



# More Than Words Prospectus



## overview

**FOUNDED 2004**

**CURRENT REVENUE \$750,000**

**DESCRIPTION:** More Than Words (MTW) is a social enterprise that empowers youth who are in the foster care system, court involved, homeless, or out of school to take charge of their lives by taking charge of a business. By working as a team to manage their own retail and online used book business, café, and community space, youth develop the employment skills, leadership, and self-confidence they need to successfully transition to adulthood. In addition to store-based job training, youth are engaged in personal transition planning and case management to support their progress towards employment and education. The MTW model is premised on the belief that when at-risk youth are challenged with authentic and increasing responsibilities in a business setting, and have high expectations and a culture of support, they can and will address their personal barriers, create concrete action plans for their lives, and become thriving members of society. Through the success of its model, MTW is motivating communities to rethink how to engage vulnerable youth and reshape the way services are delivered to this population.

**INVESTMENT OPPORTUNITY:** MTW has developed a unique cost-effective model to empower youth to transform their lives and achieve specific educational, employment, and self-efficacy outcomes. MTW is seeking \$850,000 over two years to refine its model, expand to a second site, and demonstrate proof of concept through data collection and analysis.

### THE NEED

In the United States, 5.4 million vulnerable youth face risks of long-term unemployment, homelessness, incarceration, addiction, being a victim of or involved in violent crime, or being dependent on the adult welfare system:

- Over 60% of youth “aging out” of state custody do not have either a GED or high school diploma.
- Less than 3% of youth in foster care obtain a college degree.
- Three-fourths of youth aging out of foster care in Massachusetts are either unemployed or underemployed.
- 70% of 16–24 year olds in Massachusetts are unemployed; this statistic increases to 92% for low-income and minority youth. Those who are system-involved, homeless, or out of school face a myriad of barriers to gain the skills and experience critical for adulthood and self-sufficiency.
- Preventing a high-risk young person from adopting a life of crime has been estimated to save society \$2.6 – \$5.3 million.

### THE OPPORTUNITY FOR SOCIAL IMPACT

In less than five years, MTW has grown from an idea to a successful revenue-generating enterprise that serves over 60 youth ages 16–21 each year. MTW’s cost-effective model empowers youth to transform their lives:

- Since its inception, MTW has served over 100 youth, over 70% of whom are still in contact and remain part of the MTW community.
- Approximately 70% of youth in contact are engaged in full-time work and/or education.
- 90% of youth served have indicated they experienced improvements in employment skills "more than they ever thought possible."
- MTW has garnered recognition and support from the State house and venture philanthropy groups and was recently selected as the "People's Choice Award" at the Social Enterprise Alliance Conference.

### TWO-YEAR GOALS

- Expand educational and employment transition opportunities by strengthening partnerships
- Increase earned revenue from 35% to over 40% of budget through effective marketing and sourcing of books
- Increase number of individual donations over \$5,000 from 3 to 20
- Strengthen and codify model based on data from new MTW performance-based management evaluation system
- Open second MTW site to establish proof of concept

### WAYS TO INVEST

#### Financial

- \$25,000 – Investment in expansion of MTW to second location
- \$7,000 – Employment training for one youth for one year
- \$1,000 – Education planning support for one youth

#### In-kind

- Book-sourcing relationships
- Truck or large van for book pickups
- Warehouse or retail space for second MTW site

## SOCIAL INNOVATION IN ACTION – THE MORE THAN WORDS MODEL

MTW has developed an innovative approach for youth development and job training for the most marginalized youth and is shifting perceptions about their potential.

Through MTW, youth learn to be responsible for the entire operation of their own online and retail bookselling business and café. The model is youth-driven, starting with the application process. Experienced members of the MTW youth team interview all applicants, who are referred by their social worker, probation officer, or school counselor. Once accepted, youth have two jobs—their BUSINESS job and their YOU job—both of which are built upon MTW’s guiding principles.



### GUIDING PRINCIPLES

At MTW, youth hold themselves and each other accountable for these values:

- **Empowering:** We have high expectations, clear and compassionate accountability, and promote individuals’ independence.
- **Entrepreneurial:** We are innovative and inspiring in our work and lives and we are youth-driven in all that we do.
- **Community:** We are a safe environment where we care about the whole person while promoting a strong team.

**THE BUSINESS JOB:** MTW youth work as part of a team managing their bookstore 20–30 hours per week, and are integrated into all aspects of the business. Youth facilitate peer-led trainings and weekly team meetings, track and forecast the financials for the business, manage sales—both online and in the store and café, guide tours, plan and host monthly open-mic events and community workshops, and manage marketing and promotions. Youth continually expand their interpersonal and customer service skills through interactions with customers in the store and cafe. Through the BUSINESS job, youth learn marketable and transferable job skills, including public speaking, technology, inventory management, as well as critical professional skills such as showing up on time and working as a team.

**THE “YOU” JOB:** Youth have a second equally important job called the “YOU” job—deliberate personal transition planning and case management to ensure they have all life essentials in place and move on to meaningful jobs and college. For many MTW youth, the YOU job helps them achieve basic personal milestones such as obtaining an ID, opening a bank account, and finding housing. Youth also access exposure to potential jobs and college through regular site visits and shadow days with community partners including hotels, banks, and universities. By tackling personal barriers in their lives and gaining exposure to new opportunities, youth are able to craft their own action plans with concrete steps for pursuing education and future employment.

On average, youth work at their BUSINESS job and YOU job for 6–12 months crafting an intentional plan for their future. Upon transitioning from the store-based services, MTW provides community-based case management and support services for youth for at least a full year to ensure their success in achieving self-efficacy and either another job or going to college.



### Success Story: Nicole

Nicole came to MTW at age 17 with a history of behavioral problems after bouncing between foster homes. She had dreams but no concrete plans for her future. Through her experience at MTW, Nicole quickly learned what it means to be accountable for her choices and performance:

*“I learned customer service, being professional, learning to be on time and manage my time well. I learned a lot of skills like finding orders, shipping them out, receiving books into the software for people to buy online, sorting books into their appropriate genre. And, I learned to be reflective and work as a team.”*

MTW supported Nicole in obtaining her GED and applying for a transitional college prep program. Nicole is now 20 and a freshman at Pine Manor College.

## TEAM AND GOVERNANCE

MTW is led by Founder and Executive Director Jodi Rosenbaum. She has over 12 years of experience in the child welfare, juvenile justice, and education fields and was a Teach For America corps member. Jodi has an Ed.M. in risk and prevention from Harvard’s Graduate School of Education.

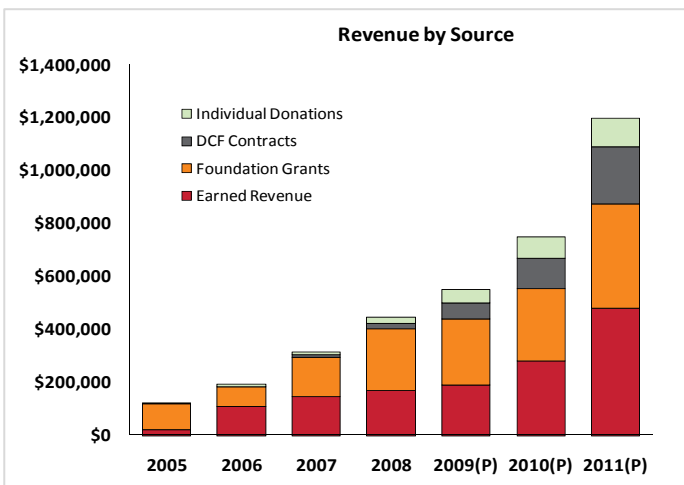
MTW’s leadership team also includes a director of operations who has an MBA and over 12 years of experience working with youth in juvenile justice and substance abuse prevention programs. MTW has an active seven-member board of directors, whose members bring experience in business and entrepreneurship, government, marketing, and law. In addition, MTW has an engaged network of advisors who provide guidance in areas of funding, nonprofit management, law, and business.

## FINANCIAL SUSTAINABILITY

MTW’s hybrid funding model offers the organization a sustainable revenue base upon which it can build and grow. During its first year of operation, MTW covered 22% of its expenses with earned revenue generated by youth-driven online book sales. Since then, MTW has increased its earned revenue to cover approximately 35%–40% of its operating budget, while continuing to grow the overall organizational budget for critical programming.

## KEY SOCIAL IMPACT INVESTORS

- Strategic Grant Partners
- Richard and Susan Smith Family Foundation
- The Clowes Fund
- JE & ZB Butler Foundation
- The Lincoln and Therese Filene Foundation
- Social Venture Partners
- Middlesex Savings Bank
- Carlisle Foundation
- Clipper Ship Foundation
- Crossroads Community Foundation
- Department of Children and Families (DCF)
- Starbucks
- Barnes & Noble



As the organization has grown over the past few years, MTW has leveraged its earned revenue to attract foundation support. More recently, the Department of Children and Families (DCF) has taken notice of MTW’s success; DCF contracts currently cover approximately 10% of MTW’s operating budget, and the system is now recognizing MTW as a new approach to “support and stabilization” services for youth and families.

To ensure financial sustainability, MTW plans to continue to strengthen its earned revenue through the efficient sourcing of book donations and improved marketing, while increasing foundation and DCF support and strengthening its yet untapped individual donor network.

## A COST-EFFECTIVE MODEL

Because youth actually run the business, they not only receive more effective job training than they might otherwise, but also make their training more cost effective. Youth offset the fully loaded cost of their MTW experience with every book they ship out or sell in their store. While the actual training cost per youth at MTW is \$10,000 per year, earned revenue reduces the cost per youth to only \$7,000. The impact of this figure is profound. When youth succeed in an empowering experience at MTW, society avoids the cost of the alternative path for many of these youth; keeping a young person in locked facilities comes with a price tag of approximately \$70,000 per youth per year.

*“More Than Words is different because it’s not just a job. It prepares us for the real world and helps us get our lives on track. We learn to take care of ourselves and the business.”*

–Youth Partner  
MORE THAN WORDS

## PERFORMANCE MEASUREMENT

**Program Performance and Organizational Health:** Below is a summary of the key measures that MTW will be tracking to demonstrate progress, capture lessons learned and make course corrections as needed. *Note: Fiscal year is July 1–June 30.*

	FY 2009	FY 2010 (P)	FY 2011 (P)
<b>Program Performance</b>			
Number of MTW sites	1	1	2
Number of youth managing hands-on BUSINESS and YOU jobs at MTW bookstore and café each year	33	36	54
Number of youth receiving intentional follow-up support upon leaving the business each year	20	30	35
Total number of youth served each year	53	66	89
Total wages earned by youth employed by MTW each year	\$120,000	\$194,000	\$357,000
Total taxes contributed by MTW youth employees	\$35,000	\$56,000	\$103,000
Percentage of all youth served since 2004 who are in contact with MTW	73%	78%	80%
<b>Organizational Health/Capacity-Building</b>			
Number of board members	7	10	13
Number of business/education partners hosting site visits/shadow days and externships	12	25	35
Number of individual donors making gifts over \$5,000	3	10	20
Earned revenue	\$190,000	\$280,000	\$480,000
Total revenue	\$550,000	\$750,000	\$1,200,000

**Social Impact:** MTW has launched an advanced evaluation software program called Efforts to Outcomes to track youth progress in three outcome areas: self-efficacy, education, and employment. Preliminary findings for over 100 youth served to date show

Self-Efficacy	<ul style="list-style-type: none"> <li>Percentage of youth who have improvements in self-efficacy as indicated through goal-setting, effort investment, persistence in face of barriers, and recovery from setbacks</li> </ul>	90%
Education and Employment	<ul style="list-style-type: none"> <li>Percentage of youth in contact who have met, or are on track to meet, educational attainment towards high school diploma, GED, trade school, or college</li> </ul>	73%
	<ul style="list-style-type: none"> <li>Percentage of youth in contact who are either engaged in full-time education or employment</li> </ul>	70%



### Success Story: Brian

*"My life before MTW was hectic. I was in New Bedford involved in street, drug, and gang activity; that's the only business I really knew, selling drugs on the street corner. It was the wrong activity that no 12 or 13 year old should ever be involved in."* Brian was one of the first youth to start More Than Words and experienced a transformational change in his life as he helped move the online training program to a retail storefront and became a youth manager.

*"MTW opened my eyes to what I wanted to do in life and helped me set that path and lead my way to my future. I didn't have much self-confidence, and my communication skills weren't all there. I didn't believe in myself much, and MTW was always there by my side and pushing me along when I wanted to stop. My experience with MTW was pretty extraordinary. I had never logged onto a computer before, and I didn't know anything about e-mail, and I never really liked to pick up books before MTW."*

MTW supported Brian's transition to Job Corps where he obtained his CNA (certified nursing assistant) certificate. He is currently working at both a nursing home and as a home health aide, is drug free, and continues to stay out of trouble. Brian is in close contact with MTW, seeks support as an alumnus when he needs it and now provides inspiration to other youth.