

**An Analytical Study on Organizational Budgetary Control
System and Performance Evaluation**

(With Special Reference to Sri Lanka Telekom Plc)

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ABSTRACT

Budget and budgetary control, both at management and operational level looks at the future and lays down what has to be achieved. Control and checks whether or not the plans are realized, and puts into effect corrective measure where deviation or shortfall is occurring. This research examines the budget practices in budgetary control system and performance evaluation of Sri Lanka Telekom Limited by presenting an analysis of survey data. Recent developments such as globalization, strong competition and rapid advances in information technology have substantially transformed the business environment. Therefore organizations have excellent control over their budgets otherwise business will not be able to compete effectively.

An empirical study was undertaken, using the correlation analysis, regression analysis and hypothesis testing. In the most of cases considered, established the presents of strong relationship between the actual and budgeted revenue and expenditure. The research uses some statistical analysis to examine and evaluate the collected budgetary information and presents the finding and conclusions. The results show that Sri Lanka Telekom uses budgets as part of their planning and control mechanisms are used as a performance evaluation tool and exercise that accounting information process is functioning appropriately. Following our findings we advice the managers and the staff to pay the more attention to their budgetary control system.