

HUBBARD COMMUNICATIONS OFFICE
Saint Hill Manor, East Grinstead, Sussex

HCO POLICY LETTER OF 29 OCTOBER 1970

Remimeo
Exec Hats

Org Series 10

THE ANALYSIS OF ORGANIZATION BY PRODUCT

The different products involved in production are:

1. Establishing something that produces. (Product 1)
2. Operating that which produces in order to obtain a product. (Product 2)
3. Repairing or correcting that which produces. (Product 3)
4. Repairing or correcting that which is produced. (Product 4)

Example: A typewriter is manufactured and located on a desk. This is establishing something that produces as in (1). A typist operates or runs the typewriter which thus produces typed sheets, stencils, etc which are the product produced. This satisfies (2) above. The typewriter from various causes eventually requires repair in order to continue to produce. This satisfies (3). The correction of things typed would satisfy (4).

These are the four basic PRODUCTS involved in production.

Thus there are really four basic products necessary to a production activity. These are:

1. The established machine.
2. The machine's product.
3. The corrected machine.
4. The corrected product.

That makes a minimum of 4 products for any production cycle.

Three major factors govern every product. These are:

- A. Quantity
- B. Quality
- C. Viability

Quantity would be an acceptable, expected or useful volume.

Quality would be the degree of perfection of a product.

Viability would be the longevity, usefulness and desirability of the product.

As *each* product in the four listed above has *three* factors in each product, there are then 12 major points (4 x 3) regulating production.

Product 1 -- Establishing the typewriter, contains:

- (i) The quantity of typewriters established.
- (ii) The quality of the typewriters established.
- (iii) The viability of the typewriters established.

Product 2 -- The product of the typewriter (typed things) also has three:

- (iv) The quantity of the typed things.
- (v) The quality of the typed things.
- (vi) The viability of the typed things.

Product 3 -- The repair of the typewriter itself also has three factors:

- (vii) The quantity (amount) of the repair.
- (viii) The quality of the repair.
- (ix) The viability of the repair.

Product 4 -- The correction of the thing produced.

- (x) The quantity (amount) of the corrected product.
- (xi) The quality of the corrected product.
- (xii) The viability of the corrected product.

Thus to get a product "typed things" there are actually 12 separate factors.

This applies to all machinery. For instance there is the generator that produces and there is the thing (electricity) produced by the generator. There is the repaired generator. And there is the corrected electricity (such as reducing its voltage or converting it).

Now if you did not know that you were handling 12 factors in producing electricity the tendency would be to "just run the generator" and ignore the actual factors governing production.

The results of this would be total operation only. The generator would soon go to pieces. The electricity furnished would vary all over the place and blow out other equipment. There would be no funds to repair or replace the generator when it broke down. By paying little attention to products (as the wog world often does) or by shifting their importances--giving total importance to running it--there would soon be no viability at all. The end result would be 2 wrong products--scrap metal that was once a generator and no electricity.

Now, surprise, surprise! An organization composed of people is influenced by these same things!

Org Product 1 is putting it there.

Org Product 2 is what the org produces.

Org Product 3 is the repair of the org.

Org Product 4 is the correction of the org's product.

If we do not know these products and factors exist, continual mistakes can be made just as bad as just running a generator. Instead of the desired final product which is offered and sold and delivered, we get scrap paper and insolvency.

To establish an org one has to put one there. This requires a desirable and economic product of the org envisioned, the technology of making the final product, the technology of making and handling the org, the procurement of a location, recruitment, an org bd, hats, and training and the equipment and materiel needed to produce the final product and the obtaining of the raw materiel to make the final product. Thus established, it must be done so that:

- (i) The amount of org is created proportionate to its final product demand.
- (ii) The quality of the org itself—shabby, posh, active or lazy, etc.
- (iii) The viability of the org (how long will it last economically, how will it expand, does income exceed out-go, etc).

The Product of the org itself is regulated by:

- (iv) The quantity of product produced (which must be of sufficient volume to satisfy demand).
- (v) The quality of the org's product or products, (which must be adequate to satisfy those requiring and paying for the production).
- (vi) The viability of the org's product (how long does it last and is it adequate for its value).

The Repair of the org itself must be:

- (vii) The quantity or amount of repair necessary to make the org functional (which may amount to simply giving it a new letterhead or rebuilding the whole place, nearly the establishing product again).
- (viii) The quality or expertness of the repair, (a bad one could destroy the place).
- (ix) The viability of the repair (if the right WHY is handled the repair as a product will last a long time and if a wrong reason for decline is handled the place will just cave in again).

The correction of the org's product to obtain a uniformly satisfactory product:

- (x) The quantity (proportion) of the org's product that has to be corrected (which might require, if too high, the repair of some part of the org itself).
- (xi) The quality of the correction (expert and can be afforded and itself non-destructive).
- (xii) The viability of the product corrected. (Will it last and be nearly as good as the better produced product?)

All these factors must be consulted.

ANALYSIS

If one understands these factors and realizes they are all present in running an egg beater or the world's biggest oil company, one will not be groping around in rags.

A checklist of the 12 factors influencing the 4 major products can be made up and each point as it relates to an org can be studied about a particular org.

One has here the basics. From these there can arise a near infinity of lesser items.

When one does not know these basics one flounders endlessly while attempting to handle a post, a portion of an org or the whole org. One gets into a frantic correct the errors and out-points or goes into apathy as he has no guidelines.

However, using these basics, one can easily check them off and so see what he has to do to more closely approach the ideal.

In Dianetics and Scientology, for example, the final pc product of Flag auditors trained on the same HCOBs as field auditors, on *rougher* pcs, is infinitely better than the pc-product elsewhere. This is a puzzle. The clue is not in auditing at all. It lies in an earlier product—training. A Class VI or a Class VIII auditor on Flag was trained (a) more rapidly (amounting to as little as 1/6th of the time in an org) and (b) more honestly and (c) the Flag auditor is expertly corrected as a product when he begins to audit until the auditing product is perfect. The training (quantity, and lasting quality) on the course is better and the training extends to training on post until the auditor's product (the auditing of the pc and the pc) need little or no product correction. The equivalent used to be required HGC training—on post training—for a staff auditor to become a *staff* auditor. In no org did auditors go fresh from school into auditing with no further training. This went out in some orgs. The product "corrected auditor" became a missing product. Thus Flag auditing produces a better product as *that* product—corrected auditor—exists on Flag.

This is given to show the *use* of the product factors.

Where any of these products or factors are missing, the viability of the whole is shaken. By using them the whole becomes viable.

L. RON HUBBARD
Founder

LRH:rr.rd
Copyright © 1970
by L. Ron Hubbard
ALL RIGHTS RESERVED

This is Reproduced and issued to you by
The Publications Organization, U. S.