



Second Chance Initiative Case Study

CREATE A HOLISTIC,
MULTIEMPLOYER SECOND
CHANCE HIRING INITIATIVE

The Manufacturing Institute Works with San Antonio Employers to Create a Holistic, Multiemployer Second Chance Hiring Initiative

As part of a recent partnership with Stand Together Trust, The Manufacturing Institute highlights how manufacturers in Greater San Antonio, Texas, utilized existing partnerships and leveraged resources in a community committed to second chance to create a multiemployer model for second chance hiring.

➤ Introduction

A 2021 report from Deloitte and the MI finds that as many as 2.1 million manufacturing jobs could be left unfilled by 2030, costing the U.S. economy \$1 trillion in 2030 aloneⁱ. This growing shortage, exacerbated by the pandemic, is requiring new, innovative solutions to identify and upskill critical talent.

To help combat this crisis, in April 2021, the MI's ongoing work to grow the modern manufacturing workforce expanded to include new efforts to promote and educate companies about second chance hiring.

One-in-four Americans currently possess a criminal record. Without second chance opportunities, many in this sizable talent pool will be excluded from the workforce, needlessly leaving them on the sidelines as employers search for candidates who can fill skills gaps.

Manufacturers are well-positioned to lead in welcoming people into their workforce who are ready and willing to develop their skills and seize the second chance for a promising career.

In San Antonio, employers have worked with the MI and Stand Together Trust to build a program that not only gives these individuals an opportunity for employment, but also provides them with tools that will help them achieve success outside of employment.

The following is a summary of how an employer-led second chance hiring program can serve as a model for employers and communities interested in providing second chance hiring opportunities in their own area.



“Some people don’t get a second chance...you can’t just judge a person from their past.”

- Don, Toyotetsu Texas Team Member and Second Chance Program Participant

› Executive Summary

The Greater San Antonio area, which includes Bexar County, has a robust manufacturing sector. Region-wide, manufacturing brings \$40.5 billion in annual economic impact to the area and employs more than 51,000 individualsⁱⁱ. In south San Antonio, a 2.2 million square foot Toyota truck campus houses many suppliers and related businesses that collaborate on many workforce programs. This collaborative, employer-led approach has allowed the area to serve as a workforce program laboratory of sorts. This work is amplified by a community that values investment in individuals with prior convictions, with a focus on finding stable and sustainable employment opportunities for these individuals.

Toyotetsu Texas led the way with second chance hiring in 2018. From the start, they worked to implement a holistic approach to recruitment and retention, while incorporating supportive services, to increase the likelihood of success.

For many years, the leaders of San Antonio and Bexar County have made reentry services a priority for the area. Some examples of this commitment include the following:

- In 2008, county leaders created the Bexar County Reentry Council. The Reentry Council consists of government, nonprofit, faith-based and community leaders to reduce recidivism and provide opportunities for individuals with prior convictions. The Reentry Council strives to find solutions in the areas of: employment and education; housing and social services; substance abuse and mental health; restorative justice; legislative issues; prostitution prevention and intervention program; and faith-based services.
- In 2015, 113 local nonprofits joined together to create the Resurgence Collaborative, which served as a pre-cursor “one-stop” for individuals with prior convictions.
- The City of San Antonio passed the “Fair Chance Hiring Ordinance” in December 2016. This new ordinance, often referred to as a “ban the box” ordinance, encourages justice-involved individuals to apply for city jobs, as they will not undergo the mandatory criminal background check until after they are offered the job.
- Bexar County, with guidance from the Reentry Council, received a grant from the Bureau of Justice Assistance – Second Chance Act to develop a five-year strategic plan on implementing “best practices” to develop programs and strategies that help these individuals return to the community and be productive citizens. One of these best practices was the creation of the Bexar County Reentry Center, which builds on the work of the Resurgence Collaborative, by providing a location that works with community partners and employers to provide comprehensive reintegration services to justice-involved individuals, with an emphasis placed on gainful employment, which is the best deterrent to further incarceration. The Bexar County Reentry Center is a critical partner to the Second Chance Hiring initiative.
- Bexar County also has several specialty courts, which provide problem-solving strategies intended to address the root causes of criminal behavior. These specialty courts include the Felony Drug Court, the Mental Health Court, Misdemeanor DWI Court and the Veterans Court.

Due to the overwhelming commitment to second chance by community leaders, when the employer community indicated their interest in second chance hiring, there was no shortage of engaged partners. Community partners for this initiative include Bexar County Reentry Center, Bexar County Community Supervision and Corrections/Adult Probation, Bexar County Economic & Community Development Department, Veracity (Variable Workforce Agency), Commute With Enterprise and Workforce Solutions Alamo. Examples of the support and services provided to program participants include uniform assistance, transportation assistance and twice-weekly meetings with a job coach. Participating employers and service providers meet twice monthly with interested individuals at the Bexar County Reentry Center to provide information on the program.

The MI encourages the use of their [Community Partnership Scorecard](#) when selecting community partners for second chance hiring programs.

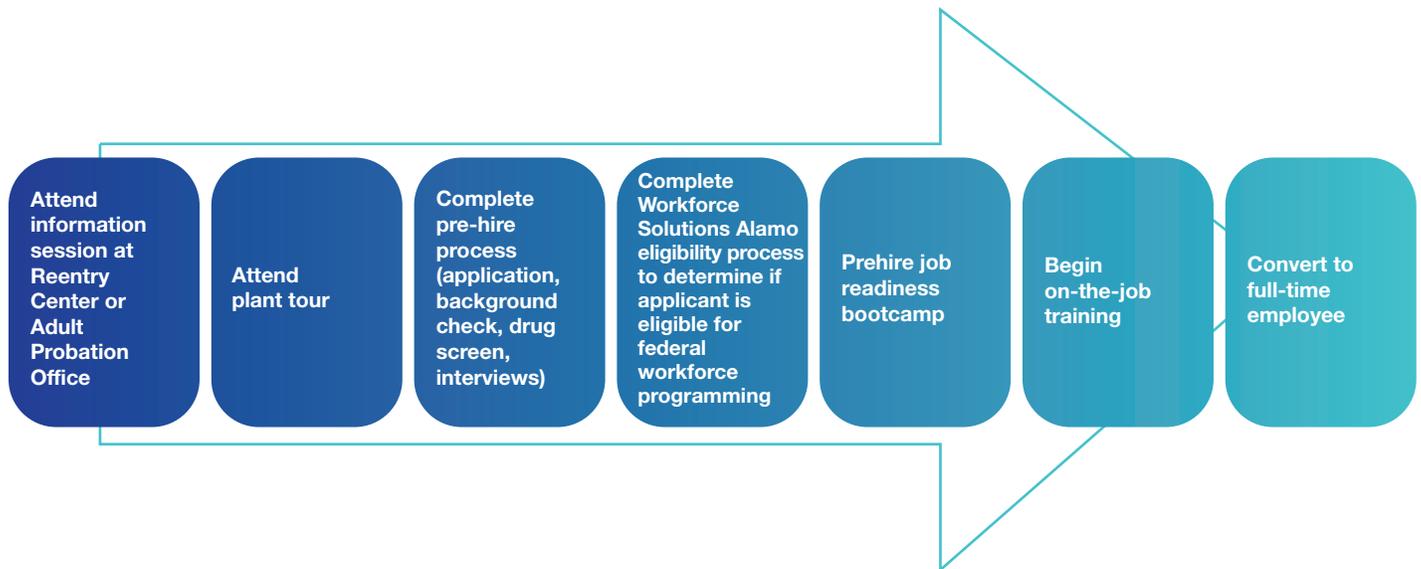
Interested applicants are vetted by employers and their respective legal counsel and are screened for federal workforce program eligibility. If admitted to the program, participants attend a 3-day job readiness bootcamp. Topics covered include communication, resume development, teamwork, conflict resolution, problem solving, emotional intelligence, time management, financial literacy and workplace safety.

Upon completion of the job readiness bootcamp, participants begin their paid on-the-job training and their twice weekly meetings with their job coach. Participants work full time while participating in the program and while earning a competitive wage. Depending on the hiring policies of each company, and based on performance evaluations, at the end of the on-the-job training, they may be able to “convert” to full-time, permanent employment.

In 2021, the MI provided technical assistance in the form of best practice information sessions, office hours, webinars and other resources, to expand the initiative to include multiple employers. A multiemployer model is optimal, as it serves the needs of more justice-involved individuals by providing opportunities for good jobs in manufacturing, while also filling critical roles for participating employers. This technical assistance allowed new employers to integrate seamlessly into the program, providing new opportunities for interested participants. These new employers include Forma Automotive, Toyoda Gosei, Vutex, , Joyson Safety Systems and Flowers Baking Company.



› San Antonio Second Chance Hiring Onboarding Process



Since 2018, Toyotetsu Texas has received more than 150 applications to the program and enrolled more than 80 individuals into the program. Of those participants, 20 have remained employed long term at Toyotetsu Texas. While data on new employers is preliminary, indications are that many of their participants will shortly convert to permanent full-time employment at these companies. It is expected that more employers will join the program in 2022 and demand for program participants will continue to increase.

Most importantly, participants themselves found the program to be life-changing and credit the program and related support with their success.

› The Holistic Second Chance Program Model



Second Chance Hiring

› Detail on Components of the Holistic Approach

The holistic second chance model that has been so successful in San Antonio has several components that are worth discussing in more detail. As employers and community leaders consider implementing second chance hiring programming, below are a few areas to consider when building the program framework:

Job Coaching is Critical to Participant Success

Justice-involved individuals encounter numerous obstacles to successful reentry. It is difficult to find housing, and it is exceptionally difficult to find sustainable employment.

This program relied on job coaches from Workforce Solutions Alamo to provide twice-weekly check-ins with participants. These were opportunities for participants to relay concerns about work and family and to try to tackle the problems in collaboration with the coach.

Specifically, coaches engage with participants on issues, including but not limited to progress at work, conflict at work, transportation, housing, food insecurity, child care, public assistance, financial counseling, physical and mental health, medical needs, family needs, recovery and requirements from the court system. In many cases, the job coach and employer were able to assist individual participants with concerns or problems that otherwise would have been insurmountable for many participants.

Employer Leadership Is Key

In January 2018, **Toyotetsu Texas** participated in a skilled maintenance technician training program initiated by **Bexar County Economic and Community Development**. At that time, Toyotetsu Texas offered an internship to a justice-involved individual referred from the Bexar County Reentry Center. At the conclusion of the internship, management was thrilled with the intern and wanted to make an offer of employment but needed to make modifications to their regular hiring and onboarding policies to do so. Toyotetsu Texas management worked with their legal counsel to develop clear expectations and guidelines to hire that individual, which were used to onboard similar candidates in the future.

As their recruiting challenges persisted, Toyotetsu Texas opted to use this positive experience to further engage with justice-involved individuals, by openly recruiting and offering opportunities to these job seekers who would not normally qualify based on existing hiring guidelines that leaned heavily on past work history and criminal background.

San Antonio and Bexar County have an existing manufacturing sector partnership to solve workforce shortages. This existing partnership, which includes Toyotetsu Texas, has made it possible to build out this holistic multiemployer second chance program. Toyotetsu Texas and the MI leveraged this existing sector partnership to recruit other area employers to join the second chance hiring initiative. This multiemployer approach brings future participants more choices and fills a critical talent need for these employers.



“What we found is the justice-involved population has outperformed individuals who come to us through normal recruiting methods.”

— Leslie Cantu,
Toyotetsu Texas

Avoid a “One-Size-Fits-All” Standard for Application Criteria

Once Toyotetsu Texas management decided they wanted to investigate the possibility of hiring justice-involved individuals, the first thing they did was consult their legal team on the feasibility of such an endeavor. While the default for some companies is to want a firm rubric or “score card” when dealing with risk/reward decisions about hiring, their counsel quickly decided that it was best to review each case individually. No applicant was denied based on their criminal history, and all were considered with careful thought and context. This flexibility aligns with the guidance typically provided by the MI.

Considerations included any rehabilitation efforts already undertaken by the applicant and whether the applicant had extra support or a network of care in place. In several cases, sit-down interviews with legal and management involved were necessary to determine the facts of a situation. This review process was informed by a “Letter of Interest” that each applicant was asked to complete in addition to the standard employment application.



“It has been very rewarding for me.”

— John, Toyotetsu Texas Team Member and Second Chance Program Participant

Letter of Interest Question Examples:

- What are the circumstances surrounding your conviction (in your own words)?
- What have you done to change your life since your conviction (employment, support centers, community service, etc.)?
- What support system do you have in place?
- How would a job through this program help you?

There is no “paint by numbers” framework that can be developed for an employer. There are different state and federal laws to consider—attorneys must particularly consider Equal Employment Opportunity Commission guidance on hiring justice-involved individuals, as well as any applicable laws to protect lawyers against negligent hiring.

Braided Funding for Supportive Services Addresses Barriers to Employment

Program participants are given services and supports, using a variety of community partners and local, state and federal funds.

Workforce Solutions Alamo is the governing board for the regional workforce system of the 13-county Alamo region, which includes Bexar County and is a program partner. WSA’s primary funding source to date has been federal Workforce Innovation and Opportunity Act dollars, commonly referred to as WIOA. (All applicants to the program are screened for WIOA eligibility, although, anecdotally, many are deemed ineligible, despite ex-offenders being listed as a priority population who encounter barriers to employmentⁱⁱⁱ. As a result, a variety of braided funding has been used to serve participants, including funds from Bexar County and the City of San Antonio.

Job coaches are funded by Bexar County. Participants were provided uniforms by Chrysalis Ministries. Van pools are funded, in part, by county transit dollars. Job readiness training is provided through federal workforce funding.

There are new funding opportunities for the program moving forward. First is the **San Antonio Ready to Work Program**. In early 2022, 120 local employers voiced their support for a program that would increase the local sales and use tax by 1/8 cents through December 2025 to pay for workforce development initiatives, and 77% of San Antonio residents voted in favor of the initiative, resulting in an estimated \$200 million in funding through December 2025^{iv}. This goal of this program is to train 40,000 individuals, and it does not have the limitations associated with federal workforce funds.

Another option moving forward is to consider workforce development funding opportunities from the **U.S. Department of Justice's Bureau of Justice Assistance** to provide more assistance for future program participants.

➤ Recommendations for Continued Growth

Though the work done by the employers and community, in consultation with the MI, should be considered a standard bearer, there is always room for continuous improvement. A few of these areas for improvement were echoed by all of the employer and community partners. A discussion of some of these issues should be considered when building new second chance hiring programming.

Consider Centralized Program Governance and Administration

This second chance initiative has been led from its conception by Toyotetsu Texas and recently with new participating employers. While it is a critical component that these types of initiatives be led by employers, it is not optimal that the day-to-day administration be the sole responsibility of employers. A collaborative and shared stakeholder framework structure is key, with employers and partners meeting regularly to communicate and share notes. A third-party organization that understands the needs of justice-involved individuals and can facilitate dialogue and efficient administration of the program while it scales is critical. Also, this organization can work with Workforce Solutions Alamo to coordinate participant data collection and work with companies to collect retention information.

Chrysalis Ministries has been serving justice-involved individuals and families in San Antonio since 1941, originally as Bexar County Detention Ministries. This interfaith organization provides case management, job readiness/job placement, life skills and mental health services for these individuals.

Centralized administration may also make it easier to coordinate increased recruiting activity for the program.

Tackle Additional Barriers for Participants

Consider a Stipend for Participants for Job Readiness Training

According to Workforce Solutions Alamo, job readiness training is paid for by federal workforce funds, meaning that other workforce funding is required to pay for the training of participants not deemed eligible for federal supports. As a result, many participants go unpaid during this week, which is challenging and precludes some individuals from proceeding further with the program.

Investigate Other Transportation Options for Participants

All program partners agree that a lack of reliable transportation remains a challenge for program participants. Transportation is often a hurdle for individuals with prior convictions^v. Many of the engaged employers are not on a bus line. While the program was well-served by the van pools provided by Commute with Enterprise, the utilization of these vans was never sufficient to reach scale.

The program may want to investigate strategies to increase the use of the existing van pool with Commute With Enterprise to build internal capacity and supply. Find other methods to offset the cost to participants (who pay a sliding scale to participate in the van pool, through check deductions). Investigating ride share solutions is another option. As background, Lyft has a LyftUp Program, which provides transportation for individuals who need to get to work and is currently operating in the Texas metros of Austin, Dallas, Fort Worth and Houston^{vi}.

Program partners may also consider providing support for car owners. It is an allowable and regular practice to use federal workforce dollars to provide supports for participants who own a car, but their transportation is still unreliable. These supports may take the place of gas cards as well as assistance with car maintenance.

Another solution is to bring on more participating employers with facilities along transit lines. Until recently, all the participating employers in the pilot are located at the Toyota truck campus south of San Antonio. Toyotetsu Texas, Forma Automotive, Toyoda Gosei and Vutex are all suppliers for Toyota. Joyson Safety Systems is the newest employer partner and is located on the northwest side of San Antonio.



➤ A Call to Action for Second Chance Programming

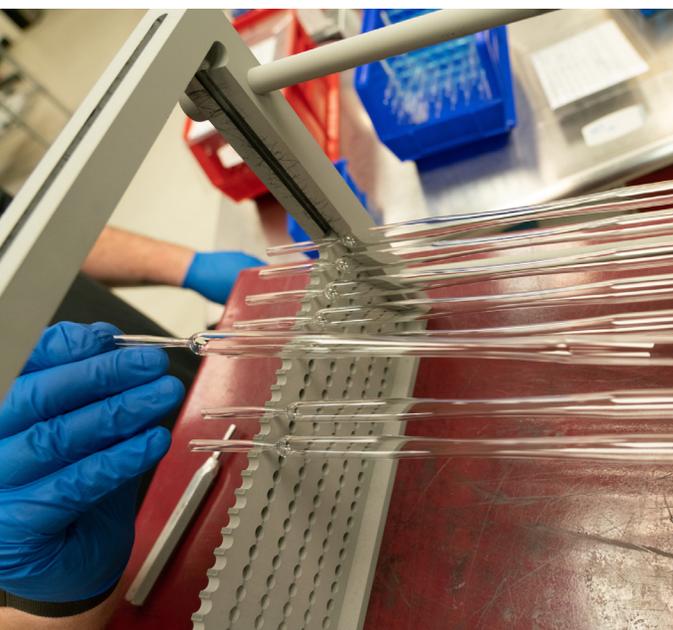
During this critical time for employers, labor shortages and low unemployment will continue to provide opportunities and imperatives for workforce innovation. In San Antonio, a group of enterprising employers, with guidance from the MI, and commitment from community and workforce partners, were able to build a program that solved a need for employers, while also serving the greater community by providing good jobs for justice-involved individuals.



Second chance hiring not only makes good business sense, but it also is a direct investment back into the community^{vii}. Learning from the important work already done in San Antonio is critical to other communities that wish to create their own second chance hiring initiatives.

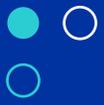
The MI, in partnership with Stand Together Trust, continues to provide critical supports and technical assistance to build out more holistic, multiemployer second chance hiring initiatives, using the work in San Antonio as a model.

For more information on MI's work to promote second chance programming, visit <https://www.themanufacturinginstitute.org/workers/second-chance/>.



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