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Next Steps

A look at the future of
business in the 21st century

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What changes are in store for the business world of the future?

Tomorrow Land

By almost any measure, predicting the future of business is a challenging endeavor. Yet there's no shortage of pundits, consultants, and analysts who regularly take stabs at it. Type "2008 business predictions" into a search engine and among the millions of results, you'll get more than a few that forecasted continuing turbulence in the U.S. economy. It's much harder to find ones that predicted the widespread impact of this fall's credit crisis. In a similar vein, management experts in the 1970s and early 1980s predicted that the rise of the personal computer in business would dramatically boost productivity and slash workweek hours. At least they were half-right.

Still, change is inevitable and we have to rely on forward thinking to help guide us down the right path. So what new developments await the business world in the years ahead? For starters, there is a massive demographic shift afoot in the United States. The baby boom generation is heading into its retirement years, leaving behind millions of open jobs (up to 25 million, by some estimates) and new generational conflicts to manage. At the same time, technology promises to keep changing the way we do business. New computing tools are already shaking up entire industries. Some people may even find themselves working in virtual-world offices with colleagues who appear as avatars (computer representations of themselves).

With all of that in mind, we asked some Carlson School alumni and staff for their thoughts on the future.

FLEXIBILITY, FLEXIBILITY, FLEXIBILITY

It's impossible to talk about the workplace of the future without Generation Y coming up in the first few minutes. According to the U.S. Census Bureau, the number of Americans 65 and older will more than double between 2000 and 2040. With 76 million baby boomers set to retire between 2008 and 2030 and only about 48 million Generations Xers in line to fill their spots, it's up to the Gen Y crowd (also known as the "millennials") at least in part, to help shore up that looming gap in employment.

This, of course, has companies of all sizes interested in understanding the Gen Y mind. After all, you can't attract the best and the brightest if you don't have what they want. Mike Davis, senior vice president of global human resources at General Mills, is also a lecturer with the Carlson School of Management's Industrial Relations Center. So he hears firsthand what it takes to pique the interest of young professionals. "In both the workplace and the classroom I'm hearing people place a strong emphasis on the importance of flexibility," he says.

By Meleah Maynard // Photographs by Mark Luinenburg

Like many Minnesota companies, General Mills already has a policy that allows employees to take advantage of the region's short summers. In exchange for working 45 minutes more per day Monday through Thursday between Memorial Day and Labor Day, employees get to leave three hours early on Friday. People like the schedule, but many employees want more. In addition to flexible scheduling, they've been asking to be able to work from home or a nearby coffee shop. They also want a workplace that recognizes a job well done by more than simply tracking the hours people spend at their desks each day.

So General Mills is exploring ways to allow workers of all ages more control over their work lives. "It's not that we need to put another policy in place," says Kelly Baker, vice president of corporate diversity for the company—which was recognized by *Working Mother* magazine as one of the top 100 corporations for working moms. "We need to increase the sense of possibility for our employees and managers on when, where, and how work can get done."

Not surprisingly, Baker continues, the need for flexibility and the desire for work/life balance is not unique to Gen Y. Employees of all ages have been pushing for more autonomy for years. So why is it that the millennials may actually be the ones to finally make this desire a reality for all in the not-too-distant future? "Gen Y is articulate and verbal about its needs, desires, and expectations," Baker says. "They're more comfortable talking about what they want and they've put a voice to the needs and desires of everybody in the workplace."

Morgan Kinross-Wright, director of the Carlson School's Undergraduate Business Career Center, agrees, adding that more attention will need to be paid to managing generational conflict that may arise when older workers' and millennials' work styles collide. "There will be situations that aren't comfortable," she says. "But companies will find ways to help people work together. There will have to be compromise on both sides."

One tricky situation will involve career advancement, says Mindy Deardurff, the Carlson School's director of recruitment and marketing for undergraduate programs. Because they are quick learners and very tech savvy, millennials typically aren't content for long with entry-level jobs. They want to know if there is room for advancement—quickly. "This will be difficult," Deardurff explains, "because boomers believe workers should earn their stripes and prove themselves. Companies are going to need to find a way to give millennials what they want while reassuring boomers that they weren't wrong for working so hard for 20 years to get to where they are."

TECHNOLOGY AND THE 24/7 WORKPLACE

"The workplace of the future is global, so it's all about finding a way to stay connected anywhere, anytime, and on any device," says Chuck Edward, MAIR '93, Microsoft's general manager of human resources for customer service and support groups. Even if people wanted to, it simply isn't feasible to hold meetings between colleagues spanning time zones that include the United States, Japan, Germany, and India, Edward notes. "There will be heavier use of



Chuck Edward



Morgan Kinross-Wright

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instant messaging, email, and network platforms where we can share documents. We already host servers where people can connect no matter where they are or what time it is.”

This does not mean the end of the office as we know it, however. People have a need to collaborate, and Gen Y members seem to value that process even more than their predecessors did. “We have to match the way we do things to fit changing generations, and the



Mindy Deardurff

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bottom line is there’s going to be more of a blurring between work and play,” he says.

Cue avatars and the “Metaverse.” The Metaverse is a term that refers to online virtual world environments. There are a host of them out there these days, including the largest and most well known, Second Life (www.secondlife.com), and Lively (www.lively.com), a recent introduction by Google. All use 3-D technology to create detailed images and animations that are increasingly indistinguishable from the real thing, and which are also being used for

a range of business and educational purposes. “There could be common sites in the virtual world where we could get work done in real time as avatars holding virtual meetings,” Edward says. “We’d essentially be leveraging the same methodology that works in gaming. That’s something younger generations can relate to which could be really fun.”

Deardurff seconds Edward’s belief that virtual reality will play a role in the office of the future. While the Carlson School won’t forego its traditional career fair, next year the school is considering a virtual fair for undergrads. “Some companies are doing career fairs this way now,” she says. “It’s something these students are very comfortable with.”

Edward believes we can expect technology to advance much more quickly in the coming years, with devices becoming more intelligent and intuitive. Voice recognition, for example, will make it possible for computers to respond to commands to display email from the previous evening or sort ezzz by importance.

These advances will inevitably result in generational differences as older workers struggle to get comfortable with technology that the younger crowd already feels a natural affinity for. This is where, Edward notes, Gen Y gets a chance to mentor Generation X and the boomers. “Take me, for example. I’m not an early adopter, but once someone shows me how to use something, I love it and start to evangelize it,” he says. “Being comfortable with a digital work style will give everyone more flexibility.”

What it really comes down to, Edward adds, is control. “If you embrace all this technology and let the talent throughout the world embrace it, it’s really powerful,” he says. “If you don’t, you’re still managing people like you’re walking a factory floor.”

HEALTH AND FUN AT WORK

At a time when it’s hard to go five minutes without hearing about something that will make us thinner, stronger, or more long-lived, it’s no surprise that the office of the future is expected to be a healthier place, too. With the ever-increasing cost of health care, it needs to be. Some firms now are pushing mandatory corporate wellness programs as ways to cut rising health insurance costs. Anyone wishing to get a glimpse of the future need only enter the offices of SALO and its affiliates, Oberon and NumberWorks. The Minneapolis-based firm specializes in placing experienced accounting and finance professionals on interim projects. Its employees aren’t always sitting slump-shouldered at their desks. They’re often walking on one of 16 treadmill workstations the company has installed. Equipped with shelves for a computer monitor, mouse, and keyboard, the treadmills allow employees to type and talk on the phone just as they usually would—only they do it while walking two miles per hour. Meetings are held in a conference room equipped with several machines that face each other.

This leisurely pace may not sound like much, but one mile per hour of walking burns about 100 calories, says Craig Dexheimer, BSB ’96, SALO’s director of operations and administration. He should know. When company cofounders Amy Langer and John Folkestad read about the treadmill desk being developed by James Levine, an endocrinologist at the Mayo Clinic in Rochester, Minn., she contacted him and SALO began collaborating with him on the project.



Craig Dexheimer, BSB '96

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For six months, Dexheimer and 17 other employees participated in a study during which they used the treadmill desks as part of their regular workday. To his surprise, he lost 25 lbs. and 7½ percent of his body fat in a little more than six months. “I got involved because I could afford to lose some pounds,” Dexheimer recalls. “I tried to walk about four miles a day. I never went to the gym. I was never short of breath, so it didn’t interfere with talking on the phone.”

Most importantly, he adds, the experiment has helped him and others at SALO think about the office of the future. Small details such as the fact that the firm’s office has no cubes and no walls of any kind allow for a significant amount of collaboration among team members who sit around kidney-shaped desks in a hip, warehouse-style setting. Those who don’t want to walk on treadmills can shoot hoops or play with the company’s Wii Fit or Guitar Hero

video games. There’s an office iPod and people can add their favorite songs into the rotation. There’s also satellite radio, a video game room, and a meditation room outfitted with over-size massage chairs equipped with iPod docking stations. “We want to create an environment that energizes people,” says Dexheimer. “During the day, people can break away from their work and do something relaxing or challenge each other to a short game of Guitar Hero. These things help people feel ready to go again.”

In an attempt to learn more about what Gen Y expects from the workplace, SALO is in the midst of crunching data collected from 100 high-level executives in the Twin Cities to learn more about how companies may change their culture to suit the next generation of workers. Results will be released sometime later this year. “Gen Y will play a key role in shaping what business culture will look like in the future, and we want them to say, ‘Hey, that’s a company I want to work for,’” notes Dexheimer. “So far, nothing has come up that can’t be navigated.”

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