



Why I Hire Former Convicts and Gang Members

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By John Shegerian

When I took over [Electronic Recyclers International](#) in late 2004, it was a failing company. I decided to restructure and rebrand it. And when it came time to hire new employees, I saw an opportunity to hire individuals from what have typically been marginalized segments of society: former convicts, former gang members, the homeless, people recovering from drug addiction, and people coming off of welfare.

It wasn't the first time I'd hired employees looking for a second chance. Back in 1993, I co-founded [Homeboy Tortillas and Homeboy Industries](#) — two small businesses that train and employ former gang members, helping them transition into the workforce. It was a landmark moment in my life, and from then on, I wanted to make sure any business I took part in had a bottom line for profit *and* for social responsibility. I felt strongly about continuing that mission at the recycling company, which safely dismantles and recycles electronic waste.

Everyone at our company buys into that mission. We posted a quote from Dr. Martin Luther King, Jr. — “Everyone can be great, because everyone can serve” — over the front door in all of our regional offices. We all agreed that we need to make money, but also that we can seek to turn people's lives around by opening our doors and our hearts to those in need.

Hiring marginalized workers

We hire our workers through a temp agency, and all different types of jobs — from scraps sorters to management positions — are open to applicants. It just depends on their skills and education level, and what they're interested in doing. They go through extensive background checks, drug testing, and questioning. We put them through a skills test to see if they're as capable as they claim to be. Depending on the position, they'll generally start at the bottom, but if they prove themselves, they'll have the chance to work their way up.

We partner new at-risk employees with those who've been on the job longer. They're able to mentor the new hires and help them adjust to their work situations. But we emphasize personal accountability, so the workers are aware that they are responsible for making the right choices. There are no absolutes, but I've generally found that when you hire someone who's looking for one last chance to turn his life around, he'll roll up his sleeves and give you everything he's got.

Sometimes people don't work out, but in the 17 years I've been hiring people from disadvantaged backgrounds, I've never had a major problem. Most of the time, if someone we've hired is slipping back into old habits, he'll just stop showing up or he'll give notice to his supervisor. There's no grand fanfare.

From drug dealer to top salesman

About four years ago, a former convict came in for an interview. He was a smallish guy with over 100 tattoos over his body. One huge tattoo crossed his neck. It said "sober". I talked to him for a while and he told me he'd had 60 interviews, but no job offers. He said, "They don't even want to talk to me after they see all the tattoos."

He'd been in prison for dealing drugs, but he seemed very intelligent, so I hired him. He did a great job working his way up on the line crew, and after a while, my wife, who is our COO, took notice of him. She said, "He's a really smart guy, he's got some good skills. If he could sell drugs years ago, what's so different about selling commodities for our company?"

Now, he's our top commodities salesperson. He's taking calls 19 hours a day from places around the world, buying and selling plastics, glass, copper, and other materials. We've taken his God-given skill set and helped him apply it for the good.

Building a stronger company and a better world

Between 50 and 60 of our 400 employees come from traditionally marginalized groups, and we're receiving some tax incentives for hiring workers through the welfare-to-work program — depending on the state, employers can receive up to \$9,000 in tax credit for each employee who meets certain criteria through the [Work Opportunity Tax Credit program](#). We brought in \$50 million in revenue this year, and are expecting between \$65 million and \$70 million for next year.

I think our hiring practices make our company stronger because they show that our management is sensitive to the human condition. We're all one accident or one tragedy away from being in a tight spot. Business can be a battle, but when a company shows its DNA this way, it makes for a very tight-knit group and helps us work together.

There's not a community in America that isn't suffering from drug, gang, and recidivism problems. People coming out of those situations without structure are going to go back to what they know, whether that's a gang or dealing marijuana or smoking crack. If every business owner hired just one person from the margins, it could make a world of difference within the community. Helping people get that second chance is our great opportunity and our great challenge.

John Shegerian serves on the California [Governor's Gang Advisory Committee](#), helping state legislators create policies to reduce gang violence.

– As told to Kathryn Hawkins

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