

HUBBARD COMMUNICATIONS OFFICE
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Remimeo

Finance Series 27

CHANGING WORKABLE FINANCE SYSTEMS

(Note: I have not been on Finance lines for many years. But I was the first Flag Banking Officer. I evolved the hat out of a morass of confusion an area had fallen into and pulled the area out and it thereafter prospered. The hat of FBO was passed on to others and, when worn the way it was designed (covered in Finance Series 1), orgs and staffs have prospered and the public has attained far better service. Although it is not my job and although I receive no recompense, I recently observed some strange outnesses in org finances, simply by looking at some stats. I have a good record of making orgs solvent and prosperous and I was always the one to instigate bonuses and improve staff pay and I could see, by indicators, that these points were not optimum today. So I suggested to those in charge of things now that they investigate. They did. They found something that is quite new in orgs—some instances of dishonesty. Today we live in an era where the psychologist teaches the blessings of being a crook: All men, they say, are basically dishonest and that it is only a question of how much temptation is required. Of course, that is a lot of you name it. But where some person, newly off the street, gets a post and, having been taught in psychology-dominated schools since he was five that he was natively a crook, orgs can get areas of dishonesty. There is, of course, a pitiful side to this: The poor blank sets himself up for no case-gain and may even be consigning himself to no new life: Overts against Scn recoil case-wise and that's not just propaganda. Those in charge found these areas and the instigators have been shot from guns. But I think, as a favor to my friends, I had better write this up. You may have been curious why, when I went off the lines, things went wrong. Well, here's a lesson. LRH)

Beware of people who change workable finance systems.

In the past two years at least three instances have come up where finance systems had been changed to everyone's detriment.

The first of these goes way way back. We used to have a very workable finance system as given in Finance Series 1 and 11. It was the FBO NW. Everything got along fine: It was relatively simple. Where there was an FBO orgs got solvent and staffs got paid.

Then Herbie Parkhouse, DGFWW, got on the line. He used a tax report flap and other means as excuses to push the FBO system out. The reason for his changes was evidently personal power. Org solvency declined, staffs went into apathy over inability to control their income, International Reserves went down.

The system is being reverted now and Parkhouse has been shot from guns. But the cost to orgs and staffs was staggering. If they had not been arrested they could have crippled Scientology. And these losses came right out of your pocket!

The second instance was an independent unit. It did specific production items. When no one was looking, the person in charge of it changed all the internal finance lines: This involved the wipe-out of all FP and every financial control. Her husband was the Treasury Sec and he and his staff then were able to embezzle huge sums of money. Production "costs," unwatched, soared. The products became overt products of little use to anyone. The losses were staggering.

These criminals are now under charges and will wind up in jail as the evidence is very plain. They were all failed cases (naturally, for who can get gain across such overts) and had other out-ethics situations around them. But the fact remains that here again some people changed a workable finance system for personal reasons. The system has been reverted but it caused an awful lot of loss in many other ways than money and the reward was jail bars.

The third instance has just come up. At first glance it seemed a small thing but on further look it became very big.

GI in a large org was always counted as "money actually received in the shop before 2 P.M. Thursday." Someone changed this policy to read, "Money that will possibly be invoiced anywhere in the world, even on the other side of currency control borders." The result was false GI you would not believe. Other out-ethics things came right in behind it such as wrongly crediting pcs to their advantage so as to make the GI look bigger.

Of course certain people would personally benefit. Anyone whose bonus was tied to GI in any way would be enormously over-paid.

The situation is under handling and with big long teeth by the proper authorities, but the fact remains that once again a finance system was changed so that someone could personally benefit and rip it off.

So you wonder where the staff pay got so undermined. And why financially things went somewhat sour.

All these things are handled and the systems are being reverted. But you can learn from this:

BEWARE OF ANYONE PROPOSING A CHANGE IN ALREADY WORKABLE FINANCE SYSTEMS.

Be very careful it is not being done to bring about a personal rip-off.

The org and YOU are the ones who suffer from this. You would not stand still for a squirrel change in workable tech. Tech works. Why tolerate changes in workable finance systems?

BE ALERT!

L. RON HUBBARD
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