ISSN (Online): 2455-3662
EPRA International Journal of Multidisciplinary Research (IJMR) - Peer Reviewed Journal
Volume: 11| Issue: 12| December 2025|| Journal DOI: 10.36713/epra2013 || SJIF Impact Factor 2025: 8.691 || ISI Value: 1.188

EMPLOYER INCENTIVES AND FAIR CHANCE HIRING IN THE U.S.: EFFECTIVENESS AND SCALABILITY

Yvonne Makafui Cudjoe-Mensah [1], Albert Kumi [2]
[1]*Department of Sociology, University of Ghana, Ghana*
[2]*North Dakota State University, USA*

**Corresponding Author: Yvonne Makafui Cudjoe-Mensah*

Article DOI: https://doi.org/10.36713/epra25350
DOI No: 10.36713/epra25350

ABSTRACT

This narrative literature review provides a critical examination of the intersection of Fair Chance Hiring (FCH) policies and employer incentive mechanisms in the United States, with a specific focus on their effectiveness and scalability. Drawing on empirical studies, policy evaluations, and comparative analyses from 2018-2025, this review synthesizes evidence on incentive effectiveness, scalability challenges, and equity implications. FCH initiatives aim to mitigate employment discrimination against justice-involved individuals through procedural reforms, including Ban-the-Box laws and individualized assessments. However, employer engagement remains inconsistent due to perceived risks, administrative burdens, and limited awareness. This review categorizes incentives into financial (e.g., tax credits, bonding, wage subsidies) and non-financial (e.g., technical assistance, public recognition, partnerships) mechanisms, analyzing their operational dynamics and associated trade-offs. The empirical evidence suggests that while well-designed incentives can increase employer willingness to hire justice-involved individuals, their long-term impact on employment retention and career advancement is less certain and exhibits variability across sectors and firm sizes.

Scalability challenges are exacerbated by geographic policy fragmentation, organizational stigma, and administrative friction. Case studies highlight promising models, including digital staffing platforms and municipal programs characterized by strong enforcement and intermediary support. Equity considerations are paramount, as race, gender, and socioeconomic status significantly influence outcomes. Incentive programs risk perpetuating labor market stratification unless distributional impacts are carefully monitored and addressed. This review advocates for the development of hybrid models that integrate financial and non-financial supports, tailored outreach, and community-centered design. Future research should prioritize longitudinal studies, sectoral analyses, and demographic disaggregation to inform the development of inclusive policies. Ultimately, aligning economic incentives with equity goals is essential to advancing durable labor market inclusion for justice-involved populations and promoting more equitable outcomes.

KEYWORDS: *Fair Chance Hiring, Employer Incentives, Work Opportunity Tax Credits, Reentry Employment, Scalability of Hiring Policies*

I. INTRODUCTION

The continued exclusion of individuals with criminal records from mainstream employment remains a significant barrier to economic reintegration and social equity in the United States. With over one-third of working-age adults affected, this exclusion contributes to underemployment, income instability, and heightened recidivism risks (Cullen et al., 2022). In response, Fair Chance Hiring (FCH) has emerged as a policy and organizational framework aimed at mitigating employment discrimination against justice-involved individuals. FCH initiatives include "Ban-the-Box" laws, individualized background assessments, and rehabilitation certification programs, all designed to prioritize candidates' qualifications over their criminal histories (Agan & Starr, 2018; Avery & Lu, 2021). FCH is rooted in procedural fairness and the recognition that stable employment is critical for successful reentry. By limiting early-stage access to criminal history, FCH policies aim to reduce implicit bias and foster labor market inclusion (Doleac & Hansen, 2020). In a labor market characterized by racial disparities and skill shortages, FCH offers both moral and economic incentives. Employers adopting these practices can address talent gaps in sectors such as manufacturing, logistics, and services while contributing to broader social reintegration goals (SHRM, 2021).

Despite growing support, employer participation in FCH remains inconsistent due to concerns about workplace safety, liability, reputational risks, and the complexity of compliance with varying state regulations (Bushway & Pickett, 2024; Kuhn, 2024). These challenges underscore the need for targeted employer incentives, including economic, regulatory, and reputational measures, to encourage and sustain inclusive hiring. Employer incentives range from financial tools like the Work Opportunity Tax Credit (WOTC), federal bonding programs, and wage subsidies, to non-financial mechanisms such as public recognition and technical assistance (Cappelli, 2018; Kent, 2024; Cotton et al., 2022). Evidence suggests that these incentives can positively influence

ISSN (Online): 2455-3662
EPRA International Journal of Multidisciplinary Research (IJMR) - Peer Reviewed Journal
Volume: 11| Issue: 12| December 2025|| Journal DOI: 10.36713/epra2013 || SJIF Impact Factor 2025: 8.691 || ISI Value: 1.188

hiring behavior, especially when paired with workforce development supports and implemented in sectors facing labor shortages (Bushway & Pickett, 2024; Cullen et al., 2022). However, research presents mixed findings regarding their scalability, sustainability, and equitable distribution, particularly among small and medium-sized enterprises (U.S. Department of Labor, 2024; Moynihan & Herd, 2023).

While interest in second-chance initiatives has grown, the intersection of FCH and employer incentives remains underexplored. Existing studies often focus on legislative outcomes or employer attitudes, overlooking broader economic and institutional dynamics (Köchling & Wehner, 2020). In addition to studies directly evaluating employer incentives, this review incorporates Kumi & Aryee (2025) for its relevance to implementation fidelity and employer engagement within integrated reentry service models, which intersect with incentive-based hiring strategies. This review critically examines how incentive structures shape employer engagement and the long-term viability of equitable hiring reforms, synthesizing empirical findings and policy evaluations from 2018 to 2025. It highlights the interplay between fairness, rehabilitation, and market efficiency, identifies implementation challenges, and proposes directions for future research and policy innovation.

II. HISTORICAL AND POLICY LANDSCAPE

The Fair Chance Hiring (FCH) movement in the United States has evolved through a combination of civil rights advocacy, local policy experimentation, and research highlighting the systemic exclusion of individuals with criminal records from the labor market (Agan & Starr, 2018). Early efforts, particularly in the 2010s, focused on "Ban-the-Box" (BTB) ordinances that removed conviction history questions from initial job applications, allowing candidates to be evaluated on their qualifications before criminal records are disclosed (Weiss et al., 2025). Empirical studies have produced mixed findings on BTB policies. While some field experiments report increased interview callbacks for certain groups, broader analyses reveal heterogeneous effects and unintended consequences, such as statistical discrimination based on race or age (Doleac & Hansen, 2020). These findings suggest that procedural reforms alone may be insufficient to dismantle structural barriers without complementary support. Scholars and practitioners increasingly view FCH as part of a dynamic policy ecosystem rather than a singular legislative solution. Research documents significant variation across jurisdictions in terms of public versus private sector coverage, the timing of background checks, and enforcement mechanisms, all of which shape real-world outcomes (Avery & Lu, 2021).

Policy briefs and reviews emphasize that the effectiveness of BTB depends heavily on local labor market conditions, employer awareness, and the availability of supports that mitigate perceived hiring risks (Avery & Lu, 2021). In parallel, federal and state governments have implemented initiatives to promote re-entry and employment. Programs funded under the Second Chance Act and the Department of Labor's reentry efforts have expanded access to workforce training, case management, and employer outreach (U.S. Department of Labor, 2024; National Institute of Justice, 2022). While evaluations show promising short-term outcomes, results vary across sites and program designs. A related policy stream focuses on employer-facing incentives. These include the Work Opportunity Tax Credit (WOTC), federal bonding programs, and state-level tax credits, all aimed at offsetting perceived risks and costs associated with hiring justice-involved individuals (Cappelli, 2018; Smith, 2022; Kent, 2024). Recent field experiments demonstrate that direct incentives, such as wage subsidies, insurance, and performance verification, can increase employer willingness to hire, especially when paired with procedural reforms like BTB (Bushway & Pickett, 2024).

Advocacy, litigation, and legislative engagement have also shaped the FCH landscape. Civil rights organizations, reentry nonprofits, and business coalitions have championed reforms, while employer groups have advocated for clearer risk management tools and streamlined compliance processes (Nohrstedt & Heinmiller, 2024; Mandliya et al., 2025). This interplay has led to a policy environment where legal protections, incentives, and employer supports are increasingly integrated. Recent policy analyses call for hybrid approaches that combine procedural safeguards with incentive-based and informational tools to enhance uptake and equity (Akinsola & Liang, 2025; Clarivate, 2025). Between 2018 and 2025, FCH policy has shifted from isolated reforms toward more comprehensive strategies that align employer incentives with workforce development and equity goals. However, challenges remain in scaling these models, ensuring cost-effectiveness, and addressing disparities across sectors and demographic groups.

III. EMPLOYER INCENTIVES: TYPES AND MECHANISMS

Employers often hesitate to hire justice-involved individuals due to concerns about workplace safety, productivity, and administrative complexity (Kuhn, 2024). To address these concerns, a range of incentives has been developed to reduce perceived risks, lower hiring costs, and support implementation. These incentives fall into two broad categories: financial and non-financial. Financial incentives include tax credits, bonding programs, wage subsidies, and insurance mechanisms. Non-financial incentives encompass technical assistance, public recognition, and partnerships with reentry organizations (Donegan et al., 2019; Cotton et al., 2022).

Financial Incentives

Work Opportunity Tax Credit (WOTC).

The WOTC provides federal tax credits to employers who hire individuals from designated target groups, including those with felony convictions. By reducing tax liability based on a percentage of first-year wages, WOTC lowers the net cost of hiring. However, administrative hurdles and low awareness limit their uptake, especially among small businesses (Cappelli, 2018; Kent, 2024).

ISSN (Online): 2455-3662
EPRA International Journal of Multidisciplinary Research (IJMR) - Peer Reviewed Journal
Volume: 11| Issue: 12| December 2025|| Journal DOI: 10.36713/epra2013 || SJIF Impact Factor 2025: 8.691 || ISI Value: 1.188

Federal Bonding Program (FBP)
The FBP offers short-term fidelity bonds at no cost to employers, insuring against losses due to employee dishonesty. This program directly addresses employer concerns about theft or fraud and is often used in conjunction with job coaching or transitional employment supports. While the program is low-cost and accessible, rigorous evaluations of long-term outcomes remain limited (U.S. Department of Labor, 2019; Altman & Schrag, 2025).

Wage Subsidies
These publicly funded payments partially cover wages for a limited period, making it more financially viable for employers to hire justice-involved individuals. Evidence suggests that wage subsidies can increase short-term hiring and work experience, though long-term employment impacts vary by program design and local labor demand (Nancarrow et al., 2023; Giupponi & Landais, 2023; Elvery et al., 2021).

Non-Financial Incentives
Technical Assistance
This includes employer outreach, onboarding support, HR training, and help navigating compliance. Such assistance reduces the administrative burden and improves employer confidence. Studies show that technical assistance can enhance retention and organizational capacity, particularly when delivered by intermediaries (Scott et al., 2022; Papademetriou et al., 2025).

Public Recognition
Awards, certifications, and designations such as "second-chance employer" can enhance a company's reputation and appeal to socially conscious consumers. While effective for some firms, especially in consumer-facing industries, recognition alone may not overcome deeper concerns about risk or cost (Jo & Shin, 2025; Schweyer et al., 2018).

Partnerships with Reentry Organizations
Collaborations with nonprofits and workforce boards help employers access pre-screened candidates, receive post-hire support, and navigate incentive programs. These partnerships are central to successful placements and can bundle multiple supports, such as bonding, coaching, and wage subsidies (U.S. Department of Labor, 2024; Geckeler et al., 2023).

IV. COMPARATIVE ANALYSIS: INTENDED OUTCOMES, STRENGTHS AND TRADE-OFFS

Employer incentives vary in their design, implementation, and impact. A comparative analysis reveals key differences in targeting, cost-effectiveness, scalability, and behavioral influence.

Targeting verses Universality
Financial incentives like WOTC and wage subsidies differ in their targeting mechanisms. WOTC is retrospective and requires administrative certification, making it more accessible to larger firms with the capacity to manage paperwork. Wage subsidies, by contrast, can be designed to be time-limited and conditional on outcomes, offering more flexibility but requiring greater administrative oversight (Cappelli, 2018; Kent, 2024; Nancarrow et al., 2023). Bonding programs are narrowly focused on mitigating specific risks, such as theft or fraud, while technical assistance and partnerships with reentry organizations are inherently targeted but can generate broader organizational benefits. These supports often have spillover effects, such as improved HR practices and increased employer confidence (Scott et al., 2022; Papademetriou et al., 2025).

Cost-Effectiveness and Scalability
Wage subsidies have demonstrated effectiveness in increasing employer engagement, but their scalability is limited by high per-hire costs and the need for sustained public funding. Tax credits like WOTC distribute costs across the tax base and are more scalable, particularly for large firms. Bonding programs are low-cost but limited in duration and scope. Intermediated support models that combine technical assistance with employer partnerships may scale more gradually but often yield better retention and job match outcomes. These models require sustained investment in intermediary infrastructure and case management but can be more effective in the long term (Geckeler et al., 2023).

Speed of Employer Response and Behavioral Mechanisms
Financial incentives provide immediate monetary benefits, prompting quicker employer responses, especially among cost-sensitive firms. Non-financial incentives, such as public recognition and technical assistance, tend to foster gradual changes in organizational culture and hiring norms. Hybrid approaches that combine modest financial incentives with non-financial supports, such as bonding, onboarding assistance, and public recognition align well with the behavioral and structural barriers identified in the literature. These models are particularly effective in addressing employer concerns while promoting inclusive hiring practices (Manzoor et al., 2021; Cotton et al., 2022).

Synthesis
The literature consistently underscores that employer incentives, both financial and non-financial, play a pivotal role in mitigating perceived risks and administrative burdens associated with hiring justice-involved individuals. Financial tools such as the Work Opportunity Tax Credit (WOTC), bonding programs, and wage subsidies demonstrate short-term effectiveness in increasing employer willingness to hire, particularly among larger firms with greater administrative capacity. Non-financial supports, including technical assistance, public recognition, and partnerships with reentry organizations, foster more sustainable organizational change but require intermediary infrastructure and funding. Comparative analyses reveal trade-offs between cost-effectiveness, scalability, and behavioral impact, with hybrid models that integrate financial and non-financial elements emerging as the most promising strategies. Notwithstanding encouraging short-term outcomes, limitations persist in longitudinal evidence, demographic disaggregation, and program

ISSN (Online): 2455-3662
EPRA International Journal of Multidisciplinary Research (IJMR) - Peer Reviewed Journal
Volume: 11| Issue: 12| December 2025|| Journal DOI: 10.36713/epra2013 || SJIF Impact Factor 2025: 8.691 || ISI Value: 1.188

consistency, which constrain generalizability and long-term policy planning. Achieving scalability and equity will require harmonizing policy design with local labor market conditions, streamlining administrative processes, and embedding community-centered approaches to ensure inclusive participation and equitable outcomes.

V. EVIDENCE OF EFFECTIVENESS

Recent research from 2018 to 2025 provides a nuanced understanding of how employer-facing incentives influence the hiring and retention of justice-involved individuals. A synthesis of experimental studies, systematic reviews, and program evaluations reveals three key findings: (1) well-designed incentives can increase employer willingness to hire; (2) effects on long-term employment and career advancement are more modest and variable; and (3) outcomes differ significantly across sectors, employer types, and program designs (Cullen et al., 2022).

Impact of Incentives on Hiring and Retention

Randomized and quasi-experimental studies show that direct incentives, such as wage subsidies, insurance, and verified performance reviews can shift both stated and revealed employer behavior. For example, one large-scale field experiment found that employer willingness to hire individuals with criminal records increased from 39% to over 50% when risk-mitigation tools were introduced (Cullen et al., 2022). Audit studies using fictitious applications also demonstrate that procedural reforms like Ban-the-Box can influence callback rates. However, these effects are mixed. While some studies report increased interview invitations, others find evidence of statistical discrimination in certain labor markets (Agan & Starr, 2018; Doleac & Hansen, 2020).

When incentives are embedded in comprehensive reentry programs that combine wage subsidies with job coaching and placement support, short-term employment outcomes improve. Participants are more likely to secure jobs and accumulate work experience. However, long-term retention and career progression remain inconsistent, often depending on program intensity, employer engagement, and local labor market conditions (Cummings & Bloom, 2022; Connell et al., 2023).

Employer Engagement and Participation Trends

Employers' openness to second-chance hiring has grown, yet participation in incentive programs remains uneven. Larger firms in sectors like manufacturing and logistics are more likely to adopt Fair Chance Hiring (FCH) practices, often driven by labor shortages and diversity goals (SHRM, 2021). However, concerns about liability, safety, and reputation persist (Doleac & Hansen, 2020). Key barriers include low awareness of programs like WOTC, administrative burdens, and legal uncertainties (U.S. Department of Labor, 2024). Small and Medium-sized Enterprises (SMEs), in particular, struggle with limited HR capacity and risk tolerance, making them less likely to engage without support (Moynihan & Herd, 2023). Intermediaries, such as workforce boards and reentry nonprofits play a vital role in bridging gaps. They assist with candidate screening, paperwork, and post-hire support, improving employer participation and retention (Geckeler et al., 2023). To enhance engagement, programs must simplify processes, bundle supports, and tailor outreach to diverse employer needs.

Sector-Specific Outcomes and Variations

Employer openness to second-chance hiring varies by industry. Sectors with high turnover and lower credentialing barriers, such as logistics, warehousing, and food service, are more responsive to short-term incentives. In contrast, regulated or consumer-facing sectors like healthcare and finance often require additional assurances, such as bonding or liability protections, to consider justice-involved applicants (SHRM, 2021; Bushway & Pickett, 2024).

Larger firms and those with established HR infrastructure are more likely to utilize tax credits and bonding programs. Small and medium-sized enterprises (SMEs), however, face greater administrative burdens and are less likely to access available incentives without intermediary support (U.S. Department of Labor, 2024; Moynihan & Herd, 2023).

Limitations in Existing Studies

Despite promising findings, several limitations persist. Many studies have short follow-up periods (6-12 months), limiting insights into long-term employment trajectories. External validity is also a concern, as some experiments rely on stated preferences or convenience samples. Additionally, few studies disaggregate outcomes by race, gender, or offense type, making it difficult to assess equity impacts (Connell et al., 2023). Finally, the heterogeneity of program designs and weak counterfactuals in some evaluations complicate cross-study comparisons. More rigorous, longitudinal research is needed to assess the sustained impact of employer incentives on labor market inclusion.

VI. SCALABILITY AND IMPLEMENTATION CHALLENGES

Building on the comparative insights outlined above, this section examines empirical evidence on how these incentives translate into measurable hiring and retention outcomes. Scaling Fair Chance Hiring (FCH) and employer incentive programs from pilot initiatives to widespread, sustainable practices presents multifaceted challenges. These include uneven geographic adoption, organizational barriers, and limited institutional capacity. FCH policies have proliferated across states and municipalities, yet their implementation remains inconsistent. While over 100 jurisdictions have adopted Ban-the-Box or similar policies, variations in coverage, timing, and enforcement create a fragmented regulatory landscape (Avery & Lu, 2021). This patchwork complicates compliance for multi-state employers and leads to unequal protections for justice-involved job seekers.

Federal initiatives, such as the Department of Labor's Reentry Employment Opportunities and Second Chance Act grants, provide funding and frameworks to support local innovation.

ISSN (Online): 2455-3662
EPRA International Journal of Multidisciplinary Research (IJMR) - Peer Reviewed Journal
Volume: 11| Issue: 12| December 2025|| Journal DOI: 10.36713/epra2013 || SJIF Impact Factor 2025: 8.691 || ISI Value: 1.188

However, their reach is constrained by limited budgets and varying local capacities (Petrich et al., 2021). Evaluations of multi-site programs reveal promising practices but also highlight disparities in implementation fidelity and labor market responsiveness. At the organizational level, stigma, perceived risks, and administrative burdens hinder employer participation. Concerns about reputational damage, workplace safety, and liability persist, particularly among small and medium-sized enterprises (Doleac & Hansen, 2020; Cullen et al., 2022).

Administrative complexities, such as paperwork and certification requirements, further reduce uptake of incentives like WOTC and federal bonding, unless intermediaries provide support (Moynihan & Herd, 2023). Emerging models present promising solutions to address these challenges. Specifically, digital staffing platforms can facilitate targeted interventions at key decision points, while municipal programs that combine regulatory frameworks with employer guidance and intermediary support have demonstrated efficacy in promoting inclusive hiring (Kumi & Aryee, 2025). These models emphasize the importance of coupling employer incentives with candidate preparation and robust implementation infrastructure.

VII. EQUITY AND INCLUSION CONSIDERATIONS

Fair Chance Hiring (FCH) intersects with broader social dynamics, including race, gender, and socioeconomic status. While FCH policies aim to promote inclusion, their impacts are not evenly distributed.

Intersectionality in Outcomes

Ban-the-Box policies can unintentionally exacerbate racial disparities, as employers may rely on demographic proxies when criminal history is hidden (Avery & Lu, 2021; Agan & Starr, 2018; Doleac & Hansen, 2020). Gender also shapes reentry experiences, women face unique barriers such as caregiving responsibilities and health needs, which affect employment outcomes (Salem et al., 2021; Kjellstrand et al., 2022; Edwards et al., 2022).

Risks to unequal Access

Incentive programs like WOTC often benefit larger firms with more administrative capacity, while small employers and stable job providers are less likely to access them (Cui & Han, 2025). This can reinforce labor market stratification, especially when incentives flow toward temporary or low-quality jobs (Peckham et al., 2022).

Design Principles for Inclusion

Effective programs require targeted outreach, intermediary support, and gender-responsive services (Kumi & Aryee, 2025). Risk mitigation tools and verified performance signals can increase employer willingness to hire without relying solely on subsidies (Cullen et al., 2022). Monitoring demographic outcomes and involving affected communities in program design are essential for equitable impact (Connell et al., 2023; Cui & Han, 2025).

VIII. POLICY AND PRACTICE RECOMMENDATIONS

Despite the growing interest in Fair Chance Hiring (FCH), current practices remain fragmented and unevenly implemented across jurisdictions and sectors. Significant gaps have been identified in employer awareness, administrative accessibility, and the long-term sustainability of incentive programs. Many initiatives fail to effectively engage small and medium-sized enterprises due to the complexity of paperwork, limited outreach efforts, and insufficient intermediary support. Also, procedural reforms such as Ban-the-Box policies, while symbolically significant, often lack the complementary mechanisms necessary to address the structural exclusion and intersectional disparities that underlie labor market inequalities.

To address the existing limitations, innovative approaches must prioritize hybrid incentive models that integrate financial levers, such as wage subsidies and bonding, with non-financial supports, including technical assistance and reputational recognition. Digital staffing platforms offer a scalable means of deploying targeted interventions at critical hiring decision points, while municipal models characterized by strong enforcement and employer guidance demonstrate the efficacy of localized, integrated strategies. To enhance effectiveness, federal programs should be restructured to ensure sustained funding, flexible design, and alignment with local labor market conditions.

Scalable solutions necessitate the integration of equity considerations into program architecture. This entails the routine disaggregation of outcome data by variables such as race, gender, offense type, and job quality to monitor distributional impacts and ensure equitable outcomes. Furthermore, incentive programs should be tailored to address the distinct needs of justice-involved populations, including the provision of gender-responsive supports and trauma-informed services. Community-centered co-design, which involves the active engagement of formerly incarcerated individuals, reentry organizations, and employer coalitions, can enhance the legitimacy, responsiveness, and uptake of these programs.

Ultimately, advancing Fair Chance Hiring (FCH) necessitates a paradigmatic shift from isolated reforms to systemic, equity-driven strategies. Policymakers must prioritize investments in intermediary infrastructure, streamline access to incentives, and embed robust accountability mechanisms that ensure inclusive participation and equitable outcomes. By aligning economic incentives with social justice goals, the next generation of FCH policies can facilitate durable labor market inclusion and reduce recidivism through the creation of meaningful employment pathways that promote economic mobility and social equity. Future research should prioritize longitudinal designs, sector-specific analyses, and intersectional evaluations to inform evidence-based policy development and ensure equitable labor market inclusion.

ISSN (Online): 2455-3662
EPRA International Journal of Multidisciplinary Research (IJMR) - Peer Reviewed Journal
Volume: 11| Issue: 12| December 2025|| Journal DOI: 10.36713/epra2013 || SJIF Impact Factor 2025: 8.691 || ISI Value: 1.188

Study Limitation

This review is limited by the heterogeneity of program designs, short follow-up periods in most studies, and insufficient demographic disaggregation. These constraints highlight the need for rigorous, longitudinal research to assess sustained impacts and equity outcomes.

IX. CONCLUSION

This review highlights the effectiveness of Fair Chance Hiring (FCH) initiatives influencing hiring behavior towards justice-involved individuals when paired with well-designed employer incentives. Financial tools, such as tax credits and wage subsidies, and non-financial supports, including technical assistance and reputational recognition, have demonstrated varying degrees of effectiveness depending on employer size, sector, and program design. Nevertheless, persistent barriers, ranging from administrative complexity to stigma, impede the reach and equity of these interventions, particularly among small and medium-sized enterprises. Future research endeavors should prioritize addressing the existing gaps in longitudinal data, sector-specific outcomes, and demographic disaggregation to elucidate the sustained impact of Fair Chance Hiring (FCH) policies.

REFERENCES

1. *Agan, A., & Starr, S. (2018). Ban the Box, Criminal Records, and Racial Discrimination: A Field Experiment. The Quarterly Journal of Economics, 133(1), 191–235. https://doi.org/10.1093/qje/qjx028*
2. *Akinsola, O. K., & Liang, W. (2025). The Legal Oversight of Executive Compensation and Incentive Structures in Corporate Governance: Regulatory Compliance and Risk Management. ResearchGate. https://www.researchgate.net/publication/388653073_The_Legal_Oversight_of_Executive_Compensation_and_Incentive_Structures_in_Corporate_Governance_Regulatory_Compliance_and_Risk_Management*
3. *Altman, E. J., & Schrag, E. (2025). Workforce Development Policy in the U.S.: Context and Landscape. Brookings Institution. https://www.brookings.edu/wp-content/uploads/2025/04/20250403_CRM_AltmanSchrag_Workforcedev5.pdf*
4. *Avery, B., & Lu, H. (2021). Ban the Box: U.S. Cities, Counties, and States Adopt Fair Hiring Policies. National Employment Law Project. https://www.nelp.org/publication/ban-the-box-fair-chance-hiring-state-and-local-guide/*
5. *Bushway, S., & Pickett, J. T. (2024). Employer incentives and second-chance hiring: Evidence from randomized experiments. University at Albany. https://www.albany.edu/news-center/news/2024-study-incentives-employers-could-help-past-offenders-land-jobs*
6. *Cappelli, P. (2018). The Work Opportunity Tax Credit and its Impact on Hiring Disadvantaged Workers. Wharton School of Business. https://wotcmeansjobs.org/wp-content/uploads/2025/02/Cappelli-Study-CorporateTaxCutClean-2.pdf*
7. *Clarivate. (2025). Policy citation index on Web of Science: Connecting research to real-world outcomes. https://librarytechnology.org/document/31113*
8. *Coady, D., & Le, N.-P. (2020). Designing Fiscal Redistribution: The Role of Universal and Targeted Transfers (IMF Working Paper No. WP/20/105). International Monetary Fund. https://www.imf.org/-/media/Files/Publications/WP/2020/English/wpiea2020105-print-pdf.ashx*
9. *Connell, C., Birken, M., Carver, H., Brown, T., & Greenhalgh, J. (2023). Effectiveness of Interventions to Improve Employment for People Released from Prison: Systematic Review and Meta-Analysis. Health & Justice, 11, 17. https://doi.org/10.1186/s40352-023-00217-w*
10. *Cotton, C., Gifford, J., & Young, J. (2022). Incentives and Recognition: An Evidence Review. Chartered Institute of Personnel and Development. https://www.cipd.org/globalassets/media/knowledge/knowledge-hub/evidence-reviews/incentives-recognition-practice-summary_tcm18-105466.pdf*
11. *Cui, Y., & Han, S. (2025). Policy Learning with Distributional Welfare. Journal of the American Statistical Association. https://doi.org/10.1080/01621459.2025.2552514*
12. *Cullen, Z., Dobbie, W., & Hoffman, M. (2022). Increasing the Demand for Workers with a Criminal Record. The Quarterly Journal of Economics, 138(1), 103–150. https://doi.org/10.1093/qje/qjac029*
13. *Cummings, D., & Bloom, D. (2022). Evidence Snapshot: Subsidized Employment and Transitional Jobs. Pathways to Work Evidence Clearinghouse. https://acf.gov/sites/default/files/documents/opre/pathways_subsidized_employment_may2022_0.pdf*
14. *Doleac, J. L., & Hansen, B. (2020). The Unintended Consequences of "Ban the Box": Statistical Discrimination and Employment Outcomes When Criminal Histories are Hidden. Journal of Labor Economics. https://doi.org/10.1086/705880*
15. *Donegan, M., Lester, T. W., & Lowe, N. (2019). Striking a balance: A National Assessment of Economic Development Incentives. Urban Affairs Review, 1-26. https://nicholalowe.web.unc.edu/wp-content/uploads/sites/9703/2020/06/Striking-a-Balance-UAR.pdf*
16. *Edwards, L., Jamieson, S. K., Bowman, J., Chang, S., Newton, J., & Sullivan, E. (2022). A Systematic Review of Post-Release Programs for Women Exiting Prison with Substance-Use Disorders: Assessing Current Programs and Weighing the Evidence. Health & Justice, 10, 1. https://doi.org/10.1186/s40352-021-00162-6*
17. *Elvery, J. A., Reynolds, C. L., & Rohlin, S. M. (2021). Employer Wage Subsidy Caps and Part-Time Work (Working Paper No. 21-01). Federal Reserve Bank of Cleveland. https://www.clevelandfed.org/-/media/project/clevelandfedtenant/clevelandfedsite/publications/working-papers/2021/wp-2101-employer-wage-subsidy-caps-and-part-time-work-pdf.pdf*
18. *Geckeler, C., Cadena-Igdalsky, L., Gutierrez, I., Levin, M., Martinez, S., Muñoz, J., Paprocki, A., Sarver, M., English, B., Yañez, A., & Bellotti, J. (2023). Implementing Employment Programs to Support Reentry: Lessons from the Reentry Project*

Grants. Mathematica for the U.S. Department of Labor. https://www.dol.gov/agencies/eta/research/publications/implementing-employment-programs-support-reentry-lessons-reentry?lang=en

19. *Giupponi, G., & Landais, C. (2023). Subsidizing Labour Hoarding in Recessions: The Employment and Welfare Effects of Short-Time Work. Review of Economic Studies, 90(4), 1963-2005. https://doi.org/10.1093/restud/rdad001*
20. *Gioia, F., & Immordino, G. (2024). Preference-Based Hiring Decisions and Incentives. Journal of the Economic Science Association, 10(1), 1-14. https://doi.org/10.1007/s40881-023-00144-4*
21. *Jo, H., & Shin, D. (2025). The Impact of Recognition, Fairness, and Leadership on Employee Outcomes: A Large-Scale Multi-Group Analysis. PLOS ONE, 20(1), e0312951. https://doi.org/10.1371/journal.pone.0312951*
22. *Kent, J. (2024). Second Chance Hiring and the Federal Bonding Program. UNC School of Government. https://cjil.sog.unc.edu/resource/second-chance-hiring-the-federal-bonding-program/*
23. *Köchling, A., & Wehner, M. C. (2020). Discriminated by An Algorithm: A Systematic Review of Discrimination and Fairness by Algorithmic Decision-Making in the Context of HR Recruitment and HR Development. Business Research, 13, 795-848. https://doi.org/10.1007/s40685-020-00134-w*
24. *Kjellstrand, J. M., Eddy, J. M., Gonzalez-Quiles, K., Damewood, G., & Schumer, J. (2022). Gender Differences and Implications for Programming during the Reentry of Incarcerated Fathers and Mothers Back into their Communities. In Children of Incarcerated Parents: From Understanding to Impact (pp. 169-192). Springer. https://doi.org/10.1007/978-3-030-84713-5_9*
25. *Kuhn, K. M. (2024). Risk Aversion and the Impact of Criminal Records in Hiring Decisions: An Integrative Multilevel Review. In N. C. J. Young & J. N. Griffith (Eds.), Employing Our Returning Citizens (pp. 245–268). Palgrave Macmillan. https://doi.org/10.1007/978-3-031-54941-0_12*
26. *Kumi, A., & Aryee, C. (2025). U.S. Case-Management and "One-Stop" Reentry Navigation Models: Evidence on Employment, Housing, and Recidivism. Sarcouncil Journal of Education and Sociology, 4(11), 8-17. https://doi.org/10.5281/zenodo.17634349*
27. *Mandliya, A., Pandey, J., Sohani, S. S., & Sheikh, R. A. (2025). From Union Clout to Corporate Couture: Unveiling the Impact of Trade Unions on Corporate Social Responsibility. PLOS ONE, 20(1), e0311244. https://doi.org/10.1371/journal.pone.0311244*
28. *Manzoor, F., Wei, L., & Asif, M. (2021). Intrinsic Rewards and Employee's Performance with the Mediating Mechanism of Employee's Motivation. Frontiers in Psychology, 12, 563070. https://doi.org/10.3389/fpsyg.2021.563070*
29. *Moynihan, D., & Herd, P. (2023). Special Issue Introduction: Administrative Burdens as a Global Public Management Phenomenon. Asia Pacific Journal of Public Administration, 45(4), 342-344. https://doi.org/10.1080/23276665.2023.2242977*
30. *Nancarrow, A., Muir, D., Rosolin, B., Orlando, C., Newton, B., Rowland, J., Ott, E., & Shlonsky, A. (2023). The Impact of Wage Subsidies on the Employment of Disadvantaged and/or Marginalised Young People: Rapid Evidence Assessment. Youth Futures Foundation. https://youthfuturesfoundation.org/wp-content/uploads/2023/07/technical-report-wage-subsidy-programmes.pdf*
31. *National Institute of Justice. (2022). Reentry Employment and Incentive Programs: A state-level Review. NIJ Policy Brief.*
32. *Nohrstedt, D., & Heinmiller, T. (2024). Advocacy Coalitions as Political Organizations. Policy and Society, 43(3), 304-316. https://doi.org/10.1093/polsoc/puae005*
33. *Papademetriou, C., Anastasiadou, S., Belias, D., & Ragazou, K. (2025). Integrating Sustainability into Human Resource Management: Building a Greener Workforce for the Future. Sustainability, 17(3), 1113. https://doi.org/10.3390/su17031113*
34. *Peckham, T., Flaherty, B., Hajat, A., Fujishiro, K., Jacoby, D., & Seixas, N. (2022). What does non-standard employment look like in the United States? An Empirical Typology of Employment Quality. Social Indicators Research, 163, 555-583. https://doi.org/10.1007/s11205-022-02907-8*
35. *Petrich, D., Cullen, F. T., Lee, H., & Burton, A. L. (2021). Prisoner Reentry Programs. In Handbook of Issues in Criminal Justice Reform in the United States (pp. 335-363). Springer. https://doi.org/10.1007/978-3-030-77565-0_18*
36. *Salem, B., Kwon, J., Ekstrand, M. L., Hall, E., Turner, S. F., Faucette, M., & Slaughter, R. (2021). Transitioning into the Community: Perceptions of Barriers and Facilitators Experienced by Formerly Incarcerated, Homeless Women During Reentry-A Qualitative Study. Community Mental Health Journal, 57, 448-460. https://doi.org/10.1007/s10597-020-00748-8*
37. *Scaggs, S. J. A., Lindquist, C. H., Cortina, H. G., & Nyce, M. R. (2025). Reentry Planning of the future?: A Balanced Critique of Web-Based Reentry Planning Applications. American Journal of Criminal Justice, 50, 721-748. https://doi.org/10.1007/s12103-025-09803-0*
38. *Schweyer, A., Landry, A. T., & Whillans, A. (2018). Establishing the Intangible, Non-Financial Value of Awards Programs. Incentive Research Foundation. https://sitecdn.perfectgift.com/wpcontent/uploads/2018/06/part-2-min.pdf*
39. *Scott, V. C., Jillani, Z., Malpert, A., Kolodny-Goetz, J., & Wandersman, A. (2022). A Scoping Review of the Evaluation and Effectiveness of Technical Assistance. Implementation Science Communications, 3(70). https://doi.org/10.1186/s43058-022-00314-1*
40. *SHRM. (2021). Getting Talent Back to Work Report: A Workplace Survey on Hiring and Working with People with Criminal Records. Society for Human Resource Management. https://www.shrm.org/content/dam/en/shrm/foundation/getting-talent-back-to-work-report.pdf*
41. *Smith, N. (2022). Expanding Economic Incentives for Reentry: A Policy Analysis of EITC and WOTC. The ANNALS of the American Academy of Political and Social Science, 701(1), 142–158. https://doi.org/10.1177/00027162221114232*
42. *U.S. Department of Labor. (2019). Awards $2.2M to 24 States for Fidelity Bonding Demonstration Grants. https://www.dol.gov/newsroom/releases/eta/eta20190613-1*
43. *U.S. Department of Labor. (2024). Work Opportunity Tax Credit: Quick reference guide for employers. Employment and Training Administration. https://www.dol.gov/sites/dolgov/files/ETA/wotc/pdfs/WOTC_Quick_Reference_Guide_for_Employers.pdf*

ISSN (Online): 2455-3662
EPRA International Journal of Multidisciplinary Research (IJMR) - Peer Reviewed Journal
Volume: 11| Issue: 12| December 2025|| Journal DOI: 10.36713/epra2013 || SJIF Impact Factor 2025: 8.691 || ISI Value: 1.188

44. *Weiss, D. M., Dawson, W., McKinley, R., & Webster, L. (2025). Do Ban-the-Box policies increase the hiring of applicants with criminal records? PLOS ONE, 20(4), e0320736. https://doi.org/10.1371/journal.pone.0320736*