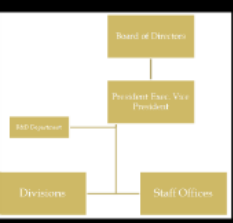




Approval procedure

Budgeting system classification:
The structure of flow

- Shows the nature of information on the problem situation.
- The purpose of this activity:
 - Shows which activities are being increased.
 - Eliminated.
 - Being proposed.

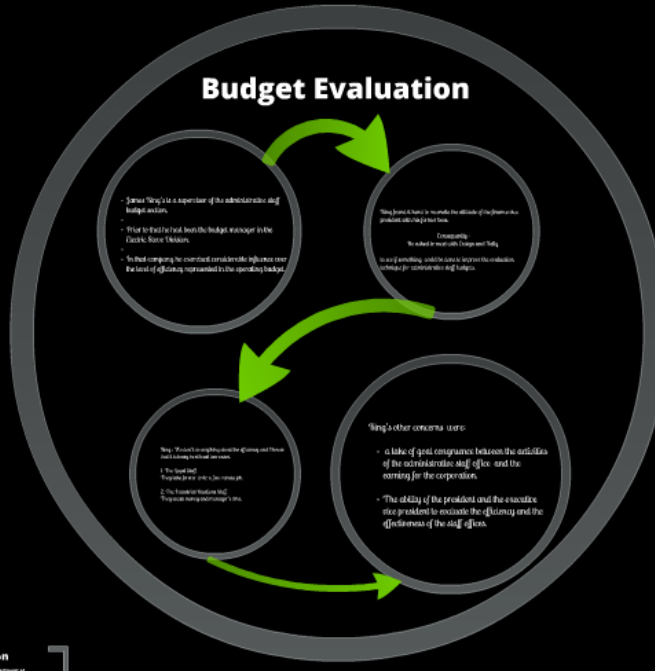


Organization

Introduction

- Agency activities, both inside and outside the business.
- A number of divisions which operating activity, each with its own budget.
- Agency activities, both inside and outside the business.
- A number of divisions which operating activity, each with its own budget.

Division	Revenue	Expenses	Net Income
Division A	100	80	20
Division B	120	90	30
Division C	150	100	50
Division D	180	120	60
Division E	200	140	60



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Organization

Staff officers are in relation to the total budget of corporation, the work, the extent of relationship varied depending on nature of staff officer activity.



Organization

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Sharif University of Technology
Graduate School of Management and Economic

Management Control Systems

Case 4-5

Sturdivant Electric Corporation

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Araz Khodabakhshian(90201743)

Amin Zarbakhsh(90201827)

Mahsa Sarafrazi (90201776)



Introduction

Westport Electric,

- **one of the biggest US corporation**
- **Located in Westport, Connecticut.**
- **Electric and Electronic products**
- **\$9b sells and \$750m after-tax profit in 1983**



Organization

→ **4 Operating Activities, Each headed by a group Vice President.**

a number of divisions in each operating activity, which sum up to 25 in the corp.

- *Relatively independent*
- *Headed by a divisional manager, who is responsible for the division's adequate profit*
- *Known as a profit center*
- *Also known as the basic operating unit of Corp.*

Westport Elec.

Electrical Generating
and Transmission

Div1

Div2

...

Home Appliance

Div1

Div2

...

Military and
Space

Div1

Div2

...

Electronics

Div1

Div2

...