

It's still a wonderful life in the Prairies



Jimmy Stewart fights for the small guy as George Bailey in *It's A Wonderful Life*.

Handout

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Everyone loves *It's a Wonderful Life*, the classic 1946 Christmas flick in which Jimmy Stewart learns that his pleasant hometown of Bedford Falls would have been a terrible place if he had never been born. Without the plucky little Savings & Loan Association run by Stewart's character, George Bailey, the entire town would have been tyrannized and degraded by nasty banker Mr. Potter.

Bedford Falls was a fictional all-American town created for the movie by director Frank Capra. But Bedford Falls is also real. I know, because I was there last week. In Saskatchewan.

I discovered an idealized all-Canadian community where timeless small-town values meet 21st-century economics -- and where the caring custodianship of a small group of business lenders and advisors who see beyond the bottom line has made a huge difference in people's lives.

Playing the part of Bailey's Savings & Loan is Sagehill Community Futures Development Corp., headquartered in Bruno, a 500-person town 90 kilometres east of Saskatoon. Under the direction of an all-volunteer board, Sagehill's five-member staff provide loans no one else will make, hand out free business advice, offer management training and development, and help new or insecure entrepreneurs navigate the bureaucracies of banks and governments. They also play a key community-building role co-ordinating the economic development activities of more than 50 small towns in an area three times the size of Prince Edward Island.

Is Sagehill any different from the nearly 300 other Community Futures offices across Canada, all supported by the federal government and providing local and provincially funded services as well? I can't tell you. But I got an inside look at Sagehill when I was invited to facilitate a two-day strategy session for its staff and board. The non-profit corporation is celebrating its 25th anniversary, and Dianne Olchowski, its energetic chief executive, wanted to celebrate by exploring new levels of service that Sagehill might provide. We came up with several exciting ideas, but I was already profoundly impressed by the professionalism and ambition this small team demonstrates every day. Here are just some of the things they've been working on:

- Providing loans averaging \$60,000 to startups and other risky ventures that make banks and even local credit unions break into a sweat. Sagehill practises "character lending," which means it ranks an applicant's skills, attitudes and plans ahead of things like down payment and collateral. Yet Sagehill's track record is so strong that when it invests in a business, other lenders often follow suit;
- Creating a package of human resources tools and services to sell to employers who need something more than free advice over the phone, but something less than a four-figure bill from professional consultants. Tests showed this program can boost productivity 5%, increase employee retention and reduce absenteeism;
- Celebrating its 25th anniversary with the creation of a \$50,000 Sagehill Community Spirit Fund, to support local communities with new development projects;
- Helping co-ordinate multi-community sessions to develop a more integrated tourism strategy for local municipalities;

- Working to help develop a centre for Metis culture and heritage preservation at Gabriel's Crossing on the South Saskatchewan River, where Metis military leader Gabriel Dumont ran a store, billiards hall and ferry service in the 1870s.

- Providing backing for a feasibility study of a bold proposal to build a 1-km-long canal (with 350 housing lots) to connect the town of Wakaw (home of John Diefenbaker's first law office) to Wakaw Lake, one of the region's most popular playgrounds.

If this isn't Bedford Falls in spirit, it's the next best thing. With a budget of \$400,000, Sagehill lends \$1-million a year to local businesses -- an act of faith that allows its clients to leverage another \$1.1-million from other investors.

To prepare for the strategy session, I asked Olchowski to describe the strengths of her organization. Here are a few: We respect our customers; are always trying to get to "yes"; have a good time and enjoy each other's company; nothing scares us; we anticipate, meet, and exceed our customers' growing expectations; we actively seek opportunities to develop and improve our products, service and systems; we don't have an expiry date -- it doesn't occur to us that Sagehill wouldn't continue even if there was no federal funding.

I eventually asked Sagehill's board the George Bailey question: How many entrepreneurs in its service area would be out of business had Sagehill not been around to lend money, teach or encourage them? About half, they decided.

When you serve small business, it can truly be a wonderful life.

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