

Assessment for Income Generation Strategy

When we design an Income Generation Strategy for a non-profit organization in South Africa, we typically start by exploring the areas described below. We try to establish what is going on, working or not working, and what should change or be improved. The answers create the foundation we need to design a suitable strategy. You can read more about the different types of strategies in the link underneath.

Theme	Question
Existing strategy	How does your existing strategy require income and expenses to be structured and managed?
Financial position	What are your assets and liabilities, and how are they being used?
Financial performance	What are your income and expenses, and what do projections say about the future?
Cost structure	What are your fixed/variable and overhead/implementation expenses, and how are costs being distributed?
Proposal costing	What techniques are you using to cost proposals and how has the surplus or margin been calculated?
Proposal negotiation outcomes	How have you negotiated contracts with donors and customers, and what arrangements have tended to be made?
Overhead absorption	How has your financial overhead been absorbed by projects and other activities?

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Income sources	From which people and organizations are you deriving your income?
Income forms	What is the nature of the income that is emerging from each source?
Legal vehicles	What legal forms do you have, and how are income/expenses and assets/liabilities distributed amongst them?
Taxation	How much taxation is being paid, and how are income streams being isolated and expenses allocated to them?
Brand	How well is your brand perceived by its donors, customers and other stakeholders?
Marketing and PR	How have you been marketing yourself and communicating with internal and external stakeholders to build relationships and advance your brand?
Competitive environment	What is your competitive landscape and who are your biggest competitors?

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