EXECUTIVE SUMMARY

FOR 10 YEARS, HOT BREAD KITCHEN HAS STRIVED TO PROVIDE A PATH TO FINANCIAL STABILITY IN THE FOOD INDUSTRY, WHERE WE SEE OPPORTUNITY FOR WOMEN WHO FACE ECONOMIC INSECURITY TO FIND MEANINGFUL CAREERS AND FOR ENTREPRENEURS TO LAUNCH SUSTAINABLE BUSINESSES.

Where there is continuous economic growth and gentrification—as there has been in New York City and cities across the United States—there is growth in the food industry. The Bureau of Labor Statistics predicts food preparation and serving positions will be among the occupations with the most job growth through 2026.¹ At the same time, commercial kitchens face challenges recruiting and retaining skilled entry-level workers: the culinary industry needs reliable, hardworking staff, but turnover rates are as high as 65 percent.

Sector-based job readiness programs like our culinary training have been found to increase the likelihood that trainees find work in the target sector when compared to control groups; some cases, they also have higher increased earnings and likelihood of receiving employer-sponsored benefits.² Similarly, research has shown business incubation can significantly improve small businesses’ survival rate³; nonetheless, the Hot Bread Kitchen incubator is one of less than a dozen in New York City.

Until now, Hot Bread did not have a complete understanding of the benefits our graduates and alumni have actually been able to reap from the opportunities we have provided. With changes sweeping the workplace, the culinary sector, the labor market, and our own business model, our organization has been reflecting on the past decade of learnings—so we can know what we have accomplished, but also so we can figure out how to do more, better. This study is the culmination of our effort to understand where growth in economic opportunity has been for the women we have trained over the last ten years and the entrepreneurs we have supported since 2011.

We conducted this assessment to test several hypotheses, supported by interviews with 60 graduates of our culinary training program and 20 alumni of our culinary incubator. It was designed to capture the impact Hot Bread Kitchen has had on three levels: individual (culinary trainees and entrepreneurs who received assistance through our signature programs); household (trainees’ and entrepreneurs’ families/dependents); and community (East Harlem and/or the food manufacturing/baking industry). This study also captures the outcomes of the diverse, equitable business we have built, which has created financial, social, and economic benefits for stakeholders including: employees, funders & investors, community members, and New York City taxpayers.

ENDNOTES

Individual Trainee/Entrepreneur Level Impact
- We have created a workforce with the skills to thrive in the baking and culinary industries. Though traditionally male-dominated, these industries offer a viable career path with opportunities for advancement for low-income and immigrant women with limited English language skills and education, especially when compared to other female-dominated fields.
- Hot Bread's training, English as a Learned Language (ELL) offerings, and job placements improve women's well-being, sense of agency, confidence, acculturation (for recent arrivals) and ultimately, financial health.
- We build the skills of individual food entrepreneurs so that they can sustain employment for themselves and create jobs in their communities.

Family Level Impact
- The jobs for which we prepare women help families move out of poverty. This reduces their chances of experiencing housing instability, food insecurity, and/or material hardship.
- The jobs for which we prepare women help their families improve long-term financial stability and build wealth and assets.
- The children of the women we serve are more likely to succeed in school, go to college, and/or be employed.

Community/City/State Level Impact
- We have created a powerful, non-traditional model for job creation as well as local economic revitalization and redevelopment at La Marqueta in East Harlem.
- We have seeded an ecosystem of local businesses that generate greater local economic activity than large businesses.
- We are part of the value chain for New York State agricultural products, and are contributing to the resurgence of manufacturing in NYC and the prosperity of its culinary industry.
- We offer value to employers by providing a non-traditional pipeline of talent. We are creating a powerful counter-trend to the status quo in the culinary industry.
KEY FINDINGS

OPERATING A COMMERCIAL BAKERY AND SMALL BUSINESS INCUBATOR OUT OF LA MARQUETA CREATED OVER 200 JOBS IN UNDER TEN YEARS, GENERATING $104 MILLION DOLLARS IN ECONOMIC IMPACT.

TRAINING PROGRAM

Women are working, and remain—for the most part—in the job placements facilitated by Hot Bread Kitchen.

• Jobs mostly offer them stable and predictable income and schedules.
• Earnings are in line with entry-level wages for the occupation.
• Women see a future for themselves in the field.
• Graduates are integrated into the formal economy of NYC, and have moved away from the informal and low-wage sectors that are categorized by violations of workers' rights and practices that create income volatility.

The impact of stable employment has immediate and future effects on children, other family members, and women's goals.

• Most Hot Bread Kitchen trainees and graduates are mothers, who are able to provide for their children and families in a way that they couldn't before.
• For some, this is a reversal of previous dynamics of relying on others for support.
• Women who completed Hot Bread Kitchen's training program were able to remit money abroad, save, and/or otherwise build wealth.
• Most graduates described plans for the future that involved continued education, career advancement, or business ownership.

CULINARY INCUBATOR

Access to space, markets, and networks of buyers allow small businesses to reach a more stable pace of growth.

• Most entrepreneurs used our incubator to pursue their businesses full-time, and were able to hire employees when they were members.
• Our commercial kitchen offers literal room to grow, as well as expertise related to growth.
• Entrepreneurs have an opportunity to build networks, benefitting from relationships with other businesses.
• Members of our incubator generally secured the capital they sought, however, they continue to face challenges accessing the capital they need.

Small business incubation cannot be one-size–fits all; our approach must be as unique as each business.

• As businesses grew and entrepreneurs required more space or production time, our incubator's pricing structure no longer made our kitchen a feasible workspace.
• Entrepreneurs who qualify as low-income or receive government subsidies come from wildly different backgrounds and have varying success securing capital and varying needs for small business support.
• Age factors significantly in the types of support (e.g. physical and technological) our entrepreneurs need.

SOCIAL ENTERPRISE

Collaboration between community-based organizations and local government can foster economic growth and opportunity.

• Our partnership with city agencies and City Hall provided Hot Bread Kitchen the chance to help rejuvenate an underutilized real estate asset in East Harlem.
• Focus on earned revenue and diversified economic base has allowed us to stay true to our mission while adapting our model.