



PAUL HANSEN

Paul is an associate professor in economics at the University of Otago. He is also a co-inventor of 1000Minds decision-making software, which is used by businesses, government agencies and researchers internationally. He is also involved with www.goskills.com, an online education platform. Paul shares his views on talent from the perspective of an academic and successful entrepreneur.

1. In the context of your professional background, what does 'talent' mean to you?

Well, I think 'talent' in this context represents someone who I'd want to work with or someone who I'd go to for advice or help. Talent is someone who contributes, whose contribution I value in whatever form it takes.

2. Are you aware of any talent gaps that exist or might arise within the next ten years?

Within the university sector you hear talk of it being increasingly difficult to recruit academics from overseas to New Zealand. They all want to come here because it's a beautiful environment, and it's a nice place to raise kids with good schools and so on. But for a lot of people to whom we offer jobs the salaries are a lot lower than what they're expecting or are used to from the US, for example. Plus it's often hard for their partners to find decent jobs here too.

It does matter to people, especially when they're starting off in their career, the salary that they are offered.

Relatively low salaries are a function of the fact that New Zealand's economic performance isn't as great as those countries that we might like to attract internationally mobile people from; that's an issue for New Zealand, I reckon. And it won't just be in my own area; it's bound to be across a bunch of disciplines, not just economics.

3. How do successful organisations attract, keep and grow talent?

It's a matter of rewarding those individuals or making them feel valued, that they are contributing and making a difference. It's not just salary, but the social or cultural environment people work in. If I step back from the university sector and think about 1000Minds, everyone we work with is in it because they enjoy it and find it worthwhile; otherwise they wouldn't work with us.

4. Think about talent hubs around the world, what is cool and why?

Maybe a talent hub's the way to do it if that's a physical location, but maybe

finding people through the internet or some other means of connecting is also possible.

Economists used to call this sort of interaction a 'market', where buyers and sellers – in this case of ideas and talent – can find each other. This doesn't have to be a physical place; a market can be a virtual thing.

I think universities do fulfil such a role. All our big cities have them and they are a focal point for talent to come together as both staff and students, and other talented people as well.

5. Can you assess New Zealand's performance in attracting talent on a global scale?

I think we do well in all the lifestyle aspects but that's making us complacent. We have a romanticised view of New Zealand, and sometimes we use that as an excuse for neglecting our overall economic performance.

It's not because I'm a materialist, but if we want world-class health and education systems, and if we want to look

after the environment, and if we want to reduce poverty – obviously a serious problem in New Zealand – then we need people in well-paying jobs where they're really contributing and making the most of themselves.

I don't think we're doing that. So I think it's a real challenge to think about how we might change that. It worries me that if we don't, there are plenty of places in the world that have wonderful natural environments and rich cultural histories, and also great public transport systems and magnificent cities. I've been to a few of them. I think New Zealand really needs to lift its game in terms of its economic performance, not for rampant materialism's sake but for all the important things that a first-world country has to offer its citizens.

If we don't have those things, we're going to find it harder to attract people to New Zealand and also harder to hold on to our own people. Before this interview I was thinking of all the guys I went to high school with 30 years ago, and I can only think of one other person in my close circle of friends who is still living in New Zealand. Why have they all left? And what would it take to get them back? Thank goodness for immigration – otherwise the country would be even more deserted!

6. What does New Zealand need to do in order to attract, keep and grow talent?

As you can probably guess from my earlier comments, I think most of it comes down to our economic performance and standard of living. As perhaps unfashionable as it is to say these things, it's all about good jobs for people.

New Zealand's notorious for having low productivity growth. We need to increase the value people create when they work, which translates to higher

wages and overall prosperity. You need good education for that, you need technology, you need new and better ways of doing things, you need people getting on with it instead of stuffing around. How do we do these things? It's a little bit embarrassing because I'm an economist, but I don't have the answers.

I think that there are certain sectors in New Zealand that think business is kind of sleazy. But look around us, everything that we enjoy has been

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created by someone and produced by someone who had an idea and produced it in a way that most of us could afford. There's nothing dirty about that. Instead, that's a beautiful thing! I don't think New Zealand does itself many favours with, in many sectors of our society, this anti-business philosophy.

What are we going to do to encourage people not to move permanently to Australia? How do we get people to

come back? There have to be rewarding jobs for them in New Zealand, where talent is celebrated, both in terms of feeling that they're making a positive contribution, and that they're earning pretty good wages and are able to support their family and plan for the future. So, again, we need good jobs.

But where do good jobs come from? We need start-up businesses, we need entrepreneurs. We need new ideas and small companies to become larger. So I guess that's the question: Is New Zealand capable of some of these big companies we think of as being truly global companies coming out of New Zealand? There is some evidence that we are, but we need more of them.

7. Any final thoughts for young people?

I think whatever young people do, they should do what they love. It needn't be studying at university, but find the thing that makes you excited about getting up in the morning and getting out there. If you're good at something, a good job will come from it, and also great self-esteem and feelings of achievement.

It's very hard to predict the best areas to get into. The world's changing very fast; in 10 or 12 years, there are going to be dramatic changes. Take advice from people, and find something that ticks two boxes: one, that you love it; two, that there's likely to be a future in it (as hard as that is to predict!).

Interviewed by Darren Zhang at the University of Otago in Dunedin, on 5 June 2013. Photograph provided by the McGuinness Institute.