

by Linda Watkins, Amos House



Providence Business

Photographs by Kristina Lavoie

Uplifts the Poor

At a recent expo

in Providence that showcased more than 350 New England businesses, More Than A Meal stood out. Men and women in chef coats carved succulent samples of prime ribs and served steaming Seafood Newburg. Most striking, however, was the fact that the new catering venture was run by Amos House, a nonprofit social service agency that helps the poor and homeless in Rhode Island.

A Social Enterprise Is Born

In the wake of dwindling federal and state funding and increased competition for foundation grants, more nonprofits are launching earned-income ventures. Known as social enterprises, these business endeavors provide a new revenue stream to support the social mission of their nonprofit parents.

According to Social Enterprise Alliance, a Washington, D.C.-based association, the

United States has thousands of social enterprises. Social Venture Partners Rhode Island (SVPRI), which works to advance nonprofits and social change, estimates that the Ocean State has more than 100 social enterprises.

In the last three years, Amos House has watched the venture that started with a program called Amos House Works expand from serving nourishing lunches in school cafeterias to catering fine cuisine for corporate meetings. Revenues help to cover the staff costs of the Amos Culinary Education Program (ACE) and to grow a business that provides training opportunities and jobs for persons who were formerly unemployed and homeless.

Starting from Strength

Founded in 1976 as a small soup kitchen that served 30 homeless men each night, Amos House today operates the largest

dining hall for Rhode Island's hungry and homeless. Most days as many as 800 people receive free breakfast and lunch.

Additionally, the agency's social services department helps 15,000 persons a year. In the last six years, under executive director Eileen Hayes, the nonprofit also has provided transitional and permanent housing for homeless men and women, and has run ACE, a 12-week culinary arts job-training program.

ACE helps poor and unskilled adults secure the skills and support needed to become stable and self-reliant. Recovering addicts, ex-offenders, and college dropouts, among others, are trained in safety, preparation, and handling of food—and restaurant management and customer service. ACE equips them for national certification in the

More Than A Meal Executive Chef Tom Furney (above center) and Amos Culinary Education (ACE) graduates Silvia Vides and Paul LaParle prepare to cater a wedding at the Roger Williams Park Casino in Providence.

safe handling of foods and offers real-world restaurant experience through internships. To date, 189 men and women have graduated from the program, and 60 percent have secured food service jobs.

According to Hayes, the choice of a particular industry for a social enterprise evolved naturally out of the culinary training program. “We had 25 years of experience feeding people.” Hayes adds that another

generate funds for ACE.

With technical and financial support from SVPRI, Amos House developed a business plan and entered it in the Yale-Goldman Sachs Business Plan Competition for nonprofits. The judges selected Amos House as a finalist. Backed by several grants, a new business was born. Today it serves about a thousand school-age children every weekday and provides jobs for four ACE graduates.

to find a balance between running both a mission-oriented enterprise and a business that makes money. Harlam looked for ways to expand into more profitable areas while maintaining the vision of providing jobs. For example, in June 2006 Amos House Works opened a café at Goodwill Industries of Rhode Island, but the location could not generate high-volume sales and soon closed.

Then Harlam remembered that the business had dabbled in catering to satisfy several client requests. Amos House did a feasibility study that led to the creation of a catering division. Both the catering side and the institutional division, formerly Amos House Works, now operate under the name More Than A Meal. The title is the same as the new Amos House brand, which reflects the nonprofit’s growth from a soup kitchen to a major social service agency. It also communicates the idea of high-quality food and service.

Hayes and Harlam attribute the catering division’s immediate success to its twofold benefit to clients: businesses and agencies that contract with More Than A Meal not only receive an excellent product but also know they are generating income to train and employ the poor. More Than A Meal’s catering

prices are competitive with the marketplace because Amos House wants its business to be as good as others both in quality and service.

A Promising Future

Since September 2006, the catering division has served more than 350 meetings and events for 17,000-plus guests. Clients have included nonprofit organizations like the Rhode Island Community Food Bank and The Rhode Island Foundation, plus corporations such as Bank of America and



Left to right: Amos Culinary Education (ACE) Program graduates Silvia Vides, Santiago Torres, and Paul LaParle help More Than A Meal with a catering job.

reason a food service made sense is that “the industry is one of the growing areas of job opportunity in our state.”

The original Amos House Works grew out of conversations with local charter school administrators who were seeking higher-quality meals for students and friendlier service from vendors. Hayes recognized the opportunity to capitalize on an Amos House strength—mass food preparation—by creating a business that would meet schools’ needs and, at the same time,

Overcoming Challenges

Alan Harlam, the enterprise’s first business manager and consultant, admits that the road to success has had twists and turns. Eighteen months after launch, Amos House Works continued to operate in the red. “We were a small player in a very large field and working in a volume-oriented business with very low margins,” Harlam explains. “We were ... not making enough meals to ever really make a profit.”

For months Amos House struggled

Textron Inc. The catering division has exceeded \$150,000 in gross revenues and has provided part-time jobs for ten ACE graduates as well as one full-time position.

More Than A Meal's institutional division continues to provide meals for schools and day camps. Recently, it opened a café at the new Meeting Street School in Providence, which serves 75 children who have disabilities and developmental delays. The school's staff of 150 is helping the café generate more than \$2,500 a month, enough to cover the salary of a full-time employee. Booming contracts from summer school programs and day camps, plus revenues from the café, have helped the institutional side gross about \$200,000 a year. More Than A Meal's divisions together generate about \$350,000 in revenues.

"It's an exciting time at Amos House," says Hayes. "We're on the cutting edge as a leader in the nonprofit sector in that we have launched a successful microbusiness that has accomplished a double bottom line—employment for those most in need and a small profit that goes back into the operation of our training program."

More Than A Meal is helping Amos House advance its social mission. Its two divisions employ a business manager, 14

ACE graduates, an executive chef and a sous chef, a marketing professional, and a general manager. Some people work part-time to build their experience. Others are full-time employees with benefits. Through the venture, ACE graduates learn how to become good employees—and, when ready, they can take their skills to more lucrative food service jobs.

"We are developing workers who are competent and responsible. If we aren't confident enough to hire them, how can we expect others to?" Hayes says.

Amos House continues to oversee the financial management of the business, which eventually will secure its own accountant. Overhead costs are kept low by using kitchens at two other nonprofits—Crossroads Rhode Island and Meeting Street School—in exchange for meals for their constituents. Grantmakers such as the Great Bay Foundation, Textron, and Hasbro Children's Fund have joined the pool of supporters that started with the Rhode Island Department of Labor and Training, Rhode Island Foundation, and United Way of Rhode Island.

Today More Than A Meal is poised to enlarge its territory. Plans are in the works to open a restaurant on Broad Street, a busy Providence thoroughfare, in conjunction with SWAP (Stop Wasting Abandoned

Property), a community development corporation. The nonprofit SWAP will develop the site for mixed use, including 35 residential and eight commercial units. The restaurant will serve as a community gathering space—and a job and training site for Amos House culinary students.

Amos House also is partnering with Sodexo, a food and facilities management services company. Sodexo will help to further develop the institutional-client side of More Than A Meal by providing additional customers to increase sales. Sodexo will hire at least one ACE graduate a year and provide advanced training.

According to Hayes, advancing the social mission of Amos House is more important than making a profit. She warns other nonprofits that it may take three to five years for a venture to break even, so they may need to rely on a combination of grants and revenue to support the development of a self-sustaining business. "The most important thing is that our business is helping people change their lives by giving them tools and resources to take care of their families," Hayes says. "Each job we create through the business is a profit for us."

Linda Watkins is associate director of Amos House in Providence and a professional writer.