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| | Dist: | Org Sec |
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| Cen-O-Con | HCO POLICY LETTER OF 17 FEBRUARY, 1961 | HCO Sec |
| | Issue II. | Dep Org |
| | | Sec |
| | STATE OF EMERGENCY | Staff |

In HCO Continental in particular and in HCO Areas, no management actions are undertaken toward a Central Organization (except for hat checks and other routine duties as covered in the Actions of HCO Area Offices) unless there exists a State of Emergency.

If a state of emergency exists in a Central Organization, HCO must assume that management has already to some degree failed to:

· "你们,我们还是你们的你?""你是你们就是你们我们的你的?""你们就是你们的你?""你们不是你们的你?""你们,你们不是你们。"

(a) Follow the form of a Central Organization

(b) Put standard policies into action

(c) Show initiative, or

(d) Put properly qualified personnel on post.

and HCG must pitch in and act to help the Assn. Sec. with or without his or her approval.

The indication of a state of emergency can be read beforehand from an O.I.C. board, being forecast by red lines in three or more graphs, or by three red lines on one graph. If management has tolerated this without action when one red line occurred, a state of emergency has already begun when it reaches three, since this is patently one or a dozen dropped balls. The organization can be assumed to be out of control.

I almost never directly interfere with the running of a Central Organization beyond okaying executives and Assoc. Sees, cpdifying tested patterns of operation and furnishing policies based on existing experience. However, when a Central Organization shows signs of failing, I have to step in.

It is not a good thing to have to step in suddenly. It is always attended by swift action because I never step in unless an emergency already exists and in an emergency one has to act fast. Fast action is seldom attended by smoothness. But in the various emergencies which have occurred in the past when I had to step in, the organization was enabled to survive.

HCO Area, HCO Continetal and HCO WW, in that order, become aware of emergencies.

The main responsibility for handling and executing orders in a state of emergency falls on HCO Continental, often via HCO Area. But HCO Area may act alone, briefing HCO Continental meanwhile, until the situation is fully in the hands of HCO Continental. HCO Continetal may act alone, fully briefing HCO WW and myself meanwhile.

Until a state of emergency exists HCO has little to do with the actual running of a Central Organization, beyond HCO area duties as outlined elsewhere in HCO Pelicy Letter of January 9, 1961. But when a state of emergency has come into being, the powers of HCO representatives become the same as those of the Executive Director in all but signing contracts or certificates or awards.

The <u>Purpose</u> of handling a state of emergency is to bring the organization up to survival level instantly, now, at once, by any practical, fast means. cont'd... The steps to be taken are:

(a) Immediately inspect and instantly correct the Pattern of a Central Organization errors which might have developed;

(b) Put standard policies in action where ignorance or "know better" may have introduced off-beat policies;

(c) Demonstrate initiative in remedying the situation and encourage initiative in others;

(d) Security check personnel and get better qualified personnel on oritical posts.

In a state of emergency an HCO Area Sec can appoint or transfer personnel up to department head level at will without consultation with anyone but with full advices to HCO Continental. Such appointments and transfers are always temporary in nature and can be appealed in writing with full data and graphs by an Assoc Sec. to HCO Continental, HCO WW or to the Executive Director. But the temporary appointment or transfer may not wait for the findings of such an appeal, but goes into effect the instant it is ordered, verbally or in writing by the HCO representative.

Reformation of departments or lines must take effect as soon as ordered by the HCO representative during a State of Emergency. An appeal may be made, in writing by the department head, or the Assoc. Sec. to HCO Continental, HCO WW or the Executive Director but the temporary measure must go into effect and stay in effect unt findings are issued upon the appeal.

While all this may seem vigorous, it is what I would have to do and would do H. I were on the ground. Thus it is in reality HCO Continental helping me wear my bat.

State Defined.

A State of Emergency is exactly defined as existing in the face of one or more of the following circumstances:

1. The Central Organization Income falls below £1000 or \$3000 by Thursday 2:00 P.M. of the week it comes in. (For City Offices £500 or \$1500. This includes only New Zealand, Los Angeles, Durban, Sydney, Perth, San Diego, Capetown, Seattle and New York).

2. Two charts on the O.I.C. board show red lines of decline for 2 consecutive weeks (same 2 charts) as of the moment of posting on Tuesday at 2:00 P.M. reflecting the past week.

3. One chart shows a red line for of three consecutive weeks by the time of posting or Tuesday at 2:00 P.M.

4. Twenty percent or more of HGC cases showing no gain or a decline in any given week.

5. The PE Foundation has less than 20 for the PE Course and less than 10 new for the Co-audit for any given week.

6. The Organization is dunned by a creditor.

7. Academy students unable to pass HCG Board of Review or Academy attendance very low, either which signify a state of emergency in the Academy. Cont'd...

-2-

In the case of 1. (Income less than £1000 or \$3000) the state of emergency is general and action may be taken throughout the organization.

In the case of 2. the state of emergency is general.

In the case of 3, 4 and 5 the state of emergency is confined to the departments affected.

In the case of 6. the state of emergency is general.

As a state of emergency only come about after balls have been dropped abundantl and as this already betokens either bad morale or security risks present, do not be too upset, HCO representative, if your actions meet protest in one form or another in the Central Organization. Your action triggered only an existing protest. So don't ever w orry about my standing behind you. I stand behind department heads and the Assoc. Sec. all the way unless a state of emergency develops. Then I back up HCO.

A State of Emergency must be declared by the Assn. Sec. or, in his absence, his deputy, by the HCC representative before it officially exists.

One State of Emergency may only exist for ten days from the date it is declared, but may be declared again immediately after if the defined emergency is repeated.

L. RON HUBBARD

LRH:aec:bg

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