

## 11C - The Advantages of Linking Management Systems

### Presenter

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### Session Summary

It is important to improve the dialogue between financial, quality, IT, and environmental management systems. In many instances, the members of one group do not fully understand the tasks and challenges occurring in other departments and how their outputs affect the other's inputs. For true success, Quality and Environmental Managers need to understand the language of Finance and the effect that operations has on the bottom line; conversely, Financial Managers need to know how Quality and Environmental Managers can help improve results.

To accomplish this goal, organizations can link their quality, environmental, information technology, and financial management systems together. In the long run, this produces many benefits such as: cost savings, continual improvement of processes and products, and a greater understanding of each other's work and responsibilities.

A typical financial management system consists of six elements:

- (1) Investment management,
- (2) Statement of cash flow,
- (3) Profit and loss statement (P&L),
- (4) The balance sheet,
- (5) The general ledger, and
- (6) A system of internal control.

During the session, we examine each of these six elements to understand how linking all management systems together provides inputs and supports for financial management, as well as meet the standards for Sarbanes Oxley.

### About the Presenter - Dr. Sandford Liebesman

**Dr. Sandford Liebesman** has over 35 years experience in quality at Bell Laboratories, Lucent Technologies, Bellcore (Telcordia), and KEMA Registered Quality. He is an ISO 9000 subject matter expert and lead auditor, and is also the author of *TL 9000, Release 3.0: A Guide to Measuring Excellence in Telecommunications, 2<sup>nd</sup> Edition* and *Using ISO 9000 to Improve Business Processes*. Dr. Liebesman is a member of ISO Technical Committee 176 and the ANSI Z-1 Committee. He helped five organizations at Lucent obtain ISO 9000 and TL 9000 certifications, and he is currently leading the SOX Team in support of compliance to the Sarbanes-Oxley Law (SOX). He is a regular contributor to the Quality Progress standards column, and recently published an article on ISO 26000; Dr. Liebesman is also Chairman of the ASQ Electronics and Communications Division, and was recently elected as a Fellow of ASQ. Dr. Liebesman's academic credentials include an engineering degree from the United States Naval Academy and a Ph.D. (Operations Research) from New York University. He has also taught statistics, quality control, quality management and operations research at Rutgers University in New Jersey.