development:** Stigma and unreliable background checks lock millions of Americans with records out of employment. Employers can help address this stigma by intentionally adjusting their hiring practices. We know that almost all employers conduct criminal background checks, yet we also know that half of the records in the U.S. Federal Bureau of Investigation (FBI) database are inaccurate.<sup>1,2</sup> While some employers may not trust people with criminal records, research demonstrates that employees with records are reliable and committed workers; they have lower termination rates, are significantly less likely to quit their job, and are more productive than workers without a history of arrest or conviction.<sup>3,4</sup>

## 2. Achieve Workplace Diversity and Inclusion Goals:

The criminal legal system disproportionately impacts people of color and people living in poverty. Hiring bias against people with criminal records therefore continues to perpetuate the economic and racial inequities that already exist. In RI, black people are incarcerated at nine times the rate of white people.<sup>5</sup> Employers can help break this cycle and address these inequities by adjusting recruitment efforts and policies so that more jobs are accessible to people who have been impacted by the criminal legal system. The U.S. government has stated that engaging in fair chance hiring can improve workplace diversity and inclusion, and research has demonstrated that diverse and inclusive workplaces promote creativity, reputation, and employee retention.<sup>6,7</sup>

<u>3. Strengthen Local Communities:</u> The lives of people who are incarcerated, as well as their families and communities, are destabilized by time in jail and prison. Employment is an important part of rebuilding financial and social stability after incarceration, and it is actually the *most* important factor determining a person's risk of being incarcerated again.<sup>8</sup> However, hiring bias prevents people with records from finding employment; a 2018 study estimated that among 5 million formerly incarcerated Americans, over 27% were unemployed—a rate almost five times that of the general public.<sup>9</sup> Consequently, incarceration decreases total lifetime earnings up to 50%. By hiring people with records, employers can help people with records avoid re-incarceration and build financial stability for themselves and their families.<sup>10</sup>

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