

## How to Start Your Own Grant Writing Business

William L. Carruthers

August 2013

When we conduct training programs, we usually get a number of people who want to learn how to run their own grant writing business. We're glad to have these individuals in our audience—they have a different set of questions that complement the usual queries on how to write a grant proposal—and we're happy to offer a few pointers on how to get started.

### **Building Your Reputation**

First and foremost is establishing reputation and building contacts. How do you earn the reputation of being a grant writer and communicate this to the marketplace?

I was fortunate to have worked as a grant writer in a large urban school district for 10 years. My position as Senior Director for Grants Administration gave me plenty of opportunity to develop my grant writing skills and—especially important to developing my own business later on—the opportunity to network with other grant writers in the area and across the state.

#### *Starting from scratch*

If you are new to the business, you will need to build your contacts from the ground up. One way is to approach institutional grant writers in your area. School districts, city and county governments, community colleges and four-year colleges/universities, and large nonprofits often have someone on staff with the full- or part-time job of developing grant proposals for their institution. (Large universities may have one of these persons in each of the colleges at the university.) While these people are employed by their institutions to write grants, they may occasionally need contract help and/or know of other agencies looking for a grant writer. Schedule a visit, and go with your resume and business card in hand.

#### *Volunteering*

Another tack is giving in order to receive. In my institutional position, I and a number of other grant writers in nonprofit, college, and municipal organizations began to meet regularly to share information about grants. This group eventually conducted a number of free grant writing training programs over several years. When I retired from the school district and launched my business, I already had a network of contacts who knew me, including those who had attended the training programs. These individuals knew the quality of my work, and saw me as someone committed to improving grant writing practices generally.

If you are new to the business, you may not be ready to conduct a grant writing training program, but there might be a related topic you could offer—for instance, how to write persuasively. If not a training program, what other service(s) are you willing to provide to the grant writing community for free? While you are building your list of contacts, keep in mind that you are building a reputation—for quality as well as service.

## **Business model**

When starting your business, you will need to decide if you're going solo or developing a grant writing team. If you're going solo, then you get to keep all the profits and the reputation you build is entirely due to your effort. Going it alone, however, has significant limitations. Grant writing jobs don't come at regularly spaced intervals, but rather in bunches. There will be periods when you won't be very busy, and other periods when you have more work than you can handle.

### *The team approach*

Over the long haul—running a business day in and day out, month after month, year after year—I prefer the team approach and have built the *GrantProse* business on the strengths of associates. With a team of associates, *GrantProse* is able to manage multiple jobs simultaneously while keeping the overall quality high for all clients. As leader of such a team, quality remains your principal responsibility and you should have some level of involvement and oversight in all grant writing projects. It is important to appreciate that the quality of your work is now in part a function of the quality and talents of your associates.

Managing the team of associates becomes as important as managing your clients. If you work with one or more associates, you want the best and you need to be prepared to give them your best. Some questions to consider: What skills are you looking for? Will you hire associates as employees, or as independent contractors? How will you pay your associates, by the hour or the project? And how will you bill your clients for work done by the associates? You should be willing to openly discuss your business model with any associates you plan to take on, and ask for their expectations of you.

## **Services**

What services will you provide to generate income and profit? Grant writing only? Or more? Funding searches and advising, evaluation, training, and nonprofit consulting are all related to grant writing. Your strengths and experience—and those of your team—will determine what services you want to offer. *GrantProse* emphasizes four services:

*Proposal writing.* This service is tailored to the client, who may want anything from a simple review of an already-written proposal to complete proposal development, which can include reviewing the request for proposal, gathering information and data, developing content for each narrative section, assisting with program and evaluation design, identifying collaborating partners, and even helping with proposal submission.

*Grant training.* We've developed an approach to proposal writing that can be used with any size grant from any type of funding entity—federal and state agencies, foundations, associations, and corporations. We frequently offer one- or two-day grant writing workshops geared to the level of participants (novice, beginner, intermediate, or advanced), and also discuss finding grant opportunities as well as managing the grant once it's awarded.

*Funding research.* Looking for grants is like looking for a needle in a haystack. To narrow things down, we gather information from clients on what they need funding for, how much funding they want, the minimum they'll accept for the effort of developing a proposal and managing an

award, the number of hoops they're willing to jump through to get funding, etc. Only then do we start researching databases and other sources.

*Program evaluation.* Evaluation services include gathering and analyzing program data, preferably with minimal burden on the project staff, and assembling any reports required by the funding agency. A good evaluator will help the client manage the grant program and position it for additional funding.

## **Expenses**

You're going into business for fun and profit, but a word to the wise—you may need to invest your profits back in the business for the first one or two years. In fact, as long as you are in business you will need to continue to reinvest some portion of your profits to cover the following operational expenses (and others you may think of):

*Legal.* You should consult a lawyer about the legal form the business will take. Will you operate as a sole proprietor, an LLC or PLLC, an S Corp, or something else? *GrantProse* operates as an S Corp. Your lawyer can be a continuing resource to you in subsequent years, reminding you of business details you need to take care of and responding to occasional questions you may have. Having a good lawyer on board is comforting and doesn't have to cost a lot.

*Accounting.* You will also want to have an accountant on board. This is especially true if you are paying employees; the accountant will help you keep federal and state taxes paid for yourself and employees, and help address any fiscal responsibilities toward contractors.

*Insurance(s).* It's best practice to get insurance coverage for yourself and the business. An insurance agent can help you consider the many forms of coverage, as well as the minimum coverages you should carry. Many clients may not require insurance, but some will, and some will require more than the minimum.

*Office.* If you want office space, not only will you have expenses for rent but also for Internet connectivity and possibly the office telephone. *GrantProse* started out renting office space, but has transitioned to home offices and this has worked very well. Now, when we have a bright idea in the middle of the night, we can walk to our office and work on it. Most of our meetings with clients are at their offices, but we also meet clients at locations such as Bruegger's (a shout out to Bruegger's!), coffee houses, and cafes with WiFi.

*Online services.* You will likely have expenses for online services such as Quickbooks for accounting, Internet security software, and data storage and backup services, among others.

*Website and email.* You will need a provider to host your website. While this can be relatively inexpensive if you go with a large commercial firm, you may want to find a reputable local firm. A website will malfunction from time to time and you want to be able to get it back in working order quickly; a local service provider may be more responsive than a large commercial firm. Similarly, for email you can go with services like Google, Yahoo, or Earthlink, but you might prefer to have an email address associated with your business, such as [bill@grantproseinc.com](mailto:bill@grantproseinc.com). While you're researching website developers and hosting services, you should consider those

that are also skilled at marketing and branding. *GrantProse* has gone through three iterations of our website, the first designed by yours truly. It had minimum functionality and did not look impressive, to say the least! The second iteration was developed by an individual who had skills with Dreamweaver software; this website was a considerable improvement, but it began to look dated after a couple of years and our need for additional functionality had grown. For our third iteration, we interviewed a number of website development firms and settled on a local firm that also helped us create an improved “brand” appearance for our business (e.g., website, business cards, stationery, etc.).

*Travel.* The *GrantProse* business model emphasizes in-person meetings with clients to learn their interests and jointly develop proposals. With clients spread across the state and some in other states, we generate a lot of travel expenses.

*Computers, printers, software.* Obviously, you will need to have one or more computers, including a laptop for meetings. While computers are becoming more inexpensive, it seems that they are also becoming less reliable and you will probably need to take your computer in for repairs on occasion, and/or upgrade to the next generation computer every year or two. In contrast, printers have served us well for a number of years. Computer software will be costly, both your initial purchases and subsequent upgrades. Since opening *GrantProse*, we have had to upgrade Microsoft Office a number of times, upgrade QuickBooks once, and will soon need to upgrade Adobe Pro. And, as expected, Windows now has a new operating system. The changes and expenses keep on a-coming!

*Property.* Speaking of computers, if you have any tangible property in your business, such as a computer and printer or car, the business will need to pay property taxes to the state.

*Municipal.* Whether you rent office space or operate your business from your home, you will probably need to pay the local municipal fee for a business license.

*Materials/Supplies.* Years ago our society entered the “paperless” world, but it doesn’t seem to be working out as expected. A supply of paper for the year will not cost you much, but printer cartridges will, especially if you use a lot of color.

*Business cards, stationery, brochures.* Online services can produce 500 business cards cheaply, but they also look and feel cheap. To get a good business card you should go to a commercial printer. The website firm that we now use helped us create the design for our business card. Along with business cards, you may want business stationery and/or a multi-fold brochure about your business. Some years ago, we spent some money to print tri-fold, color brochures but soon realized they have limited value (and go out of date quickly), so we don’t bother with a brochure any longer. We also had two reams of stationery printed but they are still in the box. Instead, our stationery is an electronic Word file that we print when needed.

*Memberships/Dues.* Will you join the local Chamber of Commerce or professional associations (e.g., National Grants Management Association, American Grant Writers Association, Grant Professionals Association)? Being a member of a professional association lends credence to your business but may not generate a lot of business. Still, if you’ve got the money to spare, going to

the annual conference is both fun and educational, and may offer new networking opportunities for you. Regarding networking, LinkedIn has a number of grant writing discussion groups you can join at no cost, including a *GrantProse* group we're working to expand:

- [GrantProse grants discussion group](#)
- [Professional Grant Writers – Grant Writing](#)
- [Grant Professionals Association](#)

When these and other expenses (see the following section on Marketing) are considered collectively, it should become obvious that you will need to invest and continue to invest a lot of your revenue in operating the business. A rule of thumb is to expect operational expenses to take 25% to 50% of your revenue, depending on the nature and size of your business.

## **Marketing**

Once you've identified your potential clients, how will you tell them who are you and what you do? Marketing!

Every business needs a website as “home base.” This is the first place potential clients go to gather information on your credentials, the services you offer, and your experience, qualifications, and expertise. Your expertise will help you generate a dynamic website that offers fresh, useful content to 1) inform and educate your audience and 2) position you as a go-to expert.

Blogs and e-newsletters are also good vehicles to share content. Each has its advantages. A blog can live on your website for free (or close to it). If you allow comments to blog posts, you'll need to monitor them, which may cost time but allows interaction with your audience. An e-newsletter can include more information than a blog post, but it doesn't allow for interaction and you will likely need to pay a commercial provider to host your newsletter. As you get started, you can populate your newsletter subscription list with your personal and professional contacts—with their permission! Remember to clearly display an opt-out feature on e-newsletters or mass emails; you never want to be seen as spamming contacts or future clients. Whether you do a newsletter or blog, be sure to include a “forward” feature so your readers can share your content with others.

Remember to share links to your blog, newsletter, and website on social media, helping to drive traffic to your website. The best-known social media networks are Twitter, LinkedIn, and Facebook. None of these will cost you money if you manage them yourself, but they will “cost” you time to maintain them and keep them current. Each network has advantages and disadvantages. Twitter sends and receives messages of only 140 characters, but packs a punch of information and connection. Even if you don't use Facebook yourself, the rest of the world does, and it allows comments and interaction with your audience. LinkedIn is perhaps the most professional of networks; its discussion groups allow you to connect with others and establish your credibility.

## **In a Nutshell**

Starting any business takes an entrepreneurial spirit, but it also requires a diverse skill set, including leadership skills, research skills, writing skills, time management skills, computer

skills, resourcefulness, and attention to detail. And of course, the more familiar you are with different grant programs, be they federal agencies, foundations, or corporations, the more valuable you may be to your client(s). The more skills and experience you and your team have going in, the more time and energy you'll be able to devote to developing a viable business.

Grant writing is a “rewarding” business, but it can also be depressing. It seems there is no middle ground...either you're elated because you've just learned your client has won the grant you helped them write or you're depressed because you learned the client did not win the grant. So, you will need more motivation than simply winning grants. For us, this motivation comes in the enjoyment we get from working with clients on stimulating projects and helping to capture their thoughts on paper. We tell clients that their first priority in writing a particular grant proposal should not be about winning the grant—because the odds of winning are often long. Rather, their first priority should be about creating a narrative proposal and associated budget that captures the essence of their thinking and will serve them in advancing their agency's mission even if the grant is not won. It's not just about winning grants, although winning is exhilarating. It's about helping build the capacity of your clients, win or no win, to run better programs, establish beneficial partnerships, and strengthen organizational capabilities. Pretty empowering all around.

The GrantProse team extends best wishes to you in your endeavors!

*Need more help? Check out the guide to starting and managing a business from the [Small Business Administration](#).*

#### Keywords

Grant writing business, business reputation, business model, grant writing expenses, grant writing services

#### Citation

Carruthers, W. L. (2013). *How to Start Your Own Grant Writing Business*. Retrieved from [www.grantproseinc.com/resources/](http://www.grantproseinc.com/resources/).