

Welcome to Your McGregor Useful Tips and Information Letter October 2007

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Fostering Change:

Why do people change? When do they change? Can people really change? What about companies?

Why do they change? When do they change? Do they really change?

In leadership, one of our responsibilities is to seek problems and opportunities and tackle them. We can tackle them incrementally, systemically, radically, moderately or we can ignore them and hope they go away. That last part is a problem, ignoring them and hoping they will go away. It's resistance. That's the part I wanted to understand and discover ways to solve. I've done some research and I got some help. This article is about fostering change. People really do change, so do companies.

Here's an interesting example of good intentions to change, but not really getting there. This year we took a radically different approach to long range strategic planning. Instead of working with a strategic planning facilitator, we flew in a cultural anthropologist who specialized in societal and corporate change. That's pretty different huh? Well there's more, we also conducted our planning in a large room with six other companies going through the same radical template. We did independent and group work and we shared discoveries and findings with the companies in the room and we are doing the same with customers outside. We talked to users and non-users about what we thought and what they thought about our products and services. The idea pools and feedback generated were impressive, but as it is coming time to deploy initiatives, most of the companies in the room are already starting to go back to what they were comfortable with. Maybe two of the six will see real change. The others will marginalize their work and move incrementally, if at all. Why will two of them embrace the change? What makes us resist? How can we overcome our resistance even when we know we need to act differently? I think I know. I discovered something with the help from Dr. Andie Simon, our Anthropologist!

According to Dr. Simon, here is what happens when we change:

1. We start out **Unconsciously Incompetent** (we don't know, what we don't know)
2. We move to **Consciously Incompetent** (we found out what we need to do differently, but we are still doing it the old way)
3. We move to **Consciously Competent** (we know what we need to do and we do it, but it's hard and takes discipline/work to maintain it)
4. We finally become **Unconsciously Competent** (we have arrived, we changed, we are doing what we should do and it feels natural and requires little effort to maintain)

At level 1, ignorance is bliss. Don't change it if it isn't broken. Keep on trucking. We are unconsciously incompetent but we read books, and go to seminars and talk to people on our search for a better life.

At level 2, wham, a discovery, a revelation, a problem, a crisis occurs. We found out we are going about it all wrong. There's a better way. Quick someone call a meeting!

Getting from level 1 to level 2 is pretty easy. We love level 2. We are comfortable with it. We want to be smart and knowledgeable. We say things like, "the definition of insanity is doing the same thing over and over and expecting different results." Going from level 2 to level 3 is where we all get stuck. Well most of the time anyway. Why? New studies now show that neurologically we are deploying both the frontal cortex where thought and reason live and at the same time we are using the survival part of our brain, AKA, old brain. Here is the conflict. One part of the brain is saying one thing and the other part is saying another thing. Usually the old brain wins this argument. It may be the dumber part of the brain, but it's the faster part of the brain and it knows how to stay alive for today. Both parts of the brain are useful. I am not knocking either one. We need them. One keeps us safe and the other does to, just in different ways.

There is a very important key to getting the frontal cortex and the old brain to align. The key is emotion. Emotion occurs within the brain between the frontal cortex and the old brain. Emotion is like a cocktail that the frontal cortex serves to the old brain to get it to loosen up. The stronger the emotion, the stronger the cocktail and the easier the old brain becomes ready for change. So, here is what I discovered. The real mental adoption of change; moving from consciously incompetent to consciously competent, requires intellectual awareness of a better way, plus emotional attachment to a better way and decision from the old brain that the "better" way is the safest way.

Here is an example of a change agent in action. A good sales person comes in to an office aware that making a tough sale is about convincing a buyer intellectually, emotionally and tangibly. Intellectual communication embraces the frontal cortex, emotion embraces the middle of the brain and tangible communication embraces the old brain. Good sales people can deploy messages to all areas of the brain and they have a higher closing rate than the poor sap who only aims at one part of the brain. As leaders and change agents, if we can embrace the three sections of our brain and of those around us, then we can be the agents of change to move forward too. It sounds hard and it is. It's the reason why most companies are born on one good idea and die as it becomes obsolete. Smarter companies are not always the best ones either as they may be stuck in level 2. Good

companies are able to sustain themselves when they have a culture that allows for change or a strong leader who can affect it. A good leadership team can also make this happen in deep meaningful ways.

We are only at level 3, becoming consciously competent. Here we are doing the right things, but it's such a pain. What about level 4, becoming unconsciously competent. If a change is going to stick and get burned into the brain, it needs more repetition and more emotion. Repetition is measurable. What we measure improves. Emotion is both reward based and it is fear based. If a change is institutionalized, the staff must be held accountable to the decision. If they are not, there will be a drift. Strong middle managers are usually good at making sure initiatives are embraced and deployed. They are good at this because they see it as their job and their survival to get it done. Middle managers have the unique advantage of having both their frontal cortex and old brain engaged. They also know what a learning curve is and they love process improvement which can be measured. They want to be recognized for achievement!

Level 4, being unconsciously competent is evident when you can finally hit a golf ball without thinking about all the individual parts of your swing. Keep your head down, quiet feet, left arm straight etc. Just grip it and rip it.

Okay we made it. We changed. Whew. Let's just relax for a while and reap the benefits of our new found safety. What's my advice at this stage? Enjoy yourself and celebrate and when that gets old, go attend a seminar or read some books, maybe a newsletter. There's probably a better way somewhere out there. You just need to discover what it is.

If the topics in this article are interesting to you, please call us and we can refer you to some fantastic reading.

What's new at Florexpo for 2007/2008



Aside from Menachem and Fernando being one year older, here are the highlights of exciting new improvements they have instituted for the 2007/2008 season.

Each year, Florexpo listens to the market and invests in its production and distribution to bring you the best value for your business. Below is a summary of exciting new things to help you grow and improve your profits.

- Improved packaging with Ethylene absorbing packs in every box.
 - Greatly improves the vigor on tough to ship varieties like lantana and heliotrope. Gain in overall improvement in all varieties
- New Breeder relationships with Suntory, Westoff, Darwin, Future Plants and Amerinova
 - Exciting genetics from world class breeders extend the product line with best in class performance and new and exciting sales opportunities for your company
 - See all varieties on our website
<http://order.mcgregorplantsales.com/shop/MultiProductOrdering.aspx>
- Over 200 new employees! We now have over 1,000 on staff
 - Florexpo is committed to serving the market. As an exciting employer in Cartago Costa Rica, it attracts some of the best talent in the country
- New Customer Service Desk is now open
 - Communication is key to connecting the market to production. Florexpo is committed to responsive, accurate and reliable information to the market
- Failsafe fulfillment with new order scanning system
- Bigger Cooling Area – 60% expansion
 - This helps us fill more orders on the weeks you need cuttings the most.
- Newly expanded regional trials to evaluate genetics in North American locations
 - Providing customers with the right selections for their area is vital to everyone's success. Regional trials serve to determine what fits best for you

There are a lot of things in our R&D for Florexpo and McGregor Plant sales for 08/09. If you have any enhancement ideas that you want to share with us, please let us know. We are listening.

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