

## Episode 82 – Transcript – [Starting Your Own Grant Writing Business with Susan Bacon](#)

**Dolph Goldenburg:** Welcome to the Successful Nonprofits™ Podcast. I'm your host Dolph Goldenburg with a special episode for those nonprofit professionals that sit in their office or at their desk and dream of becoming contract grant writers or consultants, and yes, I know there's a lot of you out there. We'll be speaking with Susan Bacon, who started a grant writing business after retiring from education. Over the course of about a decade, she grew the business into a thriving company with multiple grant writers and dozens of nonprofit clients. Last December, she concluded this part of her professional journey by selling her grant writing business and retiring, not for the first time, but for the second time. I know that lots of nonprofit professionals think about starting a grant writing or nonprofit consulting business, so I asked Susan to join us and share the nuts and bolts of starting a business that serves nonprofit organizations.

This is a little bit of field from what we normally talk about, but I have a sense that it's something that a lot of nonprofit professionals want to learn more about, so we'll talk about how she got clients, how she structured her client relationships, the obstacles that she and other businesses have to overcome. Let me also say that having transitioned to myself from working for a nonprofit as a staff member to having my own consulting practice, I am sure there will also be points that Susan and I ping off each other as we talk about things like a decision to scale the business versus remaining a solo practitioner.

Hey, thank you for joining us, Susan.

**Susan Bacon:** Hey, Dolph. It's a pleasure to be here. Thanks so much for asking me.

**Dolph Goldenburg:** So, how did you decide after retiring from education to start a grant writing business?

**Susan Bacon:** Well, that's a great question, and I appreciate you starting off the conversation with that. As part of my teaching career, I wrote grants, and when you are a department chair of a science department with maybe a couple thousand dollars there to spend on lab equipment, you go ahead and write grants. I also did some training. I also spent part of my career outside of teaching, working in public health and environmental agencies and those grants, as you may be aware are CDC grant money and EPA grant money. That's where I really cut my eye-teeth on it and learn to eat, sleep and breathe those federal grants, and found out that I loved it. I know that's a little crazy, but I did love it. Then I just continued that grant writing trend when I went back into teaching high school and middle school science, and as I said, we needed money. Because I enjoyed it so much, I always thought whenever I did retire from teaching that I would just do some grant writing to supplement that itty bitty teaching pension that I have. That's how I actually got started was to supplement my teaching retirement.

**Dolph Goldenburg:** The federal grants are the toughest ones. You end up having written on an entire binder for the funder.

**Susan Bacon:** Yes, you eat, sleep and breathe that application. You eat, sleep and breathe monitoring that program and writing up the reports and the audit. Once you've been through federal and state grants, you've learned quite a bit. It's an eye-opening education.

**Dolph Goldenburg:** When we had coffee, I think you also want a unique position because, when you retired, you moved from South Carolina to Georgia. You were moving to Georgia and starting this grant writing service without having a lot of nonprofit contacts in the state.

**Susan Bacon:** That is correct. I actually taught for a couple of years in Georgia and then worked with the Clean Air Campaign as their education director, and I had to write grants while being a member of the Clean Air Campaign. I was winning them left and right, and that's when I really decided, okay, let's really get this company off the ground. So, I left the Clean Air Campaign and really started rocking and rolling with the company.

**Dolph Goldenburg:** How did you get your first nonprofit clients?

**Susan Bacon:** We had, there's a nonprofit called the Quinn House here in Lawrenceville, and we always have donated to them, you know, anytime we cleaned out closets, we would send them stuff. So, I had called, and while I was on the phone with them, I said, "By the way, do you need a grant writer?" They said, "Yes, we'd like to talk to you." The next thing I knew we were signing a contract, and we started writing grants for them.

**Dolph Goldenburg:** For a lot of people, the first client is the toughest. Your first client was pretty easy.

**Susan Bacon:** Yes, that was, but then there was a little bit of a dry spell, so I'll be honest with you. I had a great opportunity to connect with a number of folks who were key players here in Gwinnett County for the nonprofit network, and that's something I would recommend folks to do is find out who are the key players in the nonprofit world in their area and get connected with those folks and network like crazy with them.

**Dolph Goldenburg:** As your business grew, how did you structure it?

**Susan Bacon:** Organically. I've learned by the seat of my pants. I very quickly learned that I do not like doing QuickBooks, so that is another piece of advice I'd offer to folks. Find out what your strengths are in running a business and stick with those strengths, and then find people who have those capabilities and let them handle those tasks. So, QuickBooks was one task I did not want to do. I hated doing invoices, so I quickly found someone who could do that for me.

**Dolph Goldenburg:** One of my professional mentors, she's a West Point Grad. She always says delegate and graduate. So, you delegated your bookkeeping. You paid someone else to do it, you graduate, and people like to pay you to do.

**Susan Bacon:** Exactly, and as I became successful and writing grants, which was pretty much right off the bat in that first year, I found that I had to hire several more grant writers. I think we started in September of [inaudible] 2009, and by I'd say March or April, maybe even by June of 2010, I had three more grant writers.

**Dolph Goldenburg:** You started really in the middle of a financial meltdown, and within like seven months, you had three people working with you.

**Susan Bacon:** Yes. I didn't know any better. I had no idea what was going on. I was learning how to price my products. I was learning how to manage folks. I was learning how to do sales; my QuickBooks we're taken care of, but it really grew organically, and like you, Dolph, I quickly learned that I needed to sit down with successful business owners and pick their brains for business 101.

**Dolph Goldenburg:** How did you figure out what the right price was for your grant writing service?

**Susan Bacon:** You do a lot of research and you review the LinkedIn conversations for grant writing because there's this constant argument, do we pay on commission base or do you do we pay a flat fee based? The three national organizations that govern grant writing, they've all come out in support of fee based. It is unethical to do a commission based. There is still a lot of people out there who are writing grants as independent contractors who do the commission base, in other words, they take a percentage of the grant if it's awarded. Again, I'm just going to be very emphatic with the Association of Fundraising Professionals and Grant Professional Association, those two national organizations have on their website that it is unethical to charge commission and that you should do flat fees for your product

**Dolph Goldenburg:** I agree with you. I think that's widely accepted in both fundraising and grant writing. Then it's flat-fee, not commissioned based. How did you learn to price it, whether you were going to charge a thousand dollars for the product or \$2,000, \$3,000, \$4,000. How did you learn to price the product?

**Susan Bacon:** First of all, I looked at the different types of grants. You have, foundations, state and federal. Then, you look at the number of hours that generally takes overall to do each grant. Then, you look at the average hourly fee that's ongoing and I've learned that, but again, looking at LinkedIn conversations, looking at what was going on at AFP and GPA, grant professional association, and then talking with other grant writers. When you have somebody doing federal grants or those RFPs, you generally charge \$75 to \$100 an hour because it generally takes 100 to 125 hours to complete a federal grant. That's one price range. For foundation grants, we got to the point where we could do a family foundation grant in 10 hours, and that also included editing. Then, I looked at how much I paid my grant price which was anywhere from \$45 to \$70 an hour, but keep in mind I was getting the business for those grant writers either had to do was manage the client and write the grants. If you're an independent person, and if you're good and

you have a good track record, then I would say probably \$70 to \$80 an hour is a good price range.

**Dolph Goldenburg:** Were the grant writers working for you contract or 1099?

**Susan Bacon:** No, they were 1099.

**Dolph Goldenburg:** It sounds like maybe you scaled your business that way as well.

**Susan Bacon:** Yes, and it was easier to manage, and my grant writers could also have their own clients on the side. We have had times where they had a client that was going after the same grant that they were writing the grant for us. We had processes in place and procedures in place if that occurred. It did occur at times.

**Dolph Goldenburg:** Did you have a noncompete with your contract grant writers so they could not essentially take your clients and run with them?

**Susan Bacon:** Yes, we had a noncompete clause in that contract. One thing I will say as a side note: always makes sure you have a good CPA person and a good business lawyer as part of your **three-legged stool** as well as a professional business mentor who was very successful in their own business, no matter what it is. I mean I had folks who were doing IT work who were doing marketing, who ran restaurants, who did digital marketing, who did hearing aids. Anybody who is successful, it doesn't matter what they're doing. Their tenants have a successful business, are all the same.

**Dolph Goldenburg:** Whether you are an individual wanting to start a business or whether you're a nonprofit, I think it's the same. You need a good lawyer, and you need a good CPA. You really do not want to get started without that, or you're going to get in trouble and have a hard time getting those grants that you're paying people like you to write.

**Susan Bacon:** Exactly. So, you want to have that basic foundation of the business so that you can focus on successfully selling your product and implementing your product for your clients.

**Dolph Goldenburg:** When you had your own grant writing service, you had a website, as you said, you had IT. What do you recommend those who are consulting or in a business do around website?

**Susan Bacon:** Having the very solid website. Spend money on a good website. That was one of my biggest startup expenses, and it paid for itself and all I had to do was add additional pages to it. The format was great. Never had to change, make an overhaul of it. It's still out there [www.palmettogrants.com](http://www.palmettogrants.com). If you want to check out that website. I don't know how much longer it'll lead you up there because I'm supposed to be ending it at the end of April as part of the transition with the new owners. Seriously, have a vital website presence and then LinkedIn and then Facebook and Twitter.

**Dolph Goldenburg:** How did you find your web designer? It sounds like you've found a designer and pay them to create your site.

**Susan Bacon:** I went with the local firm here in the Gwinnett area, and they were very solid firm and I was introduced to the gal who set it up.

**Dolph Goldenburg:** Do you want to give them a quick shout out?

**Susan Bacon:** Yeah, it's the **Mighty Eighth Media**. I can send you that information later. They're here in Buford. Jonathan Homes is one of the partners there, and he was there when I was working with them as well. So.

**Dolph Goldenburg:** We will include a link to them in the show notes as well. You had a good web designer, a good CPA, a good attorney also, a bookkeeper. What are some of the other professionals that you really needed to bring on so that you can be successful?

**Susan Bacon:** I had to make a decision about three years into the business whether I would continue writing grants myself or I would run the business because the business had grown to that point. That's a decision that you as a grant writer, you do have to make. Do you want to have somebody manage your business and you just continue writing the grants or you manage the business? I wrote one more grant and won it for a client - a local county health department - and then I pulled myself out of grant writing and managed the business. Then as our team grew, I was able to land an operations manager, who managed the grant writing team and the editing team.

**Dolph Goldenburg:** Can you talk about your strategy for bringing on grant writers?

**Susan Bacon:** You look at what type of clients you want to have or what areas you want to focus on. There are grant consulting firms that do nothing but museums. There was a husband/wife team up in Asheville, North Carolina. They did an excellent job writing the federal and state and big foundation grants for museums all across the country. They have an 80 to 90 percent win rate, but that's all they do is museums. You need to decide your focus point. We were fortunate in that we focus on everything from the environment to the arts to education to governments. I hired consultants who had specialties in each of those areas,

**Dolph Goldenburg:** You essentially farmed the proposals out to the consultants with that specialty?

**Susan Bacon:** Correct. When I found a client who had that, who like let's say somebody in the arts or in the theater than I would farm that client to the consultant who had that specialty. Yes.

**Dolph Goldenburg:** How specifically did you find the grant writer with that specialty?

**Susan Bacon:** Oh, networking, LinkedIn, personal referrals, and what we did was we also evolved into having a team of three editors because that was part of our selling point was the fact that not only did we have grant writers, we had an editor who edited the work. Whenever I brought on was interviewing a grant writer, I would ask for samples of their writing depending upon their specialty, whether it was foundations or state and federal, and then the editors would evaluate the writing. We had a rubric for that, and if they did not make a certain score, then I would not talk to them anymore.

**Dolph Goldenburg:** So, you would evaluate the grant writer, and if they did not meet your standards, you just cut it?

**Susan Bacon:** Well actually we, we, I would bite them, get references, but and then we will also evaluate the writing.

**Dolph Goldenburg:** That very, very impressive. Did you use that as a selling technique when you were out pitching new business and say, "Look, you know, we have a thorough vetting process, and here's what it is?"

**Susan Bacon:** Absolutely. We had solid grant writers on our team.

**Dolph Goldenburg:** Very cool. Well, Susan, we're going to take just a short break, and when we come back, we're going to talk about some of the speed bumps that you experienced as a business owner that was serving nonprofit organizations.

The Successful Nonprofits™ Podcast is produced by the Goldenburg Group as part of our mission to provide board development, strategic planning, and interim leadership to help nonprofits thrive in a competitive environment.

Do you daydream about starting a grant writing business? Just because your board is driving you berserk? Every time you get a call from a board member, you're hanging up the phone and you're like, "Oh, I need to go start a brand writing business. I can't take another week of this." If so, then you should check out my book *Successful Nonprofits Build Supercharged Boards*. It essentially offers a 10-step system for helping dysfunctional boards become a lot more functional. I said this before on the podcast, but you can get it on Amazon. You can get it at Barnes and Noble. You can get it by special order at your local bookstore, and one of the other things that I always remind folks is we don't sell ads on this podcast. We actually use the proceeds from the book to pay for the production cost of the podcast. It doesn't cost a million dollars a year to produce the podcast, but you know, we have to raise a little bit of money so that we can actually afford to produce the podcast. We use the proceeds from the book to do that. I'm not asking you to buy underwear or something not related to the nonprofit sector. All I'm asking for is if you got problems with your board, get this book.

We're back with Susan Bacon who started a very successful grant writing business and over the course of a decade, built it to serve dozens of nonprofits and also eventually sold it to retire for a

second time. Susan, what are some of the speed bumps that impacted your grant writing business?

**Susan Bacon:** Oh, where do I start? Where do I start? Every day is a new day and a new set of problems, but you always greet them with a smile and look at them as a challenge to grow yourself as a person. I want to start off by saying that when you're dealing with problems, meet them head on and do not avoid them and also have a way to handle the stress that accompanies those problems. I would say one problem with staffing was finding the right grant writers for the right seat on the bus. A good friend of mine who was a county manager said, "You always need to find the right person and when you find the right person, make sure that there's a right seat for them on bus." Even though you may hire a grant writer and they're great with their writing, they may not be a good fit to put in front of the clients.

They may be better to just sit in a little cubicle somewhere and write grants and not have anything to do with people. They may say that they're really good at doing their specials; they're not, or they may be better off doing something else. I had one grant writer who actually evolved into being my operations manager because she was much better at managing the grant writing team. Not that she wasn't a bad writer, but she was much better at managing and delegating and making sure things happen. That's one speed bump for sure. Another thing is always stay ahead of your finances. Have a savings account for those rainy days. I'll be honest with you. In 2015, I was looking at closing the business, and in October 2015, I'll never forget sitting with my CPA, my financial manager and looking at those books, and it was not pretty.

What I had to do was put my head down and put my pedal to the metal and crank out the sales. The next year doubled my sales and did very, very well. Then you have outside influences, and this is nothing political, but you do when you're dealing with grants. The political climate does impact the nonprofits, and I think we've really seen that since January 2017, and that impacted my sales. My sales dropped by 50 percent in 2017 and a lot of that had to do with the uncertainty coming out of Washington DC. It was funny because in November and December of 2017, things started picking back up again. For example, the week that I sold the business, I landed 4 contracts that week.

**Dolph Goldenburg:** The business ended up being worth more probably than what you sold it for, with four additional contracts?

**Susan Bacon:** Yes, and then we've had several more coming in since then, but yes, it helped quite a bit. With that purchase agreement for sure.

**Dolph Goldenburg:** There were a couple of slow periods, and I think that's something that people don't always fully understand when they decided to start their own grant writing business or their own consulting business or whatever. You said you put your head down and really worked on sales. What were some of the things that you did to drive more sales to the business?

**Susan Bacon:** Well, one thing I would recommend highly recommend is to have a strong sales training background. In other words, know how to do sales because with nonprofits it's all about relationships. I took a course called the **Sandler Sales Training Course**, and I'll be happy to send that info to you as well. That made all the difference in the world between. Because I could always get a meeting, but I could never close the contract. Once I did that sales training, I was able to close contracts, and another thing people need to understand is that you always need to have what we call a *pipeline*. A lot of potential clients in the pipeline and know the numbers that you have to have to support that pipeline. That's very critical. Even though you love writing grants, you're going to have to understand sales numbers and how to project your numbers to support your budget.

**Dolph Goldenburg:** That's not unlike major gifts fundraising where you have to have a pipeline, you have to know how to close the gift. Please do send me that URL, and we'll make sure that we get it in the show notes. Thank you. I do think you're right; anyone who's transitioning from the nonprofit sector to really the for-profit sector because when you work for yourself, you're now in the for-profit sector has to understand sales because even if you have 10 people working for you, if you own the company, you're the chief salesperson.

**Susan Bacon:** Yes, you are. I did try hiring several salespeople over the course of the year. They were great at networking, great at making relationships, but it was just closing that sale. The sales process with nonprofits or the sales cycle, Dolph, can be anywhere from a week to a year. It just varies, and it all goes back to the board and making that decision.

**Dolph Goldenburg:** I started my consulting practice at the end of 2014, beginning of 2015 and there actually are organizations that I started talking with in 2015, you know, who honestly I kind of took out of my pipeline and you know, a year and a half later they call me up and they're like, "Oh my gosh, you know, something's on fire, and we need you now." That's the thing that I've found to be really funny. I've had some organizations where they asked me for a proposal and gave them a proposal on a week later, I've got a contract. Then I've got other organizations where, you know, the nonprofit sector, it's so mission driven and so they look at a price and they're like, "Oh, this seems like a lot." Then, they don't make the decision until they are in real pain. Then they make the decision.

**Susan Bacon:** Yes, they do, or they come to you in real pain with apply for grants that are due between beginning of October and end of November. You give them a proposal, and then they disappear into a black hole. Don't get discouraged is all I'm gonna say. I would say have some backup plans for when it doesn't come through, but then also have some plans on how you handle the stress because of all of that.

**Dolph Goldenburg:** Do you have any magic thoughts on actually closing the deal with a nonprofit?

**Susan Bacon:** Be persistent, but don't act like a used car salesman. Let them think that they are driving the conversation when in reality you are controlling the conversation. Let them know

that you value that relationship no matter what and that it's okay for them to say *no* to the contract and that you won't get them off the books if they say *no*.

**Dolph Goldenburg:** Susan, I always like to ask every guest and Off-the-Map question. Based on our coffee, I have what I think is just an incredible Off-the-Map question for you and that is because you are a spectator of the sport that I bet a lot of our listeners are not spectators of. In fact, when you told me that you're a spectator for the sport, I was mildly surprised. What is this sport?

**Susan Bacon:** This sport is roller derby, and we have a fantastic roller derby girls roller derby team here in Atlanta called the **Atlanta Roller Derby Girls** and they compete in Roller Derby, is actually a women's corridor, is actually international sports. Um, my daughter got involved with it when she was in graduate school over in Glasgow, Scotland. When she was over there, she competed against Ireland, the London, Manchester team. She had friends who went down to Australia and competed. Then when she came back here, she tried out for Atlanta team and made it on their B-team. They're a nonprofit as well. There are 501c3, and they've been around, Gosh, for probably 20 years now; they skate out at the Shriners Temple on Ponce de Leon. Check them out on Atlanta, Roller Derby, a website and I'll be happy to send you that link as well

**Dolph Goldenburg:** After our conversation, I will Youtube some roller derby. It is definitely not a nonviolent sport.

**Susan Bacon:** There's lots of body contact, but it's not like the old Saturday afternoon Roller Derby ranks where you see the missing the teeth and everything. You do see a lot of good body contact and very skilled skating's. I don't do hip bumps with my daughter because she will bump me onto the floor with her hip bumps.

**Dolph Goldenburg:** Literally, I live like three quarters of a mile from there. The next time you go you've got to let me know. And if I'm in town I will meet you there.

**Susan Bacon:** Absolutely. They're actually doing. They're starting their season now. They do their bouts every other month, I believe it is.

**Dolph Goldenburg:** I look forward to this spring, a great time to go see Roller Derby.

Well, Susan, thank you for being on the podcast. One of the reasons I really wanted to have you on is there's a lot of people in this sector that dream of one day starting their own grant writing business, their own special event business, their own consulting business, whatever. You are an inspiration for everyone who has ever dreamed of doing that because not only did you do it, but you built it into a large enough of a business that you could sell it and retire for the second time. Typically, this is the point where I'll do a quick promo for the person's business, but you [inaudible]. Let's talk about who you sold it to: **Columns Fundraising**. Folks that want to find out more about that grant writing service can go to [www.columnsfundraising.com](http://www.columnsfundraising.com). Susan, I wish you all the best as you pursue retirement. I do also have to say, I have a feeling that you will be

starting another business. I think you might be a serial entrepreneur, might not be grant writing, but I have a feeling that I'm going to be hearing about you starting another business sometime in the next couple of years.

**Susan Bacon:** Maybe. I do want to take a moment or two to breathe a little bit off and just enjoy life. I do still have my consulting businesses, no longer Palmetto Grant Consulting, but it's called the Bacon Group. I took after you moved off with the Goldenberg Group. I do have the Bacon Group. I don't have a website; it's going to be very low key...

**Dolph Goldenburg:** For folks that want to connect with you in terms of your consulting, they can probably find you on LinkedIn.

**Susan Bacon:** Yes.

**Dolph Goldenburg:** Well Susan, thank you again for joining us today.

**Susan Bacon:** Well, thank you. It has been a pleasure and thank you. It was an honor to be talking with you today and talking to all the folks who listen to your podcast.

**Dolph Goldenburg:** If you missed Susan's contact information, we will have all of that linked in the show notes. Sites include: [www.columnsfundraising.com](http://www.columnsfundraising.com), [www.sandler.com](http://www.sandler.com), <https://www.linkedin.com/in/susanbaconpalmettogrants/>. While you're online, please do not forget to subscribe on your podcast, dreamer of choice. I am podcast streamer agnostic, so I don't care if you use iTunes, Stitcher, Google play, whatever. All I care is that you subscribe, and I'd love it if you rated and reviewed the podcast. That is our show for this week. I hope that you have gained some insight to help your nonprofit thrive in a competitive environment.