Basic Rules on Healthy Organizations

Rule 1: Any organization (a group of people collaborating to realize a shared goal) should be able to put aside money monthly for paying salaries, rent, management and maintenance, innovation and education. Even if the organization is not focused on making profit or money.

Rule 2: An organization that is not able to put aside money monthly for paying salaries, rent, management and maintenance, innovation and education, is an unhealthy organization. This because it will not be able to afford to sustain their activities at a certain level, and thus is not reliable for its employees, consumers, clients and other stakeholders.

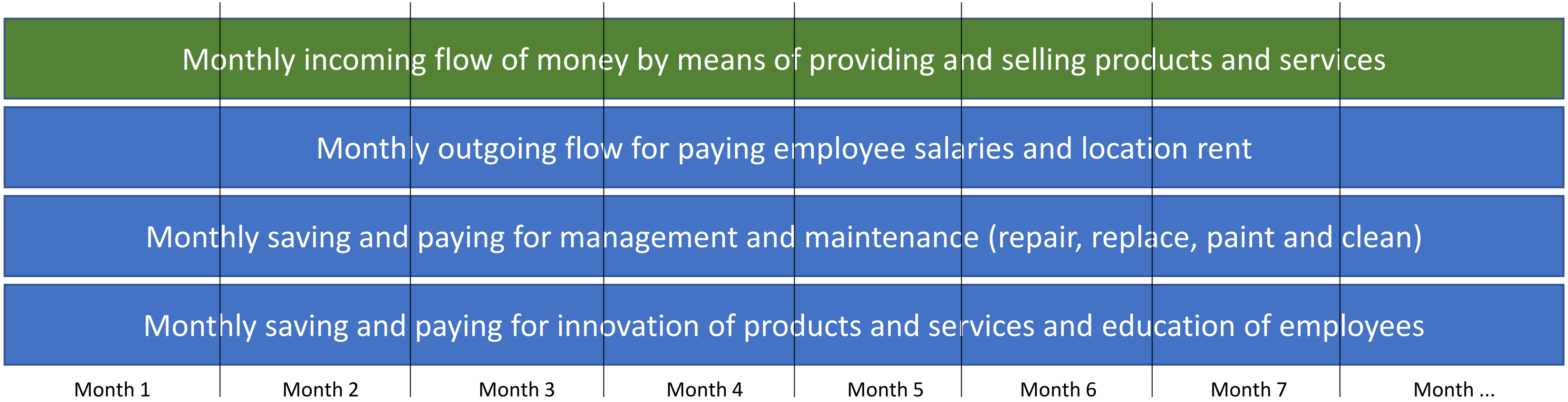
Rule 3: If an organization has an inflow of 20000 USD month, it should on average put aside 2000 USD for management and maintenance and 2000 USD for innovation and education.

Rule 4: If an organization has an inflow of less then 20000 USD month, it should review and maybe also reconsider its business model and strategy.

Rule 5: Donations, grants and subsidies are not the basis of a sustainable business model. They should be a secondary inflow of money.

Rule 6: Having a monthly inflow of money by means of providing and selling products and services, is the basis of a sustainable business model.

Rule 7: All these rules apply for commercial organizations and for foundations



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Rule 8: To provide and sell products and services for 20000 USD seems a lot, but it is realistic for any organization to accomplish. It is all about the strategy, the business model, building up a network and making use of partnerships and the internet.

Rule 9: As long as an organization is really a 1 person activity, there is no actual collaboration between people and as long the organization does not make 20000 USD a month, we do not consider the organization to be a business.

Rule 10: 20000 = 200 clients x 100 USD or 20 clients x 1000 USD or 400 x 50 USD. Try to come up with a product and/or service or package for 50 USD, 100 USD, 250 USD, 500 USD and 1000 USD and experiment/test what prices work better with certain target audiences.

Rule 11: To build a business out of an organization at least the below sketched 10 building blocks have to be in place. Write down in a document (a business plan) how in your organization these building blocks are implemented or organized.

Rule 12: Engage large prospects (potential clients) such as hotels, supermarkets and hospitals and figure out how they can do batch orders.

Rule 13: Create sample products and services and get feedback from your target audience on them.

Rule 14: Use your sample products and services to get test orders.

1. Website / Webshop (promoting products & services towards a target audience)

2. A very good understanding of your target audience and the challenges and problems your target audience has

3. A very good understanding how your products and services solve the challenges and problems of your target audience

4. A very good understanding how and why your products and services are better than your competitors

5. Having a team of 5 people with clear roles: marketing, sales, production, delivery, procurement, finance, ...

6. Having a USD/EUR bank account and a credit card

7. Having a chamber of commerce registration

8. Have an office where you produce or can meet clients and demomstrate your products and services

9. Understanding the boundaries of your current market and what new market you could create

10. Have a business plan and a sales plan that shows/explains how to maken 20000 USD this month and next month and the month after.