

10 tips to writing effective funding proposals for NPOs

By [Feryal Domingo](#)

29 Mar 2023

The need for social assistance from non-profit organisations (NPOs) has grown exponentially since the Covid-19 pandemic, but donor funding to NPOs has not kept pace.



Image: Supplied

Many NPOs rely on donations and grants, which have been impacted by the economic downturn caused by the Covid-19 pandemic. Additionally, NPOs have had to adapt to new ways of delivering services, which has had financial implications.

Many corporates have reduced their social investment expenditure, citing decreased profits, while numerous high net worth South African donors have emigrated. Funding from international organisations has also diminished.

Many NPOs struggle with proposal writing for several reasons:

Lack of resources: Preparing documents can be time-consuming and require significant research and planning. Some NPOs struggle to devote the necessary time and attention to this.

Limited experience: Scanty experience in grant writing and proposal development makes it challenging to create a compelling proposal that effectively communicates the organisation's mission, programmes, and impact.

Lack of clarity: Non-profit organisations may struggle to articulate their goals, objectives and programmes in a clear and concise manner.

Competition: Non-profits often compete with other organisations for funding, which creates pressure to write a more compelling proposal than other organisations. This can be particularly challenging if the NPO has less experience and fewer resources.



Budgeting tips for resilient non-profit organisations

6 Dec 2021



Overall, proposal writing can be a complex and challenging process, especially for NPOs with limited capacity. However, with proper planning, research, and support, non-profit organisations can develop strong proposals that effectively communicate their mission and impact to potential funders. Based on Inyathelo's experience and publications, here are ten tips to boost the chances of sourcing funding:

1. **First build a relationship:** NPOs need to build connections and establish links with potential supporters who share their concerns. Only then is a request for support likely to succeed.
2. **Ensure good governance:** The NPO must be properly registered, and appoint board members who fully understand their roles and responsibilities, before reaching out for funding.
3. **Establish proposal guidelines:** Inyathelo does not advocate submitting a proposal without any prior connection to the organisation. The ideal situation is to cultivate the relationship to the point where you are invited to submit a proposal. Then clarify the proposal requirements, such as the budget and deadlines.
4. **Be positive:** State clearly what the organisation can do and the change it can bring about. Show value by outlining the objectives, activities, outputs and outcomes of the programme.
5. **Prepare a compelling statement of need:** Describe the need in society that the NPO has identified, and the interventions it wants to put in place to address this. Also incorporate the Theory of Change, which outlines short-term, intermediate and longer-term outcomes. The identified changes are mapped as the 'outcomes pathway' – showing each outcome in logical relationship to the others.



Inyathelo offers free advisory clinics to help NPOs grapple with numerous challenges

22 Jun 2022



6. **Be realistic about budgeting:** Include precise costs for the specific project, and don't forget the NPO's organisational operating costs too. List line items that reflect all expected spending, with notes to explain exactly how these sums have been calculated.
7. **Make the proposal user-friendly:** Incorporate graphs, bullet points and images. Spell check and proofread the document. Check that attachments are included.
8. **Finish with an executive summary:** Summarise, on one page, key elements of the proposal: Organisation details,

the societal problem being addressed, why the donor would be the right partner, and a summary of the budget.

9. **Include a cover page:** List the names of the NPO, the potential funder, date and full contact details. Lay this out neatly and avoid fancy decoration.
10. **Include a covering letter:** The executive director of the NPO, or the board chairperson, must write a one page letter to the potential donor on the NPO's letterhead.

A clear, detailed proposal can determine the future of an NPO. It is essential to allocate suitable time and resources to this document.

Inyathelo offers numerous support facilities and services, many of which are free, to NPOs. The organisation is home to a Civil Society Resource Hub in Woodstock, Cape Town, believed to be the only dedicated non-profit facility in Africa. It has a book lounge with over 2000 books, publications, toolkits and directories, meeting spaces for group work, and online research and publications.

Download a free Inyathelo pocket guide to proposal writing [here](#).

ABOUT THE AUTHOR

Feryal Domingo, Inyathelo acting executive director

For more, visit: <https://www.bizcommunity.com>