

# THE NEW ORGANIZATIONAL STRUCTURE

A lecture given on  
9 March 1965

Thank you.

Well, I'm glad to see you all today. I don't have a thing to talk to you about. Don't even know why I'm here. You would probably be much better off in class someplace studying something. And I probably ought to cut and run after turning the whole course upside down. See, I see a head nodding. Bitter.

But—what's the date?

*Audience: March 9th.*

March 9th, AD 15. All right. Very good.

I've been having a ball, an absolute ball. Worked during a lot of my vacation trying to put together things, but this is the year of the big puttogether.

We've got a very small amount of breathing time, very, very small amount of breathing time (and unfortunately at this particular stage of the game there is some necessity to breathe)—and having a small amount of breathing time before the push starts biting. And we've got that period of time—a few months, don't you see, at the least; we've at least got a few months—to get all the organization in shape and everything understood and everything grooved in. See?

So it doesn't have any loopholes in it, because as soon as a wide push, thrust, boom begins, this law applies: On an expansion, every smallest weak chink in your communication systems or systems or organizational pattern will be found out and the big ones will be found out *with violence*. In other words, all your weaknesses show up and that's why lots of people fear expansion. They're terrified of it because their weaknesses show up. And in those weaknesses they have—they get totally interiorized and confused and spun. Don't you see?

I'll give you an example. You got a Registrar and she does not have the proper lines or alignment in the organization. They're almost right, you See? On a small organization nobody ever noticed they were sour, see? Nobody ever noticed this because there wasn't enough traffic over them, you know? And somebody could kind of think his way around this little point, see, and it just became usual, you see, to sort of think your way around this corner. And it carried quite ably, oh, forty—five interviews a week. See? It was easy. There was nothing to it. Now she has to handle a hundred and fifty. Well, it isn't that she can't handle a hundred and fifty. That little kink that everybody thought his way around every time, all of a sudden becomes a deep, wide abyss and all of her pcs and students trying to enroll fall into it. Don't you see?

Expansion, actually, is like turning a magnifying glass on something. It looked perfectly all right drawn here in small scale. I mean—see, drawn there you see it. Nothing much to it. But now we're going to make it big. Only it isn't just putting a magnifying glass on it and looking it up. That's what I have to do in straightening it up, you see? You make

this thing big, start to stretch this thing out, and you find out a lot of these lines and things don't connect. They look like they connected, but they don't connect.

So that a pattern, to be a near perfect pattern, should be the—a basic pattern, you see, which could expand and expand and expand. Well now, you get a fairly decent pattern up at the top—you can test it to find out whether or not it's a decent pattern by seeing if you can reduce it down again.

Now, I'll give you an idea. Once upon a time there was an auditor and his name was Hubbard and he lived at Bay Head, New Jersey. And he had a little hectograph book, and people keep getting copies of this book and reprinting it for themselves and giving it to their friends. And the mailbags kept getting bigger and bigger. And this auditor couldn't handle the pcs because they multiplied from one to about fifteen. Now, if you have ever tried to audit fifteen pcs about five hours a week each—you see, it's within the finite limits—and then try to do everything else, too, you begin to realize that there's a little too much on your plate.

At that particular time, it was unfortunate, but a group came along and said, „We want to make an organization out of this for you. Now you can get on with it.“ And I said, „Well, all right.“ And then the fun began. Then the fun began. In fact, all hell broke loose. Because there was too rapid an expansion in process of no organizational fundamental, and I wasn't even developing the organizational background or fundamental at that particular time.

You had such crazy things happening as—we had thirty—six hour intensives in a week in those days. You had such crazy things happening as my writing up completely, out of my own very intimate experience, exactly how to do a thirty—six hour intensive, and then it being parked in the General Manager's desk—in his safe actually—because it was too valuable to release. Isn't that marvelous? And I kept getting communications for the next year. And I couldn't figure out what was the matter with auditors; they all gone stupid or something of the sort. They were all asking me personally how you did a thirty—six hour intensive. Nobody ever seemed to be able to get one done.

So finally one day I said, „This must be something missing here someplace.“ So I instituted an inquiry: „Where the devil? Had anybody ever seen this?“ And nobody had ever seen it. It was a great revelation to me. I was going on the basis they'd all studied it, and they were going on the basis that I'd never written it. And there sat the manuscript in its original form and beautifully typed on very, very expensive bond paper in a very big safe, because it was too valuable to release.

The lines all broke down everywhere. Well, the missing line there was Val Doc—valuable documents—you see, the line to valuable documents, definition of valuable documents, what are valuable documents, mimeograph publications missing, HCO Area Secretaries were missing, HCOs were missing. There were a few things missing. Do you see?

That immediately pointed up there are a lot of lines and units and parts missing in the machine, see? Well, it couldn't run, of course, because everybody had to wear all the hats individually, and there was no policy on which anybody could agree, so there were no routes that went any particular directions. And when these guys got too hungry for money and that sort of thing and started kicking me in the head—I had no control of the organization—I got tired of just using my personality and *phzzzzzt* alone to control the organization, so I said to hell with you and it all went boom!

So I sat down and I said, „Well now, let's start this over again properly.“ That was 1952 and we've been going well ever since, don't you see?

So I've been taught the lesson, see, quite obviously, that you can enter a boom and enter an expansion, and that if you shove—try to shove the lines—if this is kicking back hard against the people that are with you in this and they haven't got everything straight on

their plates—all it looks like to them is a tremendous lot of overwork. And although they're perfectly willing to have things boom—actually the reason they don't boom is because their own plates are too full and the lines are zigged where they should be zagged, don't you see. And it can't boom, because it starts to go on out ... And if it does boom, if it's promoted too hard without organizational lines straightened up behind it, why, it just blows up everything.

In other words, that rock can start rolling downhill at such a speed it starts an avalanche, and then there's no stopping the avalanche. You could have stopped the rock but not the avalanche. We're at that point of the game right now where it's very easy to halt and change the direction of the rock, don't you see?

So that my concentration on the matter is simply, when things start entering in the various perimeters of the organization or individual auditors and so forth, that they have the data and the routes in order to handle it. And fortunately, I've been able to—to get the—and pretest the organizational patterns, and so forth, which will be used. There's not much change in the character of departments but there's a slight difference of alignment in departments. It's under what does which come? And that takes out a lot of zigs and zags and so forth.

What I've mainly been having a ball with is ... To write up this required the development of the philosophy of administration. That's never been developed. That's a totally missing segment in the area of man—the philosophy of administration. There are a lot of administrative procedures; there are a lot of management associations; there are all kinds of oddball characters: „Well, I'm a self-made man. This is the way I run my business.“ You know? I don't wince like that. Nothing personal in that. And . . . „And this is the way it is, and that's it, and nothing is going to change this in any way whatsoever, see? *Blyarao*.“ There's a lot of that kind of thing, don't you see?

But the philosophy is what he's doing. The philosophy of what he's actually doing is not there. There's a policy or an idea of what he's doing, such as—like: He is being successful, see? Well, that'd be pretty broad if it were the definition, you see? Or things are on the upgrade, the charts all show an upclimb, so therefore—that is the full philosophy of it. And apparently he—they don't even go as far as to say, „Is this successful?“ They don't even get this elementary. A successful business is one which has its charts on a steady, slight or great increase. See? You know? Everybody „knows,“ you see?

It's just full of these „everybody knows.“ „Everybody knows“ that the business chart on the wall should have a—show a little bit of an increase in order to consider the business fairly healthy. See, population is increasing, and traffic's increasing generally in a society, so it should match that. Everybody knows that. But who has said—you see, who has said, „A graph on a wall—“ (what I just said), „A graph on a wall should show a very slight increase in order to indicate the healthiness of the business.“ No, no, they're at this echelon: „This is the graph!“

And I bet they've got people sitting all over the place staring at what they've just offered them saying, „Graph? Why?“ Completely—don't see any—any connection whatsoever between the graph and anything that is going on. So they say, „Well, there's a lot of charts around here.“ You've heard it in offices, you know? „Well, there's a lot of charts around here, ha—ha.“

Somebody instinctively feels there ought to be some charts. But how you use them and what you do with them or even the definition of what they are, is really not given in the business texts, don't you see? So you could say that man is sort of working on instincts. And—in the field of administration, he's at the level of the dog turning around three times before he lies down. And the dog who turns around three times before he lies down, of course, is really looking to find out whether or not there are any snakes in his bed. And it's been a survival policy with dogs for a long time. But the dog himself, in turning around

three times, doesn't even know what he's looking for. In fact, I've never had a single dog tell me „Well, there are no snakes there now,“ and lie down. See?

It's a whole bunch of I'm—supposed—to's, you see? Administration is just a bunch of not—understood supposed—to's.

You take congresses, parliaments—you talk about the administration of a state. Ooooooh! You yourself look at this sort of thing, you know there's something wrong with what they're doing. And you say, „Well, it's sort of unreasonable what they're doing,“ and so forth. But actually nobody says, „What they're doing is *bzzt—bzzt—bzzt*, and what they're not doing is *bzzt—bzzt—bzzt*, and therefore we're going to fall on our heads.“

And the funny part of it is, laying out this material in front of somebody... Or you can go too high with this material very quickly—you know, just go right over their heads like you do with a pc—but in laying this material out in front of somebody who has any experience along this line at all—he says, „Oh, yes,“ you know, „of course, of course, of course.“ It's like talking into a steady cognition. See? „Yes, yes, of course. Well, right, yeah!“ Voom! You know. Bang!

It's been necessary to dig up the actual philosophy that underlies all these things. Not the ideas man has had concerning this sort of thing but what are the formulas which prompt him? What are the actual formulas?

Well, you can very easily go upstairs too high. You can say, „The formula of success in the modern world is...“ And you can say, „Well, you get so you know what it's all about, and you get yourself a label that means something, and then you apply it and keep your nose clean and you'll probably make it, son.“

Well, I don't think anybody has said that to anybody really since about 1890. But you've given some sound advice to some young hopeful and had him sit there and look at you with a completely dull eye.

You tell a writer, for instance ... I told a whole—I blew up a whole writing class one time. It's a wonder they all didn't leave school. Actually, I—they relegated it to sort of getting the professor to reprimand me. It was the short story class of Harvard. I—excuse me—“Hah-varrd.“ And they—they made the mistake of having a series of lectures from successful writers. And each one of these gave them a short series of lectures. And all of these people were in a class called Creative Writing. And they were very nicely dressed children. And so my lectures were very well received, and so forth, right up to a point. And on this point it all went over, appetite over tin cup and into a deep grave, and after that I was really *non persona grata* at—in Harvard literature. They probably will never even mention my name as revenge.

Because what I told the class that caused them to completely blow up was—I said, „Well,“ I said, „when you—when you've written a few hundred thousand words, why, then you've got a style. And it's taken me about I think, about a hundred thousand words before I had any inkling of any kind of a style.“ And I suddenly noticed—I looked around—I had a—I had a class in front of me that was in a state of shock! They had not just awakened; they had awakened and gone into a cataleptic fit and they were sitting there as though I had shot them with a ray gun in the middle of their chest, don't you see? Completely frozen.

And I was alert at this point and I said, „Well, what's the matter?“ I said, „I only said a hundred thousand words.“ You know, I got the idea quantity was wrong. „I only said, well, you have to write about a hundred thousand words at least before you have any idea of having a style.“ *Nhaaa! Dlu—bub—blub—udle—budl—bdul—dt—dt—dt*. They talked to each other and talked to the professor and told that to him and walked off to the back of the room. It had never occurred to those damned fools or that professor that writers write! And this had nothing whatsoever to do with their education.

I know that's an unbelievable experience. It left me in a state of shock. „Well, Hubbard's an awful bad fellow.“ Never forgave me. I was probably used as a horrible

example in that school for years. I had given them a data which was just too confounded, far over their heads. They had never come up in any gradient to writing. I think that class was supposed to turn in a story at the end of the year. And their idea of a story was maybe a thousand words, which they had been assiduously [assiduously] working on for the last nine months. And one of those stories, of course, was the equivalent of a career. You think I'm just being sarcastic. No. It's the reason the short short stories ... You can find short short stories all over the place. Everybody has got a trunk full of short short stories that ever even dreamed of writing. You count them up, and you find out they'll go to a thousand or fifteen hundred words. Well, a short story in actual fact, by definition, is five to six thousand words. That's several short shorts. It's very interesting.

I had launched the datum that in order to be a writer you have to write. And the appalling concept which they couldn't confront was sitting down at a table or a typewriter and pounding out a hundred thousand words. And this just seemed so insurmountable and so incredible that they absolutely revolted against the whole idea. And yet in that day and age—in that day and age and so forth—a writer was very often called on to get out a hundred thousand words in a quarter of a year. That was quite common. And your top headliners were rolling at the rate of about eighty thousand words a month.

So I was talking to them about—about a month's production as far as I was concerned, and this didn't seem like anything to me, you see? Well, a hundred and twenty—five words a minute or a hundred and fifty a minute typing speed—composition speed ninety—four words a minute—count it up. A hundred thousand words—that's nothing, see?

You worked three hours a day, about three days a week and spent the rest of the time standing down on the corner whistling. See? It wasn't even hard work, you know? Or you wrapped both hands around a dictaphone and there it was. But you didn't have that barrier. You weren't up against this other barrier of „Oh, no!“ you see?

So they hadn't been led into any kind of a gradient scale of what a writer would do or what was expected or—or what the basic definition of writing was, which is of course, writing. This is pretty idiotic, see, that if you're a writer, you write. This had never occurred to them. I think they were in the stage of „being“ a writer sort of synthetically without even any concept of what a writer did. Do you follow that?

Just like there's many business executives around sitting in a big chair in a big office with no slightest concept of what they're supposed to do. And if you walked in and said, „Your job is *brrr—brrr—brrr*. A business executive is supposed to business exec, and this is how you business exec,“ they would go „Waaah! Get out of here! Throw the bum out! Ooooo! Nothing could be worse! Oooh!“ Leave you in a state of shock.

You say, what's the matter with the fool? What's the matter with the fool is he's being without doing and he is engaged in an activity which has not been defined. He's administering. And when you realize that one out of nineteen businesses established fail in their first year. Nobody has ever added up how many fail in the second. You mustn't assume that because they've lived two that they'd live for—one that they'd live forever. They don't.

At a time when we see states and civilizations shrinking and perishing and so forth, administration is some kind of a—an odd art. You're an administrator if you've gone to Harvard or Yale, or if you've been with the firm for a long time, or if you've got a pretty wife, or if your taste in ties agrees with the managing editor's or the managing director's drawing room furniture, so that you always look nice to the old lady. Do you see? And this is running a civilization.

So you see once more we're catching man out. There is a lot of technology around and today there's far more technology than there used to be. (This will amuse you very much.) There's a lot more technology about business administration in existence today. In universities, by the way, I must interject one—the only class notorious in universities for cheating in examinations and so forth is the Business Administration School. They're

notorious. And here we—where we've caught man out to this degree ... And as I say, there's more, more material available today in the field of business administration than there was, let us say, fifteen years ago.

And the reason for this is the American Management Association copies everything we have they can get their hands on. Everything! Oh, that sounds funny and they'd go in and they'd be the first people to deny it but then you're seldom given their little books. But they'll take some kind of a sentence out of something or other and they'll expand it out to a whole magazine. I checked up on this. It was very hard to check up on. I—we found them on our—on our—on our lines here and there. And the clincher was when they issued us the program of their New York congress which was drawn up in exactly the same size, format, type, titles, seminars, that we used in Washington. It was a duplicate program: It was lecture one, lecture two, the seminar times were the same; it was the same number of days; it was absolute carbon copying.

Old Nile Adams over in the States says, „Well, you can pretty well tell what they'll do“—when he was speaking of general course of—of forward policy and so forth—“You can pretty well tell what they'll do: They copy you.“

This was what he was using to predict with in the field of business. That sooner or later they would copy something we were doing. It hasn't—it hasn't just started yesterday, you see?

I know this sounds awfully cheeky. But when you realize the degree of alter—is to which these people are capable, it's a wonder you can recognize your stuff at all. It's like a novelist after he sees his play or story on the screen. That's mine? Even worse than that, see?

Now, we've developed quite a few things. And as a matter of fact, several chaps who have gone through our organizations and so forth are now holding down big brass in some very interesting corporations. So it's no wonder that this sort of thing follows. But it's still been without any basic philosophy of what's administration.

But the ball which I'm having is: In order to put together the philosophy of administration, you've got to put together the anatomy of organizations and what is basically the anatomy of organizations. And this required, this afternoon, that I find the definition—the formula of life. Now, people have been ... Naturally! This is what it led back to. Organization is usually dedicated to the forward of—forwarding of livingness or ending somebody else's livingness. And you run square into this sooner or later as you go plowing around on this thing that you need—just to write up what you're doing—you actually have to have the formula—the formula; not the definition, as I started to say—the formula of life. Vital. Absolutely vital that you have to have that formula.

Well, let's see. The Hindus looked for it for fa-faa and the Persians looked for it and every religion we've got is some synthesis of expressing it and it's been on its way for a long time. Practically every novel that is ever written mentions in some snide or twisted way the fact the fellow is looking for the purpose of existence, you see? And I remember one great bestseller that finally dragged out a Persian carpet in the last paragraph and pointed it out to somebody that there was no purpose whatsoever in the pattern of the carpet and that explained life.

Man has run the gamut on this thing. He's invented more formulas, and he's invented more things. But actually he really never got up to even calling it a formula. What's the formula of life? And when you get at that level and tell somebody what the formula of life is, then you do get a blank look on their faces because it just doesn't make any sense at all. They don't blow out the door on you; they just quit. They say, „Well, yeah. I grant that. Yeah.“

You tell somebody on the street this and that'd be: „Yeah, oh yeah. Everybody knows that, and so on. There's nothing to it.“

They don't think you've told them anything. And they can't grasp it and they feel a little bit odd, and it must have been what they had for lunch. See, it just would go sailing across the top of their heads. You haven't said anything. It wouldn't be significant if you did say it. They wouldn't make anything out of it. Except you actually can take this thing and redesign all there is to organizations, organisms, races, species, everything else under the sun, moon and stars.

I'll tell it to you. I won't keep you on tenterhooks and so forth. And some of you are just going to say, „Oh, yes, of course.“

But it's simply: Living is having and following a purpose. That's all of it. That's the formula of life—have and follow a purpose. That's it. If you do it, you're living, and if you don't do it, you're not living. And that's all there is to it. I've now given you the basic fundamental of existence and that really is it.

Here we had an operating principle of existence or a common denominator to existence, and we had that sort of thing. Told us what it was doing. But remember, that was what it was *doing*. Well, this is the formula which underlies the doingness, and it is just that, and that's all it is. It's just having and following a purpose. And when you start to write this up of all the steps and ramifications and the anatomy of doing this, you suddenly find that you are looking at one of these schemas that the Germans are so fond of.

Did you ever see one of these German schemas? They put one little point down here, and then that becomes two points, and then the two points square and become four points, and then the—you know? And it's the way they dream up their military command, see? Commanding General—two, four, six, and you got a rack here that doubles, or something like that, every time. It's the pattern of an old German panzer division or something like that. They call them a schema—probably mispronounced. But I'm not giving it in German.

Now, you find yourself dealing with one of those things. And you say, „Wow!“ You say, „What am I looking at? I'm looking at the species called dog. This is what? This is—this is rats, see? This is that; this is that; this is organisms; these are organizations; these are civilizations; these are states; these are—are this or that or the other thing,“ and so forth.

And then you come back and look at it again, you realize you can look over any state or organization, so forth, and look over these various parts, find out the parts that are missing and *estimate* at once the degree of weakness or chaos which exists internally. Then you can estimate whether or not people are happy or unhappy in that state. And then you actually could reform the state if it wasn't too late—it's mostly too late right now with most of these civilizations—by taking certain steps, *buz—buz—buz—buz—buz—buz*, and all of a sudden everybody would be happy. As I say, I've been having a ball. I kept landing into lower and lower echelons to this. This is all Level VII stuff I'm giving you actually. But doesn't matter much, because you're falling straight into it whether you like it or not. You'll suffer from it or benefit from it, and so forth, to the degree that it's correctly followed, because these are the formulas—the formulas, if you please.

Now, there are certain formulas—down a couple of echelons further, there are—there are certain formulas which—from which you draw up the actions necessary to produce results which are beneficial or detrimental. Don't you see? There's a whole bunch of little formulas that follow out from this. And of course, you cut in along this line someplace and you look like you're dealing with a fundamental. You're staring at it, man.

I'll give you an idea. You—staff auditor goes out and he looks at the purpose of the—on the org board of a—the HGC. A subpurpose is what it really is. It's a subpurpose. And he goes out and he looks at it. This is not it, but it says something like: to make pcs happy and able, or to make the able more able—something like that. Or to audit pcs to the highest case gain possible, or something like this. Whatever he does, he looks at that thing: „Yes, sir!“ Well, that's good enough, see? That's good enough for him, and he goes on working at this, and this is fine.

What's the purpose that lies immediately above it? Well, he actually could guess at this purpose if he looked at the subpurposes of the sections or units around him or the immediately adjacent departments. And he could guess what probably would be up there, see? After he'd spotted what was up there, then he could guess about where it was going back there, don't you see? See, he could probably trace one of these things back.

Well, as a matter of fact, people are usually quite content to ride at that point which was a good thing because there's no particular reason to do otherwise.

Now, this has a negative proof, this thing. At the lower levels, we examined the reactive bank very carefully, and we find that the reactive bank has nothing under God's green earth in it but booby—trapped purposes, and that's all it's got in it. It's booby—trapped purposes and their locks. See, it—really, it's the booby—trapped purpose fixed up so it won't work, or it's a backwards purpose so the guy can't have a good purpose, see, which is then—caused a jam—up of subpurposes (locks, you see), which has caused a mess—up of his courses or policies or decisions in life, which has then recorded the catastrophes which have ensued for having done so, and those are the engrams, of course. That's really all there is in the entirety of the reactive mind. But it's negative proof because you get on down, plumbing to the very bottom of the reactive mind and you find out there is nothing there but cockeyed and thwarted purposes. It's so constructed as to do just one thing excellently well, and that's thwart a purpose. See, it first gives a lousy purpose and then thwarts it. That's the double switcheroo of R6.

Well, there might have been lots of other ways one could have accumulated a reactive bank. There might have been a lot of other things that could have happened to the reactive bank, but if so, they never bit. See, there might have been a lot of *other* things that one might of had in his reactive bank but they're not there. That's because they weren't effective in holding anybody down or aberrating him, and so it went out of style. It isn't there; there isn't even a ghost of it on the track. You wouldn't even find them if you looked for them. Do you see?

So actually, the successful way of not living is to have purposes boobytrapped and unfollowable. So if you wanted to fix up somebody so he wouldn't live, why, you'd just give him crossed—up purposes and make it impossible for him to follow those and then, of course, barrier out any possibility of following a good purpose, and you would just have him in a trap. And if you want to know how is a living being trapped, that is the full description of the furthest reaches and ramifications of a trap. Whatever else the trap consists of, it has that as its elements.

All of which is very fascinating. Because it tells us at once why you have an unhappy civilization. It tells you what—how many people are in the mental hospitals. It tells you why this has been a very unhappy universe ever since people started accumulating reactive banks of this particular character and answers an awful lot of questions in an awful hurry.

But at the same time it makes it possible, on a more mundane and less esoteric and ivory—towered level, to simply draw up the patterns of our organizations. You see, we've been doing it right so far and—instinctively, like turning around three times to find out if there are any snakes in the bed. But exactly what were we doing? And that is the immediate study under hand.

And I—I tell you since I got home, I have worn out more ballpoints and Japanese sign pens than you can shake a stick at. I mean, they—every little while clunk, clunk, one goes into the wastebasket. It's empty, you know? Takes a long time to wear them out. They're supposed to wear out for—they were—they were originally released to wear forever, you know? And I've driven everybody half mad trying to dig up all the white long paper in the place and so forth, and just keeps—drawers keep getting empty of it and ... They were down to I think two reams a couple of days, three days ago.



The poor Mimeograph Department is of course going mad because I'm not taking any chance on drawing all this up in manuscript form, you see? That's for a little bit later, but drawing it all up in manuscript form and getting it well typed so it can sit on some shelf or sit on some printer's desk, you see. We need it desperately but somebody up in—in Essex—on—Kent, you know, has—he's got this—he's got this, and he's got the best intentions of the world to turn it out next year, you know? So what I'm doing is that I put a lot of this stuff on the General Non-Remimeo line which is—what's called the General Non—Remimeo line—that is to say, key personnel and orgs get copies of it—so that the technology does exist, see? And that lets, of course, Mimeo here simply type them out from the written notes, type them directly onto a stencil, run them off, don't you see, and make this limited number of copies and so forth and distribute them.

But ever since I got—have gotten home, why, their—their line is just jammed like that, and I heard them in HCO the other day: „Ever since you've been home I've hardly had time to catch my breath.“ Little Valerie up in London, bless her. Tongue hanging out, you know? And of course, they'll all try to get this in as quick as possible. It'll make quite a stir, so therefore, I'm trying to issue it in such a way that it won't make much of a stir. But oddly enough they're pretty good at handling this sort of thing. They're accustomed to it.

And the change—organizational pattern change which we put in, in midsummer—I tested it at Saint Hill and so forth and finally sent it out to them—income started going up at a ...

You didn't check that as a factor on following up the raw data of that organization. When did they receive that new pattern? Anyway, yeah, I—we were trying to trace down the reason for a resurgence in order to reorganize a certain org. Ha—ha—how interesting! We didn't—we didn't take that into account.

Anyhow, this is the—after that reorganization, we have now had the first booms. This was just the reorganization, see? And it wasn't complete reorganization. Well, we've had the first booms and the first record breakers in terms of weeks in expansion that we'd had for about three years. There were a lot of factors could have entered into this, don't you see? But that change or smoothing out an organization instead of damming it up and confusing it, don't you see, let the lines flow faster and better.

That was obvious that this had done so. And of course we've got the rest of the little changes, because I just changed them far enough to take some major kinks out at the level they were operating on, and then we've got the other cling—cling—cling that goes in right behind it that organizes it from the top to the bottom.

Now, we come to the basic test. When you start out at the bottom and start organizing upward, you can reach a point in greater complexity where you have to look back at the bottom and find out if the bottom could be in any way reorganized to fit the top. And when you find out that the—the smallest unit of your activity (that is, the smallest group or the smallest organization) is unable to fit in by reducing again your big organization, you realize there's a lot of kinks in the line.

You understand. Could we take a Central Organization—one of the bigger ones, you see—take a Central Organization and take its pattern just as we've got it and reduce it down as of this minute and wind up with a very smoothly running city office? Could we do that? Could we reduce the size of it? And the answer is no. It would look very silly because you'd have somebody ... Got a laugh out of some executives. The other day, I said, „Well, I—.“ I said, „We don't want to make this look like a city office org board.“ Well, it wouldn't be much of a joke to you unless you'd ever seen a city office organization org board in its earlier stages. It's a very ridiculous affair—it's been in the past—because it's got a full organizational chart there, don't you see. And it's got all of the posts but there are only about three names that repeat back and forth on all these posts, don't you see? And if you looked at it at a distance, from eight or nine feet, it would look like they had quite an

organization, you see? Well, of course, they're running quite different than that org board. They couldn't possibly run in accordance to the org board, and they're trying to make do.

Well, that is—gives you immediate clue as to whether or not you're on the ball in your big organizational pattern, because if your big organizational pattern doesn't smoothly reduce, it won't smoothly expand. You see, you can take a—you could take a backwards look at all this. If it doesn't—if you can't reduce it down without a catastrophe occurring, well you, of course, won't expand it without a catastrophe. So, something that can be reduced or expanded and so forth must be a pretty smooth, fundamental setup. And that's what we've done right now. We've already got this. And I'm trying to write up the various ramifications and exploring the philosophy of this to see whether or not it fits and doesn't fit. And actually it does. It goes right down to the bottom to a city office and an organizational pattern.

Now, whether it fits an individual or not that's a—that's another question. See, so maybe it isn't perfect yet. But that's pretty good. We've never before been able to get it down to a city office.

I'll tell you what it is. I'll give you a very brief—very, very brief résumé here of organizational structure. There's Divisions 1, 2 and 3. This is the new divisional structure. Now, heretofore we have had two divisions. Division was HCO and the Central Org. This is the way we referred to them. So it was HCO and the Central Org, you see? And HCO was covered by the HCO Secretary and the Central Org was covered by the Association or Organization Secretary. There were two zones and there were actually two heads of this organization. But they had different functions.

All right. Well, this is expanded now. Because in trying to fix up the org charts, why, there were two functions which didn't fit smoothly under either one, and one function which was entirely adrift. The two functions which didn't fit smoothly on the international—I mean on big organization boards were materiel and accounts. And these didn't fit smoothly under either HCO or the Organization or Association Secretary. They were always worrying the Org Sec. He was always getting onto accounts, and he was always getting into materiel, and he was always getting here and there and the other thing. So obviously there was something adrift because he was wearing another hat there very strongly, and yet apparently he had a Materiel Unit and he apparently had an Accounts Unit but somehow or another he was always wearing these hats.

Well, rather than blame all the personnel in sight, well, let's just not see if the lines are a little bit in error and sure enough they are. This is not intended to be a very authoritative rundown on the situation, but I'll just tell you what it's all about.

Division 1 is HCO, which issues the data and policy—HCO. That's Division 1, see? And then there's Division 2 and Division 2—all they do is apply and service, deliver, you see, with training and processing, see? And you could say, all right, well, the technology is issued by HCO and the training and processing are done by Division 2. See, Division 1 issues it and Division 2 uses it. And you get down to Division 3, and Division 3 collects the money and the mest. It takes care of the mest, see?

So you, in actual fact, have a very smooth gradient. You've got the idea and the management and the pickup and the police of this thing, see, moving over into—here into the use of the thing, moving over here into the care and preservation of the thing, see, which gives you three divisions.

And those three divisions are expressed at board level. And there's an International Board—regardless of how many Scientology corporations there are, this International Board controls all of them anyhow, so it doesn't matter. And the International Board has three divisions. And each board member is the head of each division.

There are three board members, and those three board members are, of course: I'm HCO. Always have been, so that's no change. Mary Sue (always in very close

communication, and so forth, with secretarial aspects and training and processing; she's always been working in that particular field), Org Sec. And then the third one—Marilyn with—working into the area of accounts and materiel with all of the mest and so forth along that line. That's three divisions.

And then you've got an echelon which exactly matches that one, below it, and then you've got an echelon which exactly matches that in every continent, and then you've got an echelon that matches that in every organization—every Central Organization, city office. In other words, this is a repeating action if you think of it as the board level. All right, board level, except these others are assistant boards. See? So, there's the International Board, and then there's assistant boards from there on through. And they're all composed of Division 1, Division 2, Division 3, which is answerable to the next board immediately above them, which makes a perfectly smooth three-way channel all the way down.

Now, these three functions are tremendously interlocked. They're interlocked on purpose, don't you see, so they won't separate and so forth. Now, of course, HCO doesn't own its mest. You see, that's actually owned by Division 3. Same way with Division 2; it doesn't own its mest. That's owned by Division 3. It can have its label on mest but it doesn't own it. It can't sell it; it can't buy it. It had damn better well take care of it. But HCO handles everybody's communications. And it doesn't matter what those communications are, if there's any communications anyplace, anywhere, why, they're carried by HCO. And the third division, in trying to get money in from the mailbox into the Accounts office, or from the Registrar to the Accounts office and so forth, is dependent on HCO keeping the line in there, see, and laying it in. Of course, they supervise it and make sure that it stays in. But HCO makes sure that it stays in on the basis of communication policy. HCOs always manage to do this very well. They do a good job of this.

They sometimes get busy in some other quarters and that sort of thing, neglect it for a while, but you'll normally see somebody all of a sudden perking up and alerting up and finding the lines aren't running someplace or another and saying 'Aaahr,' and 'What's that full in—basket? You know I've seen a full in—basket there for days and days and days and days and days.

What is this?" You know, wake up and straighten it up. These are functions by the way which they've always performed oddly enough, see? So there's really nothing very new in this. It's the smooth channel of it all.

And then everybody and everything is trained or processed in Division 2. There are no staff training courses which are run outside of the Academy and HGC, see? In other words, the D of T—if there's a training course around, why, that's his baby, you see? It doesn't matter if it's an administrative course, and it doesn't matter if it's a technical course, and it doesn't matter what kind of a course it is, if it's training, that's his baby—in Division 2, see? If it's done in that field, he does it. And if there's any processing around—it doesn't matter if that's an assist by some field auditor sitting on the front doorstep and fixing up the local errand boy with a Touch Assist, man, that's the D of P's. See? Anywhere, anywhere in that zone, anyplace. Field auditors auditing pcs, students auditing students in the Academy or anyplace else, if there's—if there's any auditing being done, it's the Director of Processing. That's it, see? This is now talking about a Central Organization.

That makes this course a little bit different because there's no HGC at Saint Hill. It's the only thing missing around here. So processing then tends to fall back onto the course or its Instructors and is a little hat that I've noticed everybody including me tends to wear from time to time. Where's somebody that really takes care of the case? You know? Well, in Central Orgs and so forth, well, we have somebody that takes care of the cases and that's the D of P. So that type and—of activity, then, of any kind, that is, processing that's ordered for any reason or done for any reason and so forth is done in the HGC.

Now, of course, Academies will be very jealous and safeguard this sort of thing from HGCs interfering or getting too deep into the Academy and telling students how they must audit, that sort of thing, and so forth. But in actual fact they are both members of the same division, and that's one of these close things that they can work out. So therefore, if you had somebody who was supervising cases or marking folders or doing something like that in the Academy, he would do it slightly under an HGC hat, don't you see? This would be the way. Well, we find out that Academies don't mark folders very well so there's been something wrong with that line, you see? We find HGCs do a fine job of testing and marking folders, you see? But Academies don't. So worked that way, why that line can be settled out there, because that's in the division.

So therefore, HCO personnel is trained by Division 2 and so is Division 3 personnel. They're once more trained by Division 2, see. There's a checksheet, it's done by Division 2. So you got your interlock of 1, 2, 3, and there are no functions outside these things.

Now, this is an assistant board I'm talking about. Well, of course, that's a new term. There is no such thing anywhere in the world as an assistant board. What's an assistant board? Well, it's an assistant board; that's what it is. No mysterious ramifications read into it. It just is that. And, of course, it has, of course, assistant board members. Well, what's an assistant board member? What's an assistant board? Well, assistant board could obviously assist a board in recommending a resolution, or it could recommend some action be taken of a board nature someplace and send it to the board and get it taken, don't you see? And it could also be composed of assistant board members who help the board members wear their hats.

The board then consists of a Chairman, a Secretary, and a Treasurer on the International Board—Chairman, being HCO, Division 1; Secretaries, being Training and Processing, Division 2; Treasurer being Materiel and Accounts, Division 3. Very elementary. So of course, the chap who is in charge—well, the fellow in charge of the board in the continent of Zec, the fellow in charge of Zec's Assistant Board, don't you see, would be the Assistant Chairman. He has no authority in his own right. His authority is delegated to him. So he's the Assistant Chairman and he heads up Division 1, and the other title the person would have—it's very odd that it'd be Chairman because it would be an HCO Area Secretary, see? The person would have another title. And Secretary—Organization Secretary or Association Secretary, would be Division 2, don't you see, but he would be an Assistant Secretary, in actual fact. That would be his—and he'd be an Assistant Board Member. These titles he would all have, don't you see? And then the—the third board member would be, of course, the Assistant Treasurer and that person would also be an Assistant Board Member, do you see? And that person might accumulate some other title like Accounts Executive or something like that, you see—which hasn't been specified by the way; the others have been. But Assistant Treasurer is so good that that's fine. Everybody was very happy with that one.

So that reflects and gives you an assistant board. Well, the assistant board, of course, doesn't have any power to make a resolution, but it has the power to recommend one. And of course in their own right, on delegated authority, they have the right to run their own—their own area divisions, you see? Well, so the—that's your board structure and it goes all the way to the bottom. Now, any city office would have this same structure.

Now, the reason why this isn't all done ... The—well—now, man's frailty in running things with boards has been the lack of a certain thing. He was always trying to decide before the fact on things on which two of the members were not informed. So you actually always had a dizzy situation where nobody who was specialized in the area could make up his mind anyway, and they just got into a sort of a rubber—stamp situation. Or they all had to study each other's despatch lines, and they were all duplicate personnel that had to read all the despatches that related to anybody, you see, and it was just an overwork situation. So you either sat there for two or three days a week holding board meetings and getting nothing

done and really, in the end, really just rubber stamping them, or you got on with your job and didn't hold any board meetings at all. Which is the usual way we have solved it in Scientology. We have to—have to take that out, you see. . . .

But what we've actually done in reorganizational patterns—what I've actually done is simply try, really, to codify and straighten out what we actually are doing and what we have done successfully. It's not a brand—new structure. It's a structure which is based simply on what we have been doing and trying to get it represented with some reality on the actual org boards.

So, you, of course, then have two departments under HCO, and you've got two departments under Training and Processing, and you've got two units—because they are not production status—under the Assistant Treasurer, which gives you a six unit/department activity. In other words, there are six parts to a Central Organization and the seventh part is its executive board level so there are only seven basic hats. There's the departmental hats and the board hats, see? That's roughly adding them up.

So there are six of them and what are the two of HCO? Well, you've seen those around all the time except the poor blokes have gotten scattered here and there and the other place and so forth. Well, HCO simply takes over all of the mimeograph machinery and the publication machinery and Central Files and anything that had anything to do with communications or communication records—communications, communication equipment, communication records. That's the mimeograph machine, that's the Central Files, that's anything! Anything related, see? And that, of course, is used by the Registrar and the Letter Registrar and that's all germane to that particular section and so forth. So that's Prom—Reg, Department of Promotion and Registration, and that's all one department under HCO. It swings right on down from the HCO Area Secretary straight into this department. Because HCO is on this line this way.

It works—there's another formula as it go—you go across parallel. HCO promotes, the service departments deliver and the materiel—accounts people collect, see? *Pdrum—pow—pow*, see? So that lines up across on a parallel.

So, of course, all promotion comes under HCO. This, by the way, is what's been going on for years. I mean, I do all the promotion and HCO Secretary does promotion. They do the magazine. Must have been an awful strain sometimes having the Registrar distant from this point and not being able to coordinate the Registrar's activities with the current campaigning and it must have been a stretch. I can imagine there have been such creaks. That's one of these little points I say that—you know, that you look around them real quick, and everybody has been looking around that curve and not really seeing what a curve it is.

So that's the Department of Promotion and Registration under HCO and of course HCO has—has—is, above this and below it, a communications unit for the whole organization, you see? So that communications function runs through there, so there's a person called an HCO Communicator who handles this sort of thing and then there is the Book Department, and so forth.

I, by the way, put the Mimeo—I said—remember I said Mimeo went under HCO. It doesn't go under Prom—Reg. It goes under Books. All publications, magazines, hats, bulletins, everything—that's all publications. That's all issued by the Publications Department. You want to know where the hats are kept in the organization—not in the HCO Area Secretary's desk. They're kept down in the Book Storage Department with all the rest of the books, see, and they're issued the same way, except they're issued to certain people and that sort of thing. And there's—that's—that book system we put onto that line ... Well, where do you get your bulletins? And where are bulletins issued? And who issues the bulletins, and that sort of thing? Well, they're issued by the Book Department, of course, under the direction of the HCO Secretary.

Yeah, it's an elementary line which actually gives these people some more personnel to—to work with because it lets these personnel double ... Apparently two functions that have been spread this way have been brought together again without releasing or dismissing any personnel. So that ought to work better.

And you naturally got—in the middle of this line you've got the HGC, and you've got the Academy. The Academy and HGC is the seniority, by the way. And you've got the HGC processing all the pcs, and you've got the Academy training all the students. But you also have the HGC supervising and handling and issuing and ordering any and all processing that happens *there*. And that, by the way, was a step of many, many ... Oh, I don't know, maybe a year or two ago, I said the D of P owned all of the folders in an entire area, and he had all the cases, and they were his. Well, that's an extension of that thing.

So the HGC—it doesn't matter—clear out to the borders of the zone or area of the activity (you know, of the Central Organization, wherever it reaches to, and so forth), any case in that belongs to the—to the HGC, see, the D of P—any regulation of it. So an HCO Area Secretary talking to somebody and trying to settle up this beef on the promotional line, don't you see and so forth, is in actual fact only doing an advisory thing. Whether or not this person gets any actual processing or what process is run on the person or that sort of thing would actually be decided by the HGC. Do you see that? So somebody comes in, wonders about this—well, that's referred to the HGC.

Now, the final two points there, are very easy to figure out. All purchasing ... Purchasing is always getting knocked into the Accounts Department and out of it and into it, and they're always trying to fool around with this. And Materiel's had an awful time. It always is just trying to get something. Sometimes it handles purchasing; sometimes Accounts handles the purchasing; sometimes they mix up one way or the other. And they obviously are hand in glove.

So they are two units and there's of course the personnel in charge of each one of those two units of simply, Materiel—and that's supplies of any kind whatsoever: office supplies, HCO's office supplies, everybody's office supplies—are handled by Materiel. And HCO gets cleaned by Materiel, and janitors and so forth all function under Materiel. And anything like grounds or buildings, or anything like buying or selling buildings or anything that has anything to do with buildings, tools, anything else, inventories and all that sort of thing, my God, endlessly, you see—that's all under Materiel and so forth.

And Accounts: well, that has to do with money, and it has to do with contracts, and it has to do with exterior legal which is where that finally wound up—exterior legal. And exterior legal means anybody suing you or your suing anybody else or so forth. Well, they've got a lot of exterior legal. But internal legal is HCO, of course. Of course that's—because that's on the policy line.

Now, HCO has a lot of other interrelationships in the organization but they are all very quickly and very easily defined under the headings that I have just given you, see? There's a lot of little bits and pieces, don't you see? But those bits and pieces, you find out, snap into place very quickly and very easily, see—click, click! Well, like here at Saint Hill. You always find Reception is the person who goes around—in times when there's lots of personnel around, it's usually Reception that takes around the tea to personnel. Well, Reception is under HCO, see; Telephone is under HCO, you see?

That all falls together. Bodies walking in and out, as long as they're on lines, belong to HCO, don't you see? Doing anything with it, it hasn't anything to do with that, see? Just like a despatch. As long as the despatch is on the line—route to a basket, why, it belongs to HCO and the second it's in the basket, why, somebody else is doing something with that, don't you see? The basket, however, belongs to Materiel. So that's the interlock, and I think you'll find that a very smooth—working interlock.

Well now, we've had difficulty. Several diff—things have been difficult and one of them is getting from echelon to echelon. That is to say, how do you get from the echelon of continental to Saint Hill? Well, you get another post—and we haven't yet decided exactly what this post is called but we'll call it for the moment one that we're familiar with, this is Executive Director. And we theoretically would have Assistant Executive Directors below each post—each—each assistant board. He doesn't run things but he's the liaison for the adjacent boards above, below or parallel.

I found out one of the reasons Scientology had trouble expanding is you can't write to a board, and people at—at the level, don't you see, of an assistant board ... Well, take—let's take Melbourne. All right, there are three people in Melbourne. There's—there'd be—there'd be your HCO Area Sec, which we've got, the Association Sec and there would be an Assistant Treasurer. All right, they're all in a line there. And they have an awful time with Perth. And finally it has to go to top dog status, you see, to have anything happen in Perth and so on. Well, what is the line into that board? Well, you make a person, you call him Assistant Executive Director Melbourne—this probably is not the term we'll use; I'm just using the familiar one—and he's the guy that you route anything to, above, below, down, around, but not to the organization.

Here's a board here at Saint Hill but it has—it has a board under it. Well, the Saint Hill board really messes everything up like mad if it addresses the Saint Hill organization. Do you see? But it has—if it has an Executive Director, if the International Board has an Executive Director and the Saint Hill assistant board has an Assistant Direc—Executive Director, then those two boards can communicate. Otherwise they can't because they are multiple things and of course a ... See, those two echelons can't communicate unless there's a channel through which they communicate. So you have an Assistant Executive Director Saint Hill who has no orders over the Saint Hill staff to amount to anything because that's—that's your—that's your boards, see, that's your councils, you might say. They go back, forth, up, down, parallel, and so forth, through that post.

Well, it'd be the Assistant Executive Director Cape Town who would be the one who you communicated to and through when you wanted to get to the board or when it wanted to attach—its—it wanted to get something settled with Durban. And it would get in touch with the Assistant Executive Director Durban, don't you see? It's probably just a Board Officer is what it really is, and it's an Assistant Board Officer, that's all, and it just passes these lines, but doesn't work like man works.

Now, here's the main principle that's been discovered here, is that if you monkey around in a board meeting to get everybody's agreement, you're governing by agreement and, by God, there's nothing more dangerous in the human race that you ever had anything to do with it. Because the thing that is mainly there to get agreed with is the reactive bank, and if everybody has got the same bank you know very well what they will eventually develop. They'll develop Earth. Nothing more need be said.

You don't want this. What you want ... This is a board action—this is a board or committee action: That it has members who have functions, and they are perfectly free to do what they please with full board or assistant board permission until checked or stopped by the assistant board action. And that's true of each member of the board or assistant board.

In other words, he's perfectly free to run his job and to run his division. He's perfectly free to run his departments and to decide and have his decision ... He can't—he's not perfectly free, don't you see—HCO isn't perfectly free to run Division 2. They can kick Division 2 around if it isn't following along certain HCO lines, but they're not free—the board member, you see, of Division 1 really isn't free to upset the staff of Division 2, don't you see? That's—vuuuuh—that's what you get when you have all these board meetings. You see, you got every board member is trying to wear every hat. No, no, no, no.

A division—you got an assistant board member who is Division 1. That's the HCO Area Secretary. She got two departments and she runs them, and she runs them any damn way she pleases and makes any decision she pleases as long as it's successful and forwards the basic purpose of the organization and Scientology and the departments, you see? Fine! Right up to the moment when there is a—an assistant board meeting and the two members say, „You must not.“ Do you understand?

It's tacit approval of everything everybody does except they see them doing something they don't like and then they can, by majority vote, knock them in the head. But they can't cancel it if it's referred. In other words, the HCO Area Secretary of Division 1 has got recourse because it's not unanimous. So it goes to the next upper board for decision—next upper assistant board for decision—through its Assistant Executive Director.

So, in actual fact, the top dog of each lower assistant board is actually the Assistant Executive Director of an upper board. If you look that over very carefully, you will see that's very tricky and trying to get it through your head exactly how that works out may give you a headache. But it's very simple when you see it on an org board and you really had—ought to plot it on an org board. Because, actually, it means that the person who is the Assistant Executive Director of the Continental Assistant Board of Australia, and the person who says—who would ordinarily be looked to, to tell that assistant board to get in line, happens to be at Saint Hill. And the person who tells the Perth Assistant Board to get in line is actually located at the Continental Assistant Board and is the Assistant Executive Director on that board. Maybe miles and miles away. And boy, that's a good thing! Because it gives a totally dispassionate view of the situation without an embroilment in local personalities.

And then we lay down this: That he can only go on raw statistics; he can't go on rumors, he can't go on any of that stuff. Raw data—that's all he wants, that's all he wants. He doesn't want anybody's opinion. „Oh,“ you say, „HCO is doing an awful bad job out in Perth, huh? Well, well, well, all right. This is maybe too hot to handle. I don't want to handle this because I can't remove one or all of them but I won't—I'll look this over and see if I recommend that something be done to that person, you know?“ And this is the only thing he's permitted to judge on: What's the statistics? Not „Is she a nice girl?“ Not „Is Bessie Ann in Accounts mad at her?“ Not „Has somebody who is the Assistant Gardener written a vicious letter to Ron concerning her?“ That has nothing to do with it; nothing to do with it. It's just—what are the statistics of Division 1 Perth.

So many Committees of Evidence requested, so many given. So many bulletins received and issued, so many flubbed. So many books sold, so many books not sold., You got the idea? How much traffic has been driven around—in on the organization? What promotion campaigns? What is the proportional sign—up of the Registrar? Registrar has forty—five interviews a week; signed up twelve people on an average. Is that good or bad? You get the idea? Seems to have spent a tremendous number—amount of money on books and hasn't sold many. Let's look it over. In other words, we've got the raw statistics of that department sitting right there under our nose, because it's got two production departments and very easy to evaluate, see? Is it running or isn't it running?

And the moment that you trust interpersonal relations into the upset or handling or managing of the peace here in the absence of fact, you're tampering with the environment. You have the Board of Directors of Luminum-Aluminum Flushboxes Incorporated, and they've got a beautiful dining room, and they heard this wonderful tale about this young genius who is out in Bukwuk because their aunts told them. So they make him the General Manager of Bukwuk. This is how you destroy empires. And taking the say—so of the most entheta character in the organization as the proper opinion of the people in charge of the organization, of course, puts everybody at risk instantly, immediately and at once.

So you just say, „Oh, Bill Zugzug wrote a bad report on Mamie, huh? Well, that's very, very interesting. What's the via lines? What's the via line—Bill Zugzug's via lines?



What—what—let's see, he's—let's see, he's Assistant to the Assistant to the Assistant to the Assistant Janitor. All right, and he's in Division 3. And Mamie, is in—she's typist over here in Prom—Reg.“ What routing did you get the despatch on—telepathy? What value does the thing have, don't you see? Has no value at all.

Now, you want to know who should be putting the—somebody is recommending that you be—put somebody in charge of a typing pool someplace or another and so forth. Well, it's very simple. How many letters did they get out? If this is what they're in for, why, that's your action line: How many letters should be gotten out? How many letters were gotten out over what period of time? What was the—what was the period? That's all.

And this sounds awfully brutal, and it sounds like somebody is being very mechanical. No! What somebody is doing is just cutting the throat of all these rumor, enttheta, tanglefoot lines and letting us get on with the job, see? That's the only thing that makes any difference, because you find out this is a coordinative factor. You find out if anybody was sitting at a typewriter doing the job over a short—certain space of time they would have gotten out so many letters, don't you see? If they get out more than the average, why, very possibly they could persuade somebody else to get out some letters.

If after we put her in charge of the typing battery, why, the typing battery production falls off and goes into a complete spin, we try to find out if that reason is traceable to its—some of the other causes. But it went into a complete spin so we decide at that moment that that was the wrong person to put in charge of the typing battery, and her appointment was only temporary anyway, so we put her back. Get the idea? Not whether or not she was very charming to the Org Sec. See? That's a high crime. Not a high crime. Funny definition but it's a ... Do you see?

Now, of course, actually this person has to be personable one way or the other, and this person has to be persuasive, and the person certainly has to [be] either a screaming genius on the subject of policy or follow policy, one way or the other—to have gotten the quota out, because it, of course, confirms basic policy or not. This is very simple then.

Well, your organization can live, then, as long as people are following the basic purpose and it isn't too impeded. And the organization will live and people in it'll be happy if that's done. Otherwise they'll be very unhappy and very miserable.

So it sounds very, very robot, you know: „What are the statistics? Give me the raw data on that. You want a what? What's the data? You've just had a letter from Josie, huh! Well, all right, fine. I'm very glad you've had a letter from Josie. And she says that the Association Secretary should be shot. Well, that's very, very interesting. I'm very, very fascinated, and so on. Was it written in Chinese or Russian? What's the statistics of the organization? Oh, it's been on a steady rise. There hasn't been any falloff of any kind whatsoever. Go get lost. We have some emergencies on another Continent. That doesn't happen to be an emergency.“ Got the idea?

So if you do a good job, why, you're let get on with it. If you do a real good job, why, you get kicked upstairs. Simple, elementary. If you're a personality whiz kid, great! It'll show up in the statistics. You understand?

And that's basically how civilization is killing itself today is not letting—not setting up any system by which its basic purpose is forwarded by its personnel and choosing the people who forward its basic purpose. And that's how they're killing themselves. They choose people because their ties match the Managing Director's wife's piano scarf, you know? Or would—that they hold good liquor.

The United States Navy in actual fact chooses officers solely on the basis of whether or not their wives are socially acceptable, and I won't say agreeable. But it's gone to pieces completely. Had nothing whatsoever to do with organizational pattern.

Well, I've had to dig all this stuff up and ferret it all out. And I found it very, very interesting. And I didn't know I had to reach that far back and dig into the very woof and

warp of the universe just to find out how to get us a running org. But I've had to do so, and it's been fairly successful, and I hope the information will be of some help to you and make things easier for you as you go along.

Thank you.