

Michael Dell says it: "It's Education!"

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Stephen Chung BS BBA(HKU) MS in Real Estate(MIT) ARICS AHKIS MAACE MHIREA NAREIT FPFM PQS RPS-QS
Zeppelin Real Estate Analysis Limited - Phone (852) 24016388 / Fax (852) 2401 3084 stephchung@zeppelin.com.hk

The author had recently attended a luncheon featuring Mr. Michael Dell of Dell Corporation. When asked by a participant as to what sort of advice he would give Hong Kong should it wish to be a competitive entity in the new century, he suggested paying our attention to education, as this affects the skills and quality of the required workforce.

Incidentally, the author has cited **the quality of the workforce** as the most important factor to look at in casual conversations with people contemplating where real estate prices, especially those of the residential sector, may be in future. The reason is simple = **real estate** is a derivative industry meaning that it reflects the **economy**. The economy is affected by our overall **competitiveness** (including effectiveness e.g. producing goods and services that people in the world would like and efficiency e.g. producing these goods and services in the best combination of cost-time-delivery-revenue etc). Competitiveness depends on the competence, quality, aptitude, knowledge, skills, and so on of the **workforce** at large. **Education** (and this is not only limited to the school compound) is the mechanism by which such attributes are developed. Hence, there is a relationship between the level and quality of education and the prospective real estate price trends (probably in years ahead).

The author has some very limited experience with the local educational scene having been invited from time to time to deliver guest lectures to university and graduate students. While it is always encouraging to see bright and motivated students (and there are quite a few), there are also observations which should be a concern. A few are:

- a) **Exam-inclined** = Some students, even graduate students i.e. those studying for a Masters or a Doctorate, seem to have carried their "high school" habits with them. For instance, they copy whatever one writes on the whiteboard, or ask very few questions, and if they do, they are only interested to know if the topics would appear in the examination. This is NOT what a university is meant to be.
- b) **Model Answer Mentality** = on more than one occasion, students have asked the equivalent of questions like "Does that mean a project with a 15% or higher IRR would be carried out while a lesser percentage would imply no development?" If the world is that simple, there will not be a need to train managers and professionals. All we need is a computer to chunk out the NPVs and the IRRs and a decision can even be "automatically" made. Even the boss / investor is not required perhaps.
- c) **Horrible English** = the author would have accepted something like "Me hungry, me eat you". At least the author would know what the bloke wanted. The trouble is many tend to write long sentences (thinking these would impress people?) when in fact they cannot even write short simple ones properly.