

EMPOWER MISSISSIPPI



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How Second Chance Hiring Can Grow Your Workforce

TIPS AND BEST PRACTICES FOR SECOND CHANCE EMPLOYMENT FOR MISSISSIPPI EMPLOYERS

The Facts

Every year, over 5,000 unemployed people re-enter Mississippi's workforce from the state's prison system.¹ These Mississippians represent an important segment of Mississippi's workforce that often goes ignored by employers.

Mississippi's overall unemployment rate in 2018 hovered around 5%,² while the most recent data for formerly incarcerated people was at 27%.³ **People re-entering the workforce are five times as likely to be unemployed and looking for work.**

At a time of low unemployment, finding qualified people to fill open positions can be a challenge. This segment of Mississippi's population, which has been largely dismissed by employers in the past, can be a valuable asset to organizations seeking to grow in Mississippi.

While this dynamic is not confined to Mississippi, it does present employers in the state a unique opportunity. Mississippi is the third largest incarcerator in the country, on a per capita basis.⁴ Besides Oklahoma and Louisiana, the Magnolia State puts more people in prison than every other state, **as well as every other industrialized country in the world.**

1 Mississippi Department of Corrections, Annual Report, <https://www.mdoc.ms.gov/Admin-Finance/Documents/2018%20Annual%20Report.pdf>

2 Mississippi Economy at a Glance, Bureau of Labor Statistics, <https://www.bls.gov/eag/eag.ms.htm>

3 Out of Prison and Out of Work, Prison Policy Initiative, <https://www.prisonpolicy.org/reports/outofwork.html>

4 States of Incarceration: The Global Context, Prison Policy Initiative, <https://www.prisonpolicy.org/global/2018.html>

Because of the sheer size of Mississippi's prisons and jails, our state has an outsized number of people who are capable and qualified for work but dismissed due to a criminal conviction in their past. Mississippi's historical over-reliance on prisons and jails also contributes to the state having one of the lowest populations of people in the workforce, at 75%.⁵

Estimates show that **over 200,000 people in Mississippi have some sort of criminal record in their past.**⁶ While the current economy has spurred national firms and employers in other states to consider these applicants, many employers in Mississippi have yet to explore how this population can provide a boost to their workforce.

Historically, criminal convictions have been considered a negative aspect of an applicant's background for several reasons. The most obvious drawback for some employers was the fact that evidence an individual has broken the law in the past suggests that they might be more likely to do so in the future. However, attitudes are changing as the size of this labor pool grows and employers struggle to find qualified employees.

Through our work on this issue, we've heard from several employers that their employees with criminal histories are some of their best. A recent survey of human resource professionals across the country shows that employer attitudes towards second chance hiring are changing, as more firms are seeking to utilize this untapped segment of the workforce.⁷

There are simple steps that employers can take to ensure that they are not excluding qualified applicants while also ensuring the safety of the workplace and the general public. These four tips are established based on the best practices backed by research and experience from organizations across the country and can help you grow your workforce safely and effectively.

Four Tips for Success

1. Update Your Process

In the past, some employers excluded applicants with any criminal history from consideration for employment. Such automatic disqualifications could not only land employers in legal trouble, they exclude valuable applicants who might otherwise be ideal fits for the company.

The following best practices developed by organizations around the country can be implemented in your hiring process to ensure better results.⁸

- Instead of inquiring about an applicant's criminal history on a job application, consider doing so later in the hiring process.
- Make an individualized assessment into the nature of the applicant's offense.
- Consider the time since the offense, and what the applicant has done since then.
- Consider whether the conviction relates directly to the work and responsibilities of the position.
- Give applicants the opportunity to explain their conviction.

⁵ Connecting Employability and Criminal Justice Reform: By the Numbers, Empower Mississippi, <http://empowerms.org/connecting-employability-and-criminal-justice-reform-by-the-numbers/>

⁶ Felony Disenfranchisement in Mississippi, The Sentencing Project, <https://www.sentencingproject.org/publications/felony-disenfranchisement-mississippi/>

⁷ Workers with Criminal Records, Society for Human Resource Management, <https://www.shrm.org/hr-today/trends-and-forecasting/research-and-surveys/Pages/Second-Chances.aspx>

⁸ Q&As on Hiring Ex-Offenders, Georgia Center for Opportunity, <https://georgiaopportunity.org/wp-content/uploads/2018/12/18-536-GCO-White-Paper-1.pdf>

2. Consider the Financial Benefits

There can be a significant financial benefit to hiring people re-entering the workforce. The Work Opportunity Tax Credit is a federal tax credit available to employers who hire someone that has been convicted of a felony or released from prison for a felony conviction in the past year.

The tax credit can reduce a business' federal tax owed by **as much as \$9,600 per employee** in over two years. This financial benefit can serve as an additional incentive when considering hiring someone with a criminal conviction in their past. More information about the tax credit is available directly from the IRS.⁹

3. Mitigate Risk

The most important way to mitigate risks associated with hiring people with a past criminal conviction is to ensure that your hiring process incorporates the components outlined above. There are also financial risk management tools available to protect employers.

The Fidelity Bonding Program offers employers a no-cost way to mitigate their risk. It is a no-deductible bond of \$5,000 up to \$25,000 for an employer that protects against acts of dishonesty by an employee.

For more details on the bonding program, including the form needed to apply for the bond, visit [EmpowerMS.org/Fidelity-Bonding](https://empowerms.org/Fidelity-Bonding). This program is administered by the Mississippi Department of Employment Security, and details are also available on their website.¹⁰

4. Let people know!

Once your hiring process is updated, be sure to let people know! Even if you currently hire people with criminal convictions, job seekers might not be aware. Ensure that your job applications, job site postings, and website are all updated stating that you are a Second Chance Employer.

You can contact the Mississippi Department of Corrections so that their parole and probation agents are aware that you provide opportunities to people with convictions in their past. WIN Job centers are another connection point that should know about your policies to help connect you with qualified applicants.

Empower Mississippi has a growing network of tens of thousands of Mississippians. If you're a Second Chance Employer, we can connect you with our network and help you find qualified applicants for your positions! Contact us at [EmpowerMS.org](https://empowerms.org).

Other Resources

- **From Tax Burdens to Tax Payers: Why Hiring the Previously Incarcerated is Right on Crime, A Handbook for Employers** from Right on Crime
<http://rightoncrime.com/wp-content/uploads/2018/08/Employer-Handbook.pdf>
- **Back to Business: How Hiring Formerly Incarcerated Job Seekers Benefits Your Company** from the Trone Private Sector and Education Advisory Council to the American Civil Liberties Union
https://www.aclu.org/sites/default/files/field_document/060917-trone-reportweb_0.pdf
- **Stories from Employers who are Successfully Employing Formerly Incarcerated People** from B the Change
<https://bthechange.com/erasing-the-stigma-with-fair-chance-hiring-4dd51ba4d77b>
- **Q&As on Hiring Ex-Offenders** from Georgia Center for Opportunity
<https://georgiaopportunity.org/wp-content/uploads/2018/12/18-536-GCO-White-Paper-1.pdf>
- **National HIRE Network** Resources for Employers hiring people with criminal records
<https://hirenetwork.org/>

FOR MORE INFORMATION

Empower Mississippi is working to remove barriers to opportunity so all Mississippians can flourish. That includes removing barriers that make it harder for people to find meaningful work.

We want to partner with you! You can learn more about our work and how it impacts you by visiting our website at EmpowerMS.org. You can sign up there to receive the latest updates and resources for your organization.

If you have any questions or would like to learn more about the information outlined above, please contact Empower's Director of Employability and Criminal Justice Reform, James Robertson. He can be reached at James@EmpowerMS.org or at (601) 850-1736.

ABOUT EMPOWER MISSISSIPPI

Empower Mississippi is an independent, nonprofit advocacy organization dedicated to removing barriers to opportunity so Mississippians can flourish. We've found that many Mississippians are burdened by laws that make it difficult to get a good education and find meaningful work. To that end, we've developed a unique process that helps people advocate for policy change so Mississippians have access to better opportunities. We want to partner with you! Please reach out and contact us at EmpowerMS.org for more information.