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THE SECOND CHANCE PROGRAM AT CKS PACKAGING

How Local Business Is Responding To Community Needs



EXECUTIVE SUMMARY

A family-owned business with 24 plastic packaging plants across the country, CKS Packaging introduced the Second Chance Program in 2016 with the goal of hiring people who otherwise might struggle to find employment. Specifically, the program focuses on hiring previously incarcerated people, homeless individuals, and people recovering from drug addictions. To recruit candidates to this program, CKS Packaging partners with community organizations for referals.

Since the inception of the program, hundreds of people have been hired successfully. Employees have moved up in the company or found better positions elsewhere. Additionally, many Second Chance employees have escaped the cycles of poverty, crime, and addiction. CKS Packaging has also been positively impacted, since they now have a loyal, hard-working group of employees who otherwise would not have been found. Since people who previously were incarcerated or relied on social support programs now have employment and some financial independence, taxpayers also end up paying less to help these individuals.

Based on our case study, If more companies adopted similar programs, they would be supporting communities in need as well as taxpayers while potentially helping their own company succeed.



AN INTRODUCTION TO THE SECOND CHANCE PROGRAM

Previously incarcerated people face many barriers to their stability and independence, including the potential loss of their driver's license, extreme debt, lack of employment opportunities, a lack of housing and support, and most obviously, a criminal record. These barriers may act as a contributing factor to the rearrest of many previously incarcerated people. In addition to the personal struggles previously incarcerated people face, taxpayers also lose out since prisons, welfare programs, and support services are expensive to operate.

In Georgia, taxpayers face a particularly large burden considering the state's high incarceration rate. More than 1 out of 20 adults in Georgia are currently overseen by the criminal justice system, meaning that they are in prison, in jail, on parole, or on probation. Georgia

gia Center for Opportunity's Prisoner Re-entry Initiative began in 2013 to combat the barriers previously incarcerated people face and allow them to eventually become self-sufficient. One major aspect of this initiative is to improve employment opportunities by encouraging employers to create programs to hire people reentering society. These programs are called "Second Chance" programs.

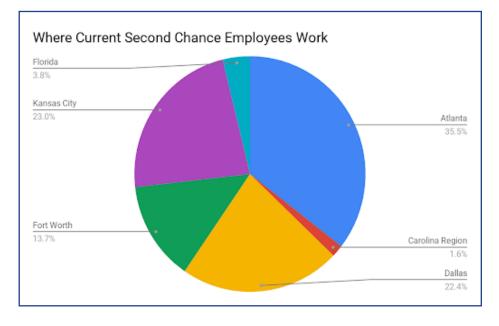
CKS Packaging is one example of a company that created a Second chance program to help people in need. They are a multi-million dollar plastic container manufacturer head-quartered in Atlanta, Georgia with 24 plants across the country. They boast large customers, including Borden Dairy, Coca-Cola, Chick-Fil-A, Kroger,

and RUST-OLEUM.² Since its inception, CKS Packaging had been informally hiring previously incarcerated people, as well as homeless people and people previously addicted to substances, as part of its mission. The company was founded on Christian principles and remains dedicated to helping people in need.

For example, Drew Sewell, the Vice President of CKS Packaging, personally created the ministry Maximum Impact Love that supports the low-income Atlanta community by providing food, haircuts, clothes, healthcare,

and other services to people in need. In April of 2016, CKS Packaging introduced a formal Second Chance program as a way to help as many people in the Atlanta community as possible. CKS Packaging partners with service organizations in the Atlanta area that refer workers to their program. Eventually, the company expanded its Second Chance program to five different regions where CKS Packaging has facilities.

Today, CKS Packaging's Second Chance program employs 183 people across six different locations: Atlanta, Kansas City, Dallas, Fort Worth, Florida, and the Carolina region. The majority of the workers are in Atlanta, as seen in the figure below. To find these Second Chance employees, CKS Packaging has partnered with over 35 different local service organizations across their differ-



ent locations. More information about these organizations can be found in the "Employee Level Success" section of this report.

Based on our review, the Second Chance Program has been a success for both CKS Packaging and its employees who have completed the program. CKS Packaging hopes that the promising results from its own program will encourage other companies to take similar steps in their communities.

^{1 &}quot;Georgia Profile", Prison Policy Initiative, 2018, https://www.prisonpolicy.org/profiles/GA.html#:~:text=Georgia%20has%20an%20incarceration%20rate,than%20many%20wealthy%20democracies%20do..

^{2 &}quot;Our Company", CKS Packaging, Inc., accessed July 30, 2020, https://www.ckspackaging.com/Our-Company.



EMPLOYEE LEVEL SUCCESS

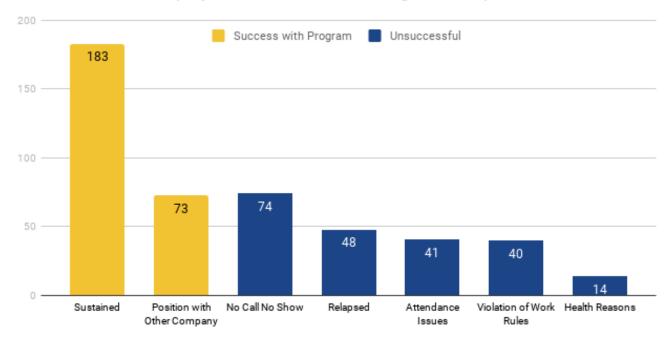
The Second Chance Program has been successful at helping people who were previously incarcerated, homeless, or addicted to substances regain control of their lives. Hundreds of people referred to the Second Chance program have retained positions at CKS or moved on to better positions elsewhere. Employees learn the skills necessary to retain employment and reach financial independence.

Since the inception of the program, 473 people have been hired as a Second Chance employee by CKS Packaging. Of those, 39% are still employed in this program. In addition, 25% of participants have left the program for positions with different companies. CKS Packaging considers this a success, since the people going through the program have reached stability and independence. This means that over half of the people who have gone

through the program have succeeded. While this may not seem like a large number, this is a big improvement compared to the two-thirds of previously incarcerated people who get arrested within three years of their release³ and the 85% of people who relapse after treatment for drug addiction.⁴ Many people who otherwise would have regressed are able to retain employment and lead successful lives.

Most of the employees hired into the Second Chance program work in entry-level positions, although some are eventually promoted to supervisory or managerial levels. Two current Second Chance employees, Greg and Jonathan, stated that even their entry-level positions allowed them to support their families, save money for necessities, and continue job training and education.

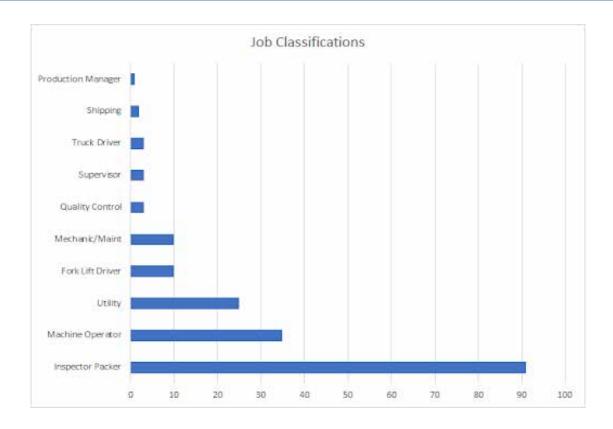
Employee Retention Since Program Inception



Mariel Alper, Matthew R. Durose, and Joshua Markman. 2018 update on prisoner recidivism: a 9-year follow-up period (2005-2014). Washington, DC: US Department of Justice, Office of Justice Programs, Bureau of Justice Statistics, 2018. https://www.bjs.gov/index.cfm?ty=pbdetail&iid=6266

⁴ Meredith Watkins, "Drug Relapse", DrugAbuse.com, September 5, 2019, https://drugabuse.com/drug-relapse/.





According to Lloyd Martin, the VP of manufacturing and the leader of the Second Chance program at CKS Packaging, the success of the employees in the program is largely due to the loyalty they feel towards the company. Many companies are unwilling to hire anyone with criminal records or take a chance on someone who does not have references from previous jobs. his means that many people in the program had (and have) few other options. When people feel like they have no way to regain control of their lives, they are more likely to resort to crime and drug use. However, CKS Packaging has been able to help many people out of this cycle by giving them a chance to succeed. Jonathan stated that the program offered him an opportunity to escape the hopelessness he was facing while he was homeless. He stated, "What the Second Chance program did was provide discipline, provide structure, and provide a lifeline." CKS Packaging is able to build meaningful, long-term relationships with these employees since they often feel a personal connection to the company. This relationship acts as a sort of support system that many people are unwilling to leave.

Martin also explained that a support system is often the difference between successful reintegration into society and simply reentering society. The organizations that CKS Packaging partner with vary in their success depending on the level of support they provide. Many community organizations only offer substance abuse treatment or temporary housing, without addressing the root cause of the person's problems. This may be because the organizations are funded by the number of "graduates" they produce, while long-term success is

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not often measured. The people that come out of these less encompassing organizations have been more likely to leave their position at CKS Packaging for negative reasons.

On the other hand, the most successful programs are those that follow people after they graduate and offer a multitude of services, including but not limited to housing assistance, financial training, and employment assistance. The employees tend to be better and longer-term employees and are less likely to regress. Because of this, CKS Packaging has selected to work most closely with these types of comprehensive programs and has been very selective in who they hire as a Second Chance Employee.

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Program	Region	Number of Employees Referred	Percent Sustained	Description
City of Refuge	Atlanta	2	100%	Campus-style crisis management for women and children. Provides food, medical care, housing, and vocational training
De La Salle Center	Kansas City	1	100%	Charter highschool with a career pathways program that connects students to professional settings
First Step	Atlanta	11	100%	Staffing agency that focuses on connecting previously homeless and other vulnerable populations to employment. Provides transportation, coaching, and housing assistance
Gang Alternative	Florida	1	100%	Outreach group that targets crime and vio- lence by promoting youth development and family strengthening
Prison Release	Kansas City & Carolina Region	6	100%	Did not go through a service organiza- tion were hired directly after release from prison
Volunteers of America	Forth Worth	2	100%	Substance abuse treatment and prevention center. Includes outpatient programs, re-entry programs, housing assistance, etc.
West Metro Church of God	Atlanta	1	100%	Ministry focused on family strengthening and serving the local community, especially youth



Program	Region	Number of Employees Referred	Percent Sustained	Description
Georgia Works	Atlanta	10	90%	Assists homeless men (specifically with criminal records or drug dependencies) gain employment. Provides transitional housing and work, as well as their own staffing agency
International Solid Rock	Florida	8	75%	Christian music ministry targeted at prisoners and persecuted groups
Cenikor	Fort Worth & Dallas	96	67%	Substance abuse treatment provider that providers sober living houses, outpatient treatments
Georgia Secretary of State Office	Atlanta	5	60%	Currently headed by Brad Raffensperger. Provides licensing and registration for businesses
Journey Center	Kansas City	17	59%	Transitional living facility that works with Journey to Life
Drug Court - Douglasville	Atlanta	8	63%	Voluntary, post-conviction program for repeat drug or DUI offenders that includes treatment, group therapy, and court
Women of Gilgal Atlanta	Atlanta	4	50%	Faith based recovery residency for homeless women that includes counseling, healthcare, housing, case management, legal assistance, and employment assistance
Rediscover	Kansas City	2	50%	Mental health center for mental illness or substance abuse
Victory Outreach ATL	Atlanta	4	50%	Ministry that provides recovery homes to men battling addictions
Connections to Success	Kansas City	12	42%	Lifelong mentoring organization for peo- ple facing poverty. Provides professional development, employment workshops, and skills training
Maximum Impact Love	Atlanta	42	38%	Ministry that provides community services such as food, clothing, and haircuts



helps non-custodial parents children through driver's li- tement, child support services, training, etc.
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representation to people acees and in need of assistance.
provides workforce develop- ns, live-in programs for people ns, and housing for homeless
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Program	Region	Number of Employees Referred	Percent Sustained	Description
Atlanta Center for Self Sufficiency	Atlanta	9	0%	Employment assistance and training for homeless and financially vulnerable populations
Guadalupe Center	Kansas City	2	0%	Works with Spanish-speaking community to help find employment, as well as applicable government benefits
Help KC	Kansas City	3	0%	Provides women who were previously incarcerated with employment services and other needs
Maple House	Kansas City	23	0%	Halfway house for men overcoming addictions
ReStart	Kansas City	6	0%	Housing and support services for all homeless populations
Atlanta Veterans Administration Healthcare System	Atlanta	3	0%	Health care service provider for veterans
Welcome House	Kansas City	1	0%	Sober living recovery provider for adult men. Also works on employment assistance and financial stability
Unknown	Kansas City	1	0%	N/A

By providing a livable wage that allows even entry-level employees to save and provide for their families, the Second Chance Program has brought stability and support to marginalized communities. These employees are less likely to fall back into bad habits, and more likely to reintegrate into society successfully.



COMPANY LEVEL SUCCESS

In addition to helping individuals in need, the Second Chance program has also been beneficial to CKS Packaging for a variety of reasons including selective hiring, a larger hiring pool, and financial improvements.

First, CKS Packaging is able to be selective in their hiring due to the hiring process that comes with the Second Chance program. Typically, they hire through a temp agency. However, with the Second Chance program, potential employees go through rounds of interviews to allow the company to get to know the person and their skills. This also allows for better job placement—people are able to communicate what they are good at and what positions could be the best fit. When people are assigned to positions in this manner, the company runs more efficiently and less replacements need to be hired.

Second, in relation to the employee stability that comes with selective hiring is financial stability. Fewer people need to be replaced, so less people need to be trained by the company. Additionally, due to the deep personal relationships that are created through this program, employees are more loyal to the company and better connected with the leadership, such as managers and supervisors. This leads to efficiency and positive attitudes of the employees.

According to Greg, the Second Chance program provided him a job after hundreds of companies had rejected him due to his criminal background. He stated that he was extremely thankful and loyal to the company for providing him with employment. "When so many other people have said no to you, and then someone steps up and gives you a chance and has faith in you, it makes you want to give it 150% every day".

"The good that the program provides cannot simply be measured in dollar terms."

Additionally, he stated that he can see himself growing old and retiring with the company. CKS Packaging has provided him with a career.

Lloyd Martin emphasized that although the company does not keep track of the financial aspect of the Second Chance program since the mission of the program is to help people despite the costs, he was confident that the program had not cost the company any money in the long-run, and had in fact been beneficial financially. More importantly, the program has allowed the company to give back to the community, which is an extremely important aspect of their mission. As Jonathan explained, the good that the program provides cannot simply be measured in dollar terms. The program does not only affect the employees it hires, but has a ripple effect on the world at large.

Finally, and importantly, the Second Chance program allows for a larger hiring pool. Since the number of prospective employees has decreased as generations grow smaller, many companies have been worried that there will not be a large enough labor force to staff all their companies. However, there are many skilled and unskilled workers in prison or rehab who just need the chance to turn their lives around. Over 600,000 people are released nationally from prison each year, while nine million have been in and out of jail annually. 5 Similarly, over two million people go through rehab each year due to a drug addiction. 6 Without even considering the hundreds of thousands of homeless people (or more) that experience homelessness each year, it is clear that there is a huge source of untapped labor in the populations that would qualify for Second Chance programs. For example, Greg was hired to fill a forklift driving position, which was in short supply and extremely needed by CKS Packaging.

According to CKS Packaging, the Second Chance program has allowed the company to fill the gap in labor they were facing with long-term, dependable employees who otherwise may have not gotten a chance to turn their lives around.

^{5 &}quot;Incarceration and Reentry", ASPE, November 23, 2015, https://aspe.hhs.gov/incarceration-reentry.

^{6 &}quot;Drug Rehab Stats", Rehabs.com, accessed July 30, 2020, https://luxury.rehabs.com/drug-rehab/statistics/.



RECOMMENDATIONS

Based on the case study of the Second Chance Program at CKS Packaging, it appears that programs that provide job opportunities to people in need of new starts may be also beneficial to companies, organizations, taxpayers, and society overall.

First, at the company level, firms that hire second chance workers can save money, create deep relationships, increase efficiency, and fill their labor gap. Programs such as Second Chance allow companies to hire exactly the labor that they need while limiting the expenses that come with training and replacement. Secondly, taxpayers save money through programs like Second Chance. Funding prisons, welfare programs, housing assistance programs, and other support services are burdensome on American taxpayers. By limiting the number of people using these services, tax money can be saved or used on other needs. Additionally, when more people are working, the tax base increases, meaning that more tax money is collected overall. This means that the state and local governments may be able to raise more revenue or decrease taxes across

the board. Finally, programs like these allow firms to help people in their community who are in need. The community will be safer, brighter, and more prosperous when people in need are provided the opportunity to work at a fulfilling job and develop control over their lives.

While CKS Packaging has helped hundreds of people, there are many more in need of help and employment across the country. If more companies introduce their own Second Chance programs, they will be able to provide jobs to these people and help their community while filling job vacancies and receiving dependable employees in return.

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