

# FAIR CHANCE HIRING

The graphic for 'FAIR CHANCE HIRING' is composed of several elements. The word 'FAIR' is in large, bold, blue letters. To its right is a blue rectangular box containing a yellow eye with a black pupil, a white hand with a red sleeve pointing upwards, and a yellow vertical bar. Below 'FAIR' is the word 'CHANCE' in large, bold, blue letters. Below 'CHANCE' is the word 'HIRING' in large, bold, blue letters. To the left of 'HIRING' is a blue rectangular box containing a yellow scale of justice, a yellow triangle, a red vertical bar, and a white square.

## Policy Recommendations to Strengthen Fair Chance Hiring in Philadelphia

The Chamber of Commerce for Greater Philadelphia (the Chamber) has made fair chance hiring a core component of our broader commitment to advancing economic mobility and strengthening the region's workforce. Our member employers consistently cite both persistent hiring challenges and the need for deeper, more equitable talent pipelines — making fair chance hiring not only a matter of inclusion, but a practical strategy for meeting workforce demand, improving retention, and supporting long-term economic growth.

Through the [Philadelphia Fair Chance Series and Employer Engagement Program](#), an initiative led by [Philadelphia Works](#) and in collaboration with [JPMorganChase](#), [Envoy](#), the [National Reentry Workforce Collaborative](#) and the Chamber, we continue working to bridge the gap between public policy and employer practice by elevating best-in-class models, facilitating connections with reentry partners, and helping employers navigate a rapidly evolving compliance landscape.

This policy memo is issued as a direct follow-up to the City of Philadelphia's recently updated fair chance hiring legislation and the [Chamber's Fair Chance Hiring: Leading with Policy program](#), held in partnership with [Councilmember Rue Landau](#) and [Envoy](#), our national reentry partner.

The program provided a valuable opportunity for employers, workforce organizations, and City of Philadelphia officials to engage in dialogue about what effective implementation requires, and the poll responses collected during the event offer timely insight into the supports, tools, and policy adjustments that would empower both the public and private sectors to make meaningful progress.

The recommendations in this memo synthesize those insights with emerging best practices from peer cities to help Philadelphia strengthen and scale fair chance hiring in a way that is practical, coordinated, and outcome-driven.



## Key Insights From Poll Findings

The poll drew more than 100 employer respondents, representing a diverse cross-section of small, mid-size, and large employers across industries including retail, hospitality, healthcare, manufacturing, professional services, and nonprofit organizations. Respondents included HR leaders, operations managers, and business owners with direct responsibility for hiring and workforce compliance.

- Most respondents reported only partial or low familiarity with the latest fair chance hiring updates, underscoring the need for more proactive communication and employer education.
- The top barrier to expanding fair chance recruitment, selected by nearly half, was difficulty connecting to reliable talent pipelines. Many also cited limited guidance and uncertainty around legal requirements, indicating a need for operational clarity and stronger pathways to justice-impacted talent.
- Employers are primarily motivated by workforce outcomes: retention, performance, and filling open roles far outpaced equity-driven or cost-saving considerations, reinforcing that engagement increases when fair chance hiring aligns with core business needs.
- Respondents showed a strong preference for practical, ready-to-use tools such as templates, checklists, and plain-language Q&A resources to support compliance.
- Nearly two-thirds identified employer compliance and training as the area where City of Philadelphia action would have the greatest impact, reflecting a desire for clearer expectations, standardization, and hands-on support.
- City-endorsed onboarding and training resources were viewed as most valuable, followed by access to community partners and support navigating background checks — signaling demand for both standardized tools and streamlined hiring pathways.
- Finally, two-thirds said the City of Philadelphia’s greatest role is establishing shared standards and best practices, with many also supporting public recognition for participating employers.

# Evidence of Effectiveness

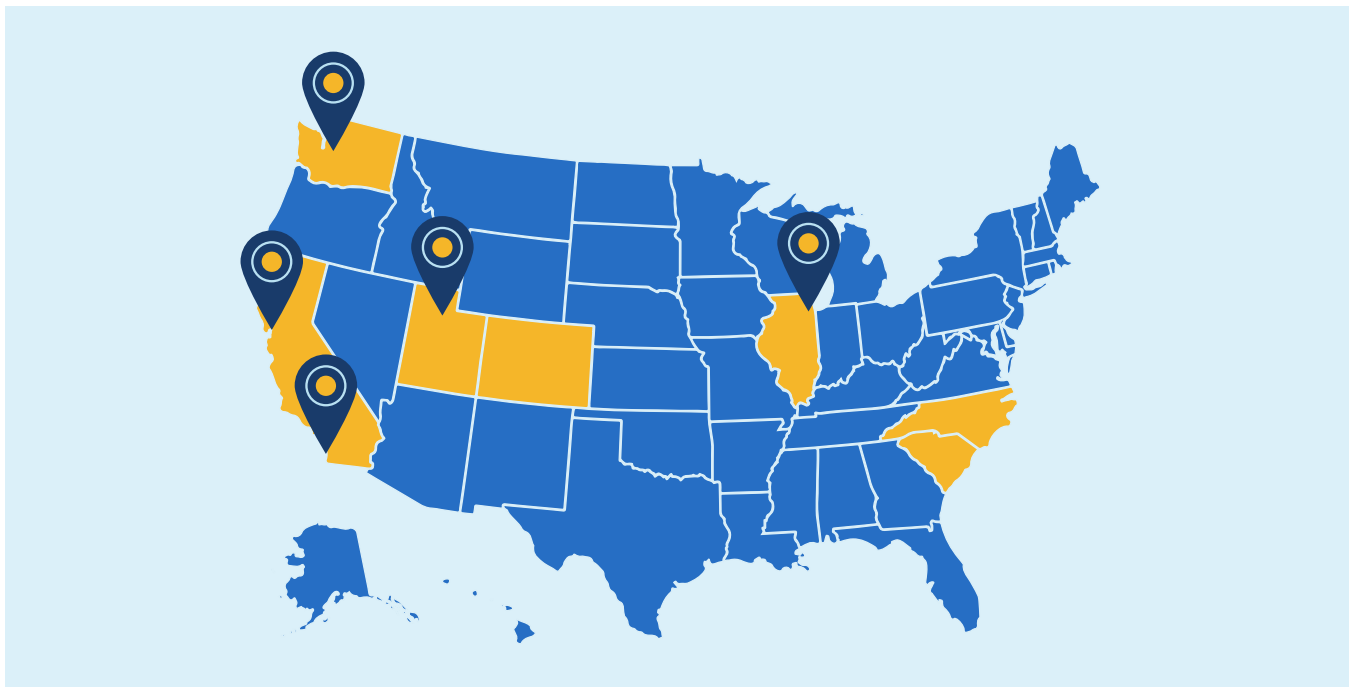
- A [2023 report](#) by Boston Consulting Group found that fair chance hiring is linked to significant productivity, higher retention, and greater employee engagement among justice-impacted hires.
- Research consistently shows that stable employment reduces recidivism. For example, a [study](#) affiliated with MIT found a ~20% reduction in recidivism among individuals who secured stable, livable-wage employment following incarceration.
- An [analysis](#) from the Society for Human Resource Management (SHRM) finds that employers engaged in fair chance hiring report measurable talent-market benefits, including access to a larger applicant pool, improved retention, and shorter time-to-hire. SHRM surveys indicate that a majority of participating employers cite retention rates comparable to or better than other hires and reduced vacancy durations in tight labor markets.
- An [Urban Institute study](#) of reentry and employment programs found that employer-engaged hiring models, particularly those incorporating paid training, coaching, or phased onboarding, are associated with higher job retention beyond 6–12 months and greater wage progression, compared to placement-only models, underscoring the value of employer partnership in workforce program design.
- A landmark [Harvard Business School study](#) (Minor, Persico, & Weiss) analyzing thousands of frontline and service-sector workers found that employees with criminal records had similar or higher job performance ratings and significantly lower voluntary turnover, with turnover rates up to 13% lower than peers without records in customer-facing and service roles.
- National data show that over 150 U.S. cities and 37 states have [adopted ban-the-box/fair chance laws](#), suggesting a broad shift in public policy and employer norms.



# Peer Locations' Strategies

Collectively, these examples show that with the right municipal infrastructure, employer engagement, and community partnerships, fair chance hiring can move from good intent to measurable outcomes, including improved talent supply, better retention, and community reintegration.

- The City of San Francisco makes the [top five list of U.S. cities with the highest percentage of fair chance job listings](#) (~4.9 per 1,000 job ads) in part due to its Fair Chance Ordinance and strong employer outreach.
- [Los Angeles County](#) and the Department of Economic Opportunity have implemented a comprehensive fair chance ordinance supported by robust employer infrastructure, including centralized online compliance resources, guidance documents, and technical assistance for employers to support awareness, implementation, and ongoing compliance with fair chance requirements.
- The [City of Seattle](#) created a dedicated Office of Labor Standards with business-outreach liaisons to operationalize fair chance policies, partner with community organizations, and monitor employer posting practices.
- The Salt Lake Chamber and its partners produced a [Fair Chance Hiring Guide](#) for employers that includes steps like delaying criminal-history questions until later in the hiring process and building partner referral pipelines.
- North Carolina's [Reentry Outcome Reporting System \(NC-RORS\)](#), Colorado's [Career Training and Justice-Involved Outcomes Dashboard](#), and the Los Angeles County [Fair Chance Open Data Site](#) publicly track employment, wage, and recidivism outcomes for people leaving incarceration.
- The South Carolina [Department of Employment and Workforce](#) invites businesses to "become a Second Chance Employer," with an official state-branded designation and related supports for hiring people with criminal records (employers contact the agency to enroll).
- Illinois recently enacted the [Returning Citizens Credit](#), offering employers a 15% tax credit of up to \$7,500 per eligible hire when employing formerly incarcerated individuals within five years of their reentry — one of the few dedicated state tax credits specifically tied to justice-impacted hires.





## Recommendations for Philadelphia

Based on both the poll findings and peer locations' practices, the Chamber is issuing the following actions for the City of Philadelphia and its private-sector partners:



### 1. EMPLOYER GUIDANCE

- Create a plain-language Q&A guide and template toolkit/checklists (e.g., “When may I ask about a conviction?”, “What documentation do I need for compliance?”).
- Establish a dedicated resource hub where these materials are housed, updated, and linked to relevant training events and partner organizations.
- Continue strengthening coordinated employer outreach and training efforts by aligning the City of Philadelphia’s engagement with existing fair chance hiring initiatives, such as the [Philadelphia Fair Chance Series and Employer Engagement Program](#), led by [Philadelphia Works](#) and in collaboration with [JPMorganChase](#), Envoy, [National Reentry Workforce Collaborative](#), and the Chamber.



### 2. TALENT PIPELINE

- Partner with workforce organizations and reentry service providers to develop structured referral pipelines for fair chance candidates.
- Encourage employers to pilot co-hiring cohorts of fair chance employees (as seen in Salt Lake Chamber’s guide), which helps integrate peer support and reduces employer risk.
- Map industry sectors with high hiring needs (hospitality, services, maintenance) and align them with justice-impacted talent pools to optimize placement and retention.
- Support employer-engaged workforce models that include paid training, apprenticeships, phased onboarding, mentoring, or coaching.
- Fund and integrate supportive services (for transportation, childcare, legal assistance such as expungement, and basic needs) within workforce programs to address non-skill barriers that affect attendance and retention.



### 3. EMPLOYER INCENTIVES

- Sustained funding for the City of Philadelphia’s [Fair Chance Hiring Initiative](#) and related workforce development programs to ensure employers can access referral pipelines, training supports, and wage-reimbursement incentives.
- Advocate for expanded federal and state tax incentives that reward employers for hiring justice-impacted individuals, building on the federal Work Opportunity Tax Credit (WOTC), which currently provides employers with a tax credit for hiring qualified ex-felons and other groups facing barriers.
- Align and simplify workforce funding streams where possible to reduce administrative burden on providers and improve employer participation, including consistent outcome metrics across programs.
- Invest in data collection and outcome tracking that goes beyond placements to include retention, wage progression, and employer satisfaction, allowing the City of Philadelphia and partners to continuously refine program design.
- Formally recognize Fair Chance Employers within the City of Philadelphia’s existing framework by expanding its M/W/DSBE definition to include employers who meet clear fair chance hiring benchmarks such as partnering with reentry service providers or demonstrating measurable hiring or retention of justice-impacted Philadelphians.

## Chamber Commitment

As the City strengthens its fair chance hiring framework, the Chamber is committed to doing its part to ensure employer practices, workforce pipelines, and policy implementation continue to advance by:

- Leveraging national research that shows fair chance hires often perform as well or better than peers and have lower turnover to build the narrative that this is both a social justice and business-smart strategy.
- Supporting the next three Fair Chance Hiring cohorts, in partnership with Philadelphia Works and Envoy, to connect employers with vetted talent pipelines, peer learning, and hands-on implementation support.
- Hosting one to two annual employer-facing sessions to highlight best practices, provide practical guidance, and offer live Q&A on compliance and implementation challenges, in coordination with City of Philadelphia partners.
- Committing to periodic employer surveys (every 12-18 months) to assess evolving barriers, guidance needs, and sector-specific dynamics allowing the City of Philadelphia and the Chamber to adapt tactics as implementation matures.

# Conclusion

The survey's insights clearly indicate that Philadelphia is at a pivotal moment: employers are open to fair chance hiring, but their engagement depends on clear guidance, practical tools, and stronger pipelines.

By adopting the recommendations above, the City of Philadelphia and its private-sector partners can collectively build a more inclusive labor market, strengthen hiring and retention outcomes, and amplify economic opportunity for justice-impacted individuals.

The time to act is now — leveraging both the momentum from employers and the proven practices of peer locations to move from interest to implementation.

