

In this paper, efforts involving organization-wide data integration are examined in the cases of Kaiser Permanente, Devlin Electronics, Southern Cross, Inc., Greenfields Products, and Burton Trucking Company.

Organization-wide data integration tends to lead to the following benefits in the context of enterprise-level planning and decision making: improved managerial information for organization-wide communication, improved operational coordination across sub-units or divisions of an organization, and improved organization-wide strategic planning and decision making.

However, because multiple sub-units are involved, data integration can also increase costs by increasing the size and complexity of the design problem or increasing the difficulty in getting agreement from all concerned parties. These barriers include compromises in meeting local information needs, bureaucratic delays that reduce local flexibility, and higher up-front costs of information system design and implementation.

Therefore, choosing the appropriate level of data integration in an organization may require trading off improved organization-wide coordination against decreased local flexibility and local effectiveness. In an organization, top management should allow each division to design and implement its own systems, based upon best serving its local needs. Developing a single logical design for use across multiple sub-units can be difficult. Data integration may change the organizational information flows, and affect individual roles and organizational structure. In addition, the cost of designing and implementing data integration must be considered because it might be much higher than expected.