Checkr

The Diversity Group You're Overlooking:

How to Be a Fair Chance Employer





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How to Be a Fair Chance Employer

We’re in a moment of profound transition

The new decade has awakened us collectively to what is essential—access to safety, community, and employment. As we confront the cracks in America’s social system, we also confront some harrowing truths.

Black people and people of color are at a greater disadvantage when it comes to accessing the fundamental resources to survive in the wake of a global pandemic, failing economy, and future beyond.

Our prisons reflect our national inequality—filled with people who have been the targets of generations of prejudice, criminalization, and disenfranchisement.

Today, as many as 1 in 3 Americans have a criminal record, ranging from minor offenses to extensive conviction histories.

In a time of historically high unemployment, finding work becomes especially difficult for those with a criminal record.

This is the cycle of recidivism: When someone has a conviction history, their job application is met with greater scrutiny and bias. They're less likely to have employment. Lacking employment, they can be pushed to commit or recommit offenses out of necessity or stress.

The good news is this: Employment helps people exiting the jail and prison system become economically stable, and it dramatically reduces their likelihood to return back to the system. As a hiring manager, business leader, or HR leader, this is where you can make an impact and help break the cycle of recidivism.

The U.S. loses an estimated

$77-87B

per year in GDP by keeping
candidates with records out of jobs

(National Employment Law Project)

Between

70-100M

Americans have a criminal record

(The Sentencing Project)

There are upwards of

48,000

legal barriers to employment
for people with conviction histories

(National Employment Law Project)



Fair chance hiring rebuilds communities

Fair chance hiring is built on the premise that everyone, regardless of their background, has the right to be fairly assessed for a role they are qualified for.

Championed by activists and embraced by modern employers, it ensures fair access to work for the 70 million Americans with a criminal record. It's a powerful tool to continue the progressive work that began over 60 years ago, living on with a renewed purpose today. It is the work of undoing generations of targeted criminalization.

As employers, we have significant work ahead to bring about true diversity and access to employment for everyone. We possess a unique opportunity to upend unfair and unethical systems and to change hearts and minds around the treatment of people with criminal records.

While the societal benefit is apparent, fair chance hiring also delivers a significant impact on your financial bottom line and organizational culture. Now is the time for your business to join the national movement to bring this overlooked diversity group into your fold and help our country heal.

The Benefits of Fair Chance Hiring

Fair chance hiring isn’t one size fits all

There is no “one size fits all” for implementing fair chance hiring. Companies and industries have to consider unique risks, needs, and opportunities when developing policies, but there’s also no need to reinvent the wheel. You can make small adjustments to current practices to better accommodate fair chance talent.

As you’re getting started with fair chance hiring, you may need stakeholder buy-in to begin to recruit top talent with conviction histories. Remember, if your organization is already in the practice of intentionally seeking out diverse talent pools, then you already have the mindset and processes in place needed for fair chance hiring. People with conviction histories are often overlooked and are simply another diverse talent group for your organization to engage.

There are business benefits, cultural benefits, and positive social impact that comes from hiring this group of diverse talent. As you make the case for fair chance talent within your organization, here a few benefits you can expect:

BENEFIT

Reduce bias in the hiring process

Currently, 17% of white people with a record get called back after a job interview. Compare that to the 5% of African Americans with a record who get called back, and the bias is impossible to ignore. Women of color have it the hardest—over 43% of Black women and 39% of Hispanic women experience unemployment after incarceration compared to 23% of white women after release. Similarly, over 35% of Black men who were previously incarcerated experience unemployment after release compared to the 18% unemployment rate of previously incarcerated white men. By acknowledging the unfair playing field and giving all applicants an equal chance—especially through diversity and belonging initiatives—employers have a chance to right a systemic wrong.

Source Devah Pager, "The Mark of a Criminal Record," American Journal of Sociology 108(5), 2003: 937-975.



BENEFIT

Improve ROI by lowering the barrier, not the bar

Fair chance hiring offers a significant return on investment, from both a performance and retention standpoint. Research shows that when you hire people with criminal records, your retention rates are likely to be higher and turnover to be much lower. Additionally, a study from Northwestern University reports that people with criminal records are no more likely to be fired for misconduct than people without records. They're also less likely to quit, which saves employers a considerable amount by way of turnover costs.

Fair chance hiring means increasing fairness, not lowering your hiring standards. 82% of managers and 67% of HR professionals feel that the "quality of fair chance talent" is about the same or higher than that of workers without records, according to one report by the Society for Human Resource Management (SHRM).



BENEFIT

Decrease recidivism rates

It costs roughly $100 per day to keep someone incarcerated. Consider that the U.S. accounts for 25% of the world's incarcerated people, and it's easy to see why the country spends over $80 billion a year on jails and prisons. Recidivism contributes massively to that number. Eighty-three percent of state prisoners are rearrested within nine years of their release. The number one influence on preventing recidivism is employment. Imagine how much money could be siphoned away from prisons and jails and into education and other basic needs by simply increasing the number of jobs given to people with criminal records. It would have an astonishing impact on our economy and communities.

Getting started with fair chance hiring in your business isn't just a strategic move to widen your funnel of top talent, it's also an opportunity to change lives, end cycles of recidivism, and create positive social change.





“Through our years of employing the best person for the job, regardless of their past, we’ve recruited, retained, and promoted some of the most exceptional teammates. When we decided to spread our message of Second Chance Employment and assist companies across the country to embrace and adopt this philosophy, we found a few companies with the same shared belief in the power of transformation and opportunity.”

Genevieve Martin, Executive Director

Dave’s Killer Bread Foundation

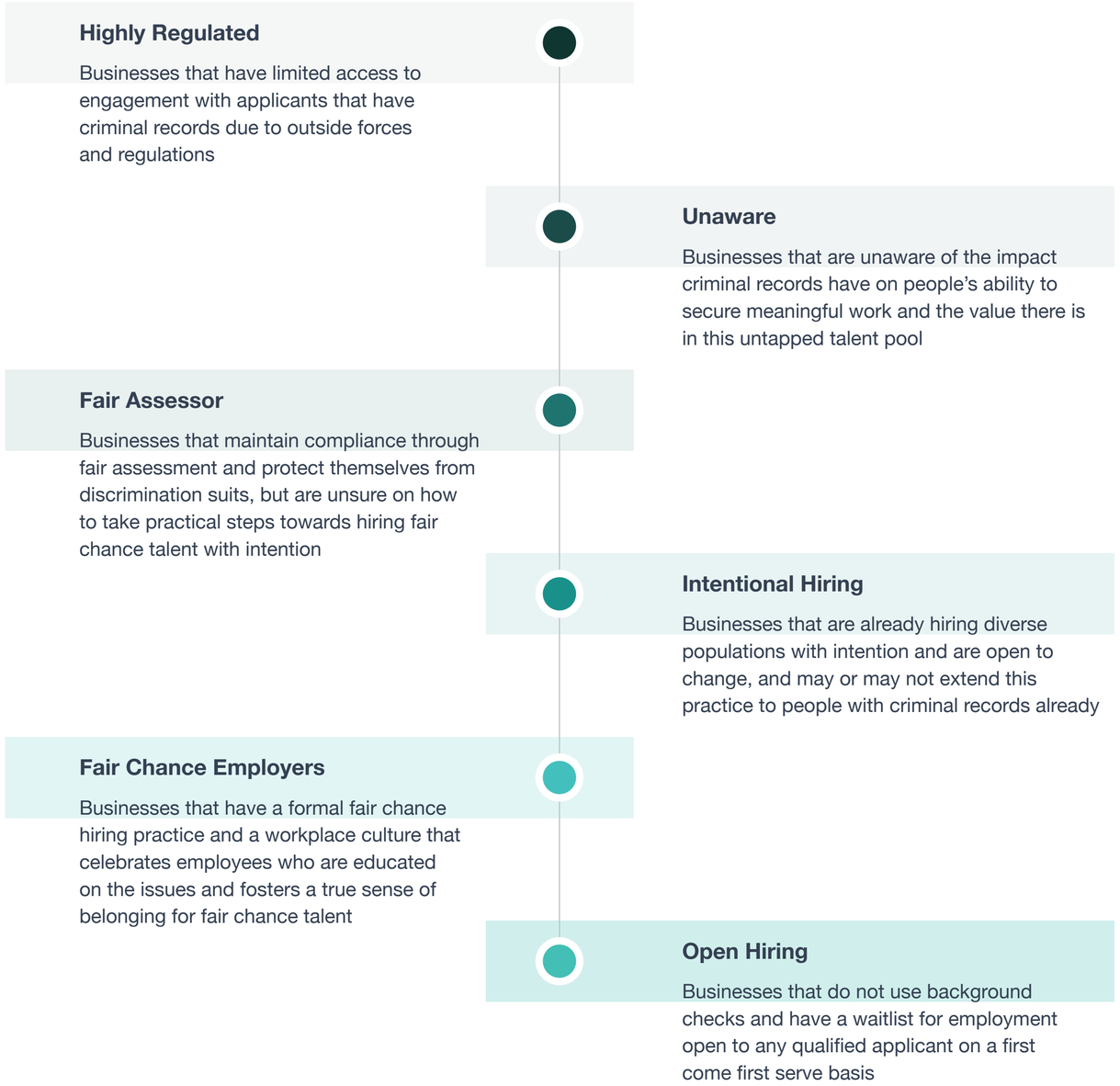
Getting Started With Fair Chance

Getting started with fair chance hiring

The road to implementing corporate policies and shifting attitudes within your organization can be intimidating, but we've broken down the process into manageable stages. Whether you are taking your first steps or augmenting your existing program, we believe we are stronger together and that we all have a role to play in modernizing employment. With the following strategies and knowledge kits, your teams will be on the way to fair chance hiring as second nature. We'll start by taking a closer look at the spectrum of fair chance awareness, measures to protect your business, and examples of fair chance champions.

The fair chance spectrum

Regardless of where you fall on this spectrum, it's important to know there is room for improvement for all companies. And while most companies will never reach the "Open Hiring Stage," any of the work you do to bring fairness to your hiring process will only serve to benefit you in the long run.



Dispelling common myths

So what are the barriers to fair chance hiring, and why are we just starting to tackle this issue in a meaningful way in the business sector? Talent with records have an unemployment rate that is 5x that of workers without records, and a recent study by the UCLA Institute for Research on Labor and Employment found that the main barrier to securing work for this talent pool was not repetition risk or negligent hiring suits but stigma.

This bias or stigma associated with candidates with records was found clearly in the UCLA study and the report found the following key issue areas for talent with records during the job search:

1. In hiring decisions, employers view criminal records more negatively than other evidence of the same illegal conduct.
2. Employers expect applicants with criminal records to engage in many undesirable behaviors on the job, even ones unrelated to the conduct indicated by the record.
3. Employers penalize applicants with criminal records most in hiring decisions for higher status job positions.
4. Employer aversion to hiring applicants with criminal records is not greater for customer service positions, where negligent hiring should be the biggest concern.

Dispelling the reoffense myth and striking out stigma towards talent with records is a core element of preparing to become a fair chance employer. At Checkr, we've done cultural work to ensure that there's no place for stigma within our organization, and we've also leveraged our data to bust the reoffense risk myth.



Checkr's Reoffense Data Study

Checkr Data Scientists conducted a study to understand how frequently people with existing conviction histories reoffend. What we found is pretty staggering, and challenges the norms that many of us think about when considering conviction histories.

128,036

Candidates with a record in **2010**

105,846
Misdemeanors

25,626
Felonies

Study Findings

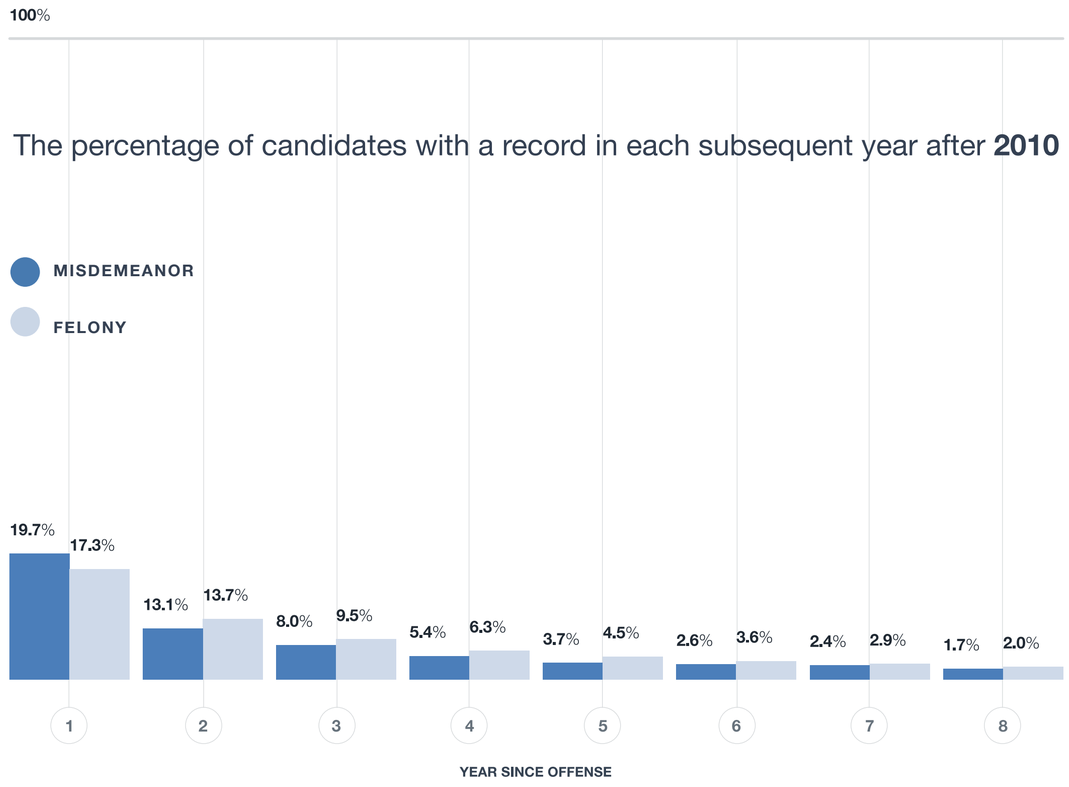
Based on Checkr data, 81% of individuals who had a criminal conviction did not commit a new reportable offense within the first year. Fast-forward to 7 years after the initial conviction, only 2.4% of this population had a criminal conviction, meaning 97.6% of this population had no subsequent records.

Methodology

This data was collected from a sample size of over 120k candidates that were screened on Checkr's platform and had a reportable conviction in their background report from 2010. This data includes both felony and misdemeanor convictions from a diverse sample of candidates across the US. The data was anonymized by removing all personally identifiable information before conducting any analysis. The same pattern is true for both misdemeanors and felonies in this data set—*no matter the severity of the charge, the percentage of reoffense rates declines significantly in one year alone if another conviction does not occur.*

What It Means To You

The data shows that the rate of actionable criminal information appearing on a background report drops significantly over time and very quickly. The more time that's passed since a crime occurred on a person's background, the less likely they are to be convicted of new crimes, so we can see through our data study and the UCLA findings that what's truly keeping people out of work isn't repetition risk or potential for negligent hiring, but stigma.



Building a fair chance hiring plan

As we've discussed, there's no one size fits all approach to finding what works for your business when it comes to hiring top talent with conviction histories, but there are general guidelines to follow as you get started on your unique approach.



Building a fair chance hiring plan

Step 1: Build your foundational knowledge and best practices

Step 2: Create an intentional hiring plan

Step 3: Connect with local source partners to find top fair chance talent

STEP 1

Build your foundational knowledge and best practices

Checkr is proud to offer our e-learning course, “Getting Started with Fair Chance” as a jumping off point for your teams. This course will help you align your organization’s talent, culture, and compliance philosophies toward a more inclusive space, no matter where you are starting from. Use the discount code “**fairchance_2020**” for free access to this learning tool. You can get started here.

Building a fair chance hiring plan

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STEP 2

Create an intentional hiring plan

Once you have your foundational knowledge covered, get together with your team to make a Fair Chance hiring plan for your team. Understanding your intentions, goals, internal champions, and success metrics will help you build the best possible program and integrate your new hiring practice into your business quickly and seamlessly. Here are a few best practices to consider:

- Publishing a statement on your careers page so talent with conviction histories know you are a fair chance employer
- Registering your business on Glassdoor and Linkedin as a fair chance employer
- Determining your success metrics and ensuring you have a process to track your progress
- Writing a fair chance friendly job description that focuses on core competencies instead of past experience in the role
- Writing a fair chance friendly job description that removes industry-specific buzzwords, years experience, and educational requirements where possible
- Establishing a network of partners to fill your fair chance talent pipeline

Building a fair chance hiring plan

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STEP 3

Connect with local source partners to find top fair chance talent

Engaging in fair chance hiring is not only an opportunity to diversify your workforce, it's also a chance to make a meaningful partnership with job development experts in your community. Community Based Organizations (CBOs) that focus on workforce development for reentry and fair chance talent are likely right in your backyard. Partnering with local source partners can give you strategic access to top talent with conviction histories without having to do a manual search yourself, and CBOs are excellent resources to tap into to learn best practices on hiring and supporting your new talent.

At Checkr, 5% of our full time employees are fair chance talent, and of that 5% we have a 75% retention rate, a 54% promotion rate and a 100% engagement rate. Our talent is staying and growing within our organization, and they're building more than a job; they're building careers and rebuilding a life for themselves. Our success is our source partners' success.

Our fair chance hiring commitments in San Francisco and Denver have been made possible by the incredible work of the following organizations:

San Francisco / Bay Area
Defy of Northern California
Center for Employment Opportunities Oakland
The Town Kitchen
Code Tenderloin
The Contra Costa Workforce Development Board
One Treasure Island
Healthright 360
America Works

Denver / Aurora
Defy of Colorado
Center for Employment Opportunities Denver
Colorado Coalition for the Homeless
Empowerment
The Second Chance Center

National
70 Million Jobs
Use these keywords to research local source partners in your region:

- "reentry workforce development"
- "reentry job development"
- "felony friendly job development"



“Our effort to change the narrative and develop talent in collaboration with local employers and our community partners like the Bay Area Accelerator Hub promises all of us a tomorrow that can bridge the gap to the normalization of fair opportunity hiring practices. We imagine a community where our returning citizens don’t just have access to a job but also access to sustainable careers.”

Ken Oliver, Policy Director, Legal Services for Prisoners with Children

All of Us or None

Doing the Work

Conducting a skills-based interview

Working to build a strong fair chance talent pipeline is a crucial step in a successful hiring process, but is your organization ready to receive this talent once they enter the interview phase? Many fair chance talent candidates that are qualified in terms of the skills they possess may not have previous job experience in the role, they may have an employment gap during their period of incarceration, or they may not have the educational requirements that are posted with available positions.

Setting your recruiters and hiring managers up for success requires making slight tweaks to your existing process to implement what we call a skills-based hiring model.

Conducting a skills-based interview

Step 1: Identify the core competencies of the role

Step 2: Throw away the golden resume

Step 3: Be willing to give time to ramp up

STEP 1

Identify the core competencies of the role

As you begin recruiting for your open roles, put yourself in the skills-based assessment mindset. Rather than focusing on past direct experience in the role you're hiring for, a specified amount of previous years work experience, or being fully ramped up on the existing tools, instead ask yourself:

- At a high level, what is the purpose of this role?
- At a high level, what will this hire be owning/building?
- What does success look like after 6 months? 12+ months?
- What will a typical day look like?
- What are the **5 top key skills** necessary to be successful in the role?
- What are the **5 additional skills** that would be helpful but not immediately necessary?

Breaking down the role by identifying the core functions needed to be successful will help you find talent that have transferable skills from untraditional backgrounds and enable you to test competencies in these skills.

Conducting a skills-based interview

Step 1: Identify the core competencies of the role

Step 2: Throw away the golden resume

Step 3: Be willing to give time to ramp up

STEP 2

Throw away the golden resume

Once you know what you're looking for, your hiring manager and recruiters will need to keep course through the interview and debrief. It can be tempting to default back choosing the candidate with the most direct previous experience, but maintaining a skills-based approach can level the playing field and help you find top talent with untraditional backgrounds across the board, not just with fair chance candidates.

Throwing away the golden resume can be challenging. As you move through your assessment process you may want to use fair chance friendly guide posts to keep you on track. Rather than seeking out educational requirements or previous years experience in a similar role, assess all of your candidates through a fair chance friendly lens:

- Does the talent demonstrate the ability to execute on the 5 core skills required of the role?
- Does the candidate have transferable skills from any previous work experience that will make them successful in the role?
- Has the candidate demonstrated an ability to hold down a job?
- If the candidate is lower skill, do they have a high willingness to learn quickly?
- Is the candidate motivated to push your team forward?

Using a skills-based assessment process results in fairer interview and hiring practices for your teams, works to eliminate bias, and will help you find top talent that you may have otherwise overlooked in a traditional hiring model.

Conducting a skills-based interview

Step 1: Identify the core competencies of the role

Step 2: Throw away the golden resume

Step 3: Be willing to give time to ramp up

STEP 3

Be willing to give time to ramp up

When it comes to previously incarcerated talent, giving someone a fair chance may mean giving them a chance at work even before they've learned the core tools needed to do the job. If talent can highlight transferable skills, show an eagerness and motivation to learn, and demonstrate our core values of humility, transparency, grit, ownership, and connection, organizations can bring them on knowing there may be a learning curve. At Checkr, we've had individuals that come in at a low skill level and then ramp up to be on par, if not outperforming, their peers within 30-90 days.



“From the moment I began working at Checkr, I have known only support from the amazing humans I have met. I knew nearly nothing about working in tech or startups and had never even used a Mac. Regardless of this, my ability to grow and excel in my job is a testament to the culture of this company and its mission. I look forward to what I can accomplish over the next few years.”

Kevin, Candidate Experience Representative

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When the record needs review

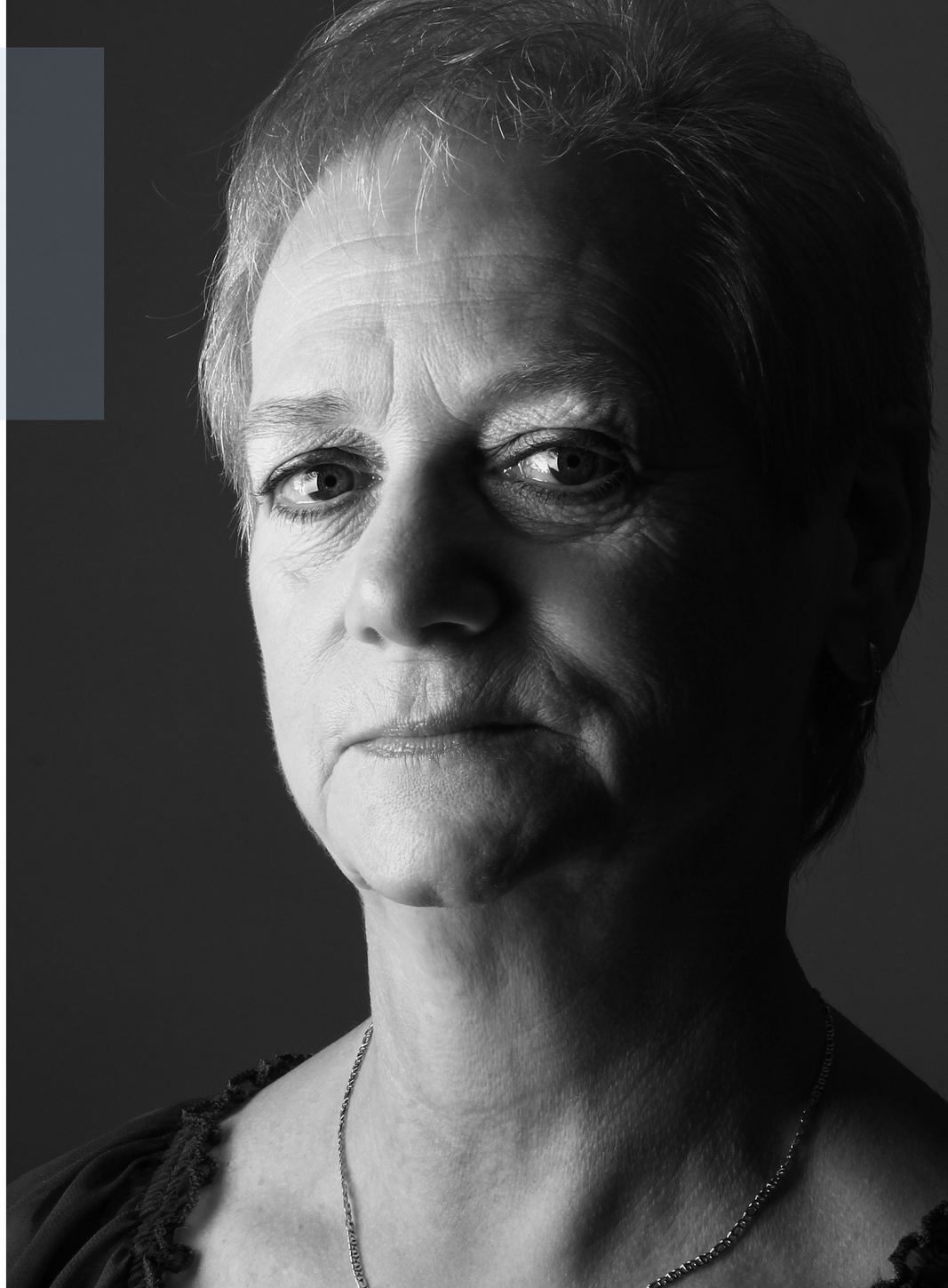
As applications come in, there may be some charges on the background check that can either be filtered out with technology—for example, if your company operates in California, you may choose to automatically rule out marijuana charges, given that marijuana is legal—or through a manual review. If you choose to manually review, you'll need to set up an individualized assessment practice.

What is Individualized Assessment?

Both the EEOC and our community partners recommend that you conduct a Nature-Time-Nature test. Ask yourself, what was the nature and gravity of the offense? How much time has passed since the offense? What is the nature of the role in question? If these three variables are deeply correlated, you may be taking on undue risk by engaging your candidates. If they are not deeply correlated, this shouldn't be a barrier to employment.

For example:

A truck driving company hiring a driver may hesitate to engage a candidate with a DUI conviction in the past 3 years. On the other hand, a dog walking company considering hiring a dog walker may find that it would not be taking on undue risk by engaging a candidate with a DUI conviction in the past 3 years.



Individualized Assessment Best Practices

If a charge comes through that your team needs to take a closer look at, we recommend engaging a panel of diverse, educated, and trained professionals to conduct an individualized assessment. Assembling a panel of individuals from varying backgrounds and expertise areas ensures that you are fairly assessing candidates while also ensuring that you're not taking on undue risk. Here are the factors that panel should consider:

- The nature of the charge, the time that's passed, and the nature of the role
- Acknowledge and openly discuss any biases or "moral judgments" that may be creeping up during the assessment process so that you can move through them and recenter back into a pure nature-time-nature test
- Take into consideration any evidence of rehabilitation in the form of completed courses or counseling, personal references, etc.
- Ask for context around the circumstances leading up to the conviction
- Finalize your decision after a transparent conversation with the candidate to learn more about the charge and what work they've done since

Conducting individualized assessments can give you and your team security that at the completion of the assessment process **if you choose to engage with a candidate, you have deemed the candidate to be 100% ready to join your organization and have done the work to prove this.** Once engaged, we recommend moving the new hire into a protected class within your organization to ensure they will not be subjected to any othering, tokenization, monitoring, surveillance, or undue lack of trust.





Committing to retention and growth

Take a moment to celebrate your success—your team has made tweaks to your existing hiring process in order to welcome new assets to your team and open up employment to a severely underserved population. You've likely changed a life by giving someone a fair chance at work.

Setting Your Talent Up for Success

Once you've hired your new talent, you can focus on getting them oriented, ramped up, and comfortable adjusting to a new environment. Fold your people into existing onboarding and training programs with your new hire cohort, and have transparent conversations with fair chance talent about any additional support they may need.

If your new talent was recently released from prison or served jail time, they may have conditions of parole or probation to navigate. Similarly to the way your business already makes accomodations for varying commuting needs, specific office setups for ergonomic or disability reasons, and even maternity and paternity policies, making accommodations for conditions of parole or probation during a period of supervision can be neatly folded into your existing HR functions.

Potential conviction history responsive accommodations for your talent could include:

- Needing to have a shift schedule, or agreed upon hours, that allow for talent to make it to mandatory classes
- Willingness from manager to have a conversation with the talent's parole or probation officer to confirm employment status or have occasional check-ins
- Having an intentional conversation with the talent to ensure them that they are supported and that you understand the seriousness of helping them maintain their conditions of parole or probation

Navigating conditions of supervision doesn't need to feel foreign or daunting. A transparent conversation with your talent at the beginning of their employment period can build trust and foster a healthy culture for your top talent as they build their careers.

Additionally, it's important to prepare your culture to receive your talent, and view fair chance hiring as an asset to building your best teams. While we are working hard to normalize fair chance hiring, we're not there yet and you may have to do culture building work to bust myths and strike out stigma in your organization.

Building a culture of belonging for fair chance talent will help with their performance, retention, growth, and overall contribution to your business. **The first and most important step to ensure the psychological safety of your new talent is to remember that your talent disclosing their record is always their choice.** Your talent may want to leave their past behind them, or have conviction histories that they don't feel comfortable disclosing, and that's their right. Make sure to have a conversation with your new talent ensuring they don't feel any undue pressure to share any part of their personal life and past. Have a clear confidentiality policy that mirrors the privacy you have in place for your employees without records. And lastly, be ready to navigate conversations with employees about your process of vetting talent, like your unique individualized assessment process to calm any worry or misunderstanding your employees may have about hiring talent with conviction histories.



You'll be able to find the right balance between privacy and knowledge sharing with your employee base with time. As you get started, consider a few "**Do's and Don'ts**" as best practices for integrating fair chance talent into your organization.

DO THIS

Do support your fair chance talent by:

- **Establishing a clear confidentiality policy** and making sure your recruiters, managers, and the candidate know who knows what in regards to their background
- **Creating an Empowering Language Guide** to foster respect and connection and bust myths and stereotypes
- **Consider shifting your culture on a larger scale** by booking a Reentry Simulation so that your teams can feel a small taste of what coming out of prison and looking for work feels like to build empathy and understanding
- **Volunteer with a community of practice** and coach individuals waiting for release by signing employees up for a Defy prison trip

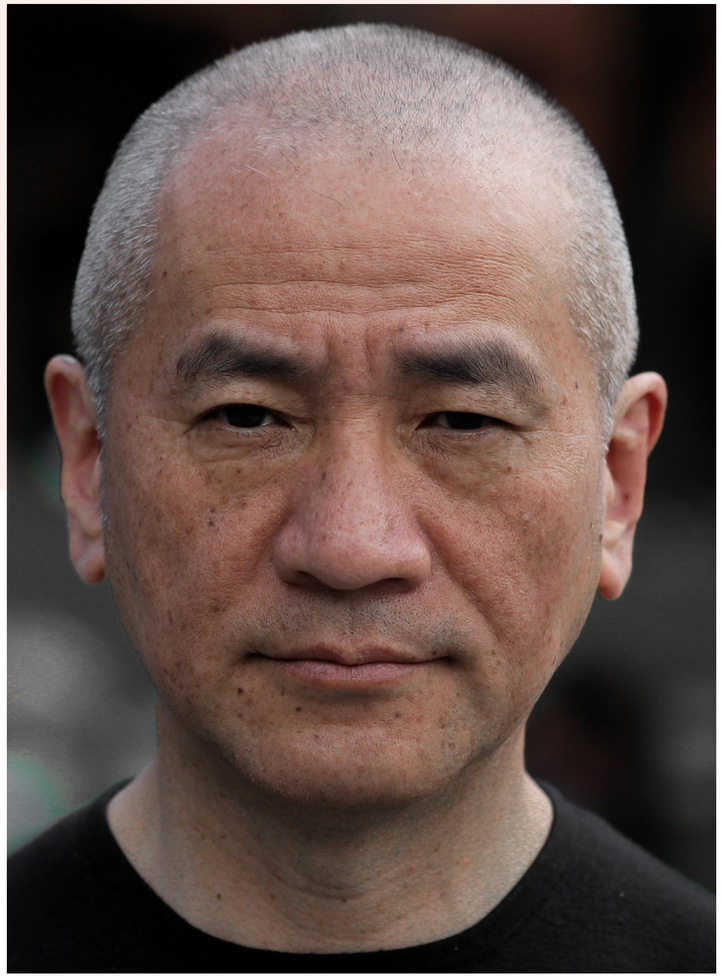
DON'T DO THIS

Don't out your talent by:

- **Outing your talent without consent**—always allow talent to tell their own story if they wish and make sure never to share personal stories without having a conversation first
- **Monitoring talent more than you would employees without conviction histories.** Once you employ talent they should have 100% trust and respect and should not be subjected to limited access to information or surveillance of any kind
- **Allowing harmful language or stereotyping in cultural environments.** Any inappropriate comments should be met with the same HR reaction you would have to a racial slur or sexual comment
- **Pressuring talent to share their personal stories in a public or external facing venue**—the stories of previously incarcerated talent are often inspiring, but they are also often very personal and it's up to the individual if they want to share in their own time

People, not projects

Remember you're hiring people, not projects as you get on the road to normalizing fair chance employment. Fair chance talent pools are a valuable workforce of capable and experienced individuals, and it's our job as employers to level the playing field and contribute to the movement for equitable access to meaningful work for people with conviction histories. Your organization is going to reap benefits from engaging this talent pool, so be sure to treat your talent with dignity and respect and ensure they know they are an asset to your organization.



Checkr

Join Us and Those Who Paved the Way



Join us on the road to normalize fair chance

As we look ahead, there is still so much work to be done as we change our cultural attitudes around criminal history as an important facet of diversity. This is the first time the world around us is talking about fairness on such a massive scale. We're hopeful that allies like you can join in this conversation, exert your influence, and empower your organizations to move the needle forward. We look forward to learning from your journey, as the best solutions are born through shared experiences.

If you're interested in learning more about fair chance hiring and our mission, please visit fair.checkr.com.

Thank you to our contributors:
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