TechnologyOne Post Implementation Review

Internal Audit Report

The Corporation of the City of Adelaide (CoA)

—

April 2025

Acknowledgement of Country

KPMG acknowledges Aboriginal and Torres Strait Islander peoples as the First Peoples of Australia. We pay our respects to Elders past, present, and future as the Traditional Custodians of the land, water and skies of where we work.

At KPMG, our future is one where all Australians are united by a shared, honest, and complete understanding of our past, present, and future. We are committed to making this future a reality. Our story celebrates and acknowledges that the cultures, histories, rights, and voices of Aboriginal and Torres Strait Islander People are heard, understood, respected, and celebrated.

Australia's First Peoples continue to hold distinctive cultural, spiritual, physical and economical relationships with their land, water and skies. We take our obligations to the land and environments in which we operate seriously.

Guided by our purpose to 'Inspire Confidence. Empower Change', we are committed to placing truth-telling, self-determination and cultural safety at the centre of our approach. Driven by our commitment to achieving this, KPMG has implemented mandatory cultural awareness training for all staff as well as our Indigenous Peoples Policy. This sincere and sustained commitment has led to our 2021-2025 Reconciliation Action Plan being acknowledged by Reconciliation Australia as 'Elevate' – our third RAP to receive this highest level of recognition. We continually push ourselves to be more courageous in our actions particularly in advocating for the Uluru Statement from the Heart.

We look forward to making our contribution towards a new future for Aboriginal and Torres Strait Islander peoples so that they can chart a strong future for themselves, their families and communities. We believe we can achieve much more together than we can apart.

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Executive Summary

Background

In accordance with the 2024/2025 Plan for the Corporation of the City of Adelaide (CoA), an internal audit focussing on a post-implementation review of the TechnologyOne upgrade was performed. The objective, scope and approach are outlined below.

Objective

The overall objective of this internal audit included assessing the effectiveness of the TechnologyOne upgrade from on-premise to cloud (the TechOne Project), by performing a post-implementation review of the TechOne Project. Key areas of focus included project management, governance and arrangements put in place, delivery of project benefits and consideration of lessons learned and overall areas for future improvement.

Scope of services

To address the overall objective above, the scope of this engagement included consideration of the adequacy of processes and key controls over the following areas:

- Project governance frameworks and processes, including clarity of roles, responsibilities and accountabilities of key project activities.
- The project management methodology adopted during the upgrade, focusing on planning, execution and stakeholder engagement.
- Project risk management activities, including identification of project risks and controls and ongoing monitoring.
- Changes to scope during project delivery, including noting of change requests and modifications or enhancements made to the system post-implementation.
- Processes to manage project costs, including review and approval of variations to the project budget.
- The adequacy and effectiveness of change management activities during implementation, including communication, user training and heightened support.
- Overall achievement of project outcomes, including achieving key business case identified benefits.
- Lessons learned in terms of what went well and what could be improved upon, and what could be done differently for other IT related Projects delivered by the CoA.

Note: Subsequent to the approval of the Scope of Work, the Management of the CoA requested for an increase in the Scope to include a review of the approval process of the transition of the TechnologyOne debtors module to Pathway (the DT Project). This review did not include a review of the transition of Pathway from on-premise to cloud.

The detailed scope and approach is included in **Appendix 1.**

Summary of Findings

The number of findings identified during the course of this internal audit is shown in the table below. A full list of the findings identified, and the recommendations made, is included in the detailed findings of this report. Classification of internal audit findings is detailed in **Appendix 3**.

Critical	High	Moderate	Low	PIO*
-	3	1	-	-

**PIO: Performance Improvement Opportunity*

Executive Summary

Summary of key themes and findings

Large-scale technology projects often involve multiple stakeholders, intricate systems, and extensive integration efforts, which can lead to increased complexity and potential for errors. Limited resources, including budget, time, and skilled personnel, can also impede the progress of technology projects.

Overall, the post-implementation reviews of the TechOne Project and the DT Project highlighted areas for improvement required in the CoA's technology project governance, project management and change management.

Going forward, there is an opportunity for the CoA to put in place the governance and risk management frameworks and procedural processes to support the ongoing management for technology-based projects. The key themes and findings from the internal audit are summarised below:

- **Gaps identified in CoA's overarching technology project governance:** An uplift is required in the CoA's oversight and governance over technology projects. During the implementation of both projects, the CoA did not utilise a formalised IT project management framework. While an Information Technology Project Management Framework was developed by the CoA, this framework was not utilised as it was out of date at the time of the TechOne Project and DT Project. The absence of adherence to a structured framework contributed to incomplete documentation, inadequate risk management, and insufficient stakeholder engagement during implementation of both projects.
- **Inadequate approval process and post-implementation challenges for the DT Project.** Formalised and documented review and approval of the planned debtors transition was not conducted**.** The results of the DT Project have resulted in challenges to the CoA with personnel having developed manual 'workarounds' to address system limitations.
- **Improvements are required in the maintenance and record keeping of key project documentation**: Maintenance of project documentation for both the TechOne Project and DT Project was a key challenge with key project documentation being in 'draft' state and not progressively updated throughout the project. Regular updates to project documentation will support effective project governance and allow for risks (such as gaps in the change management strategy) to be identified and mitigated earlier.
- **Improvements are required in the CoA's adequacy and effectiveness of change management activities**: For both projects a lack of a change management strategy and dedicated training plan for business users were identified, highlighting shortcomings in the CoA's change management processes for technology projects.

Positive Observations

While a number of findings were identified during the internal audit for improvement in the two projects assessed, areas of good practice were also identified which are outlined below.

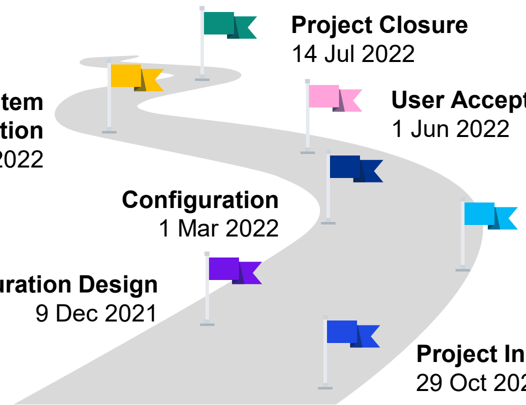
- ✓ **The initial Project Management Plans were well developed and included key project management sections and contents.** While the Project Management Plans for the TechOne Project and DT Project were not periodically updated during the implementations, these initial Project Management Plans were well developed and included key project management sections and contents (and where applicable, reference to supporting plans).
- ✓ **For the TechOne Project, the Fresh Service Desk ticketing system provided post-implementation support.** The Service Desk allowed users to raise tickets on any issues or queries relating to the new system. This allowed a clear pathway to collate feedback on the implemented system and an efficient process to address user issues.
- ✓ **It was advised by CoA Management that the CoA's Technology Project Management Framework is being reviewed and will be updated.** Key issues identified in this review stem from the lack of a comprehensive framework to guide the implementation of technology projects, including essential documentation for project execution, delivery, and risk management. The updated framework will provide critical support to the CoA in the implementation of future technology initiatives.

Background

Overview of the TechOne Project

In 2021 the CoA initiated a project to move the on-premise TechnologyOne data and system to a cloud-based platform. This was driven by the fact that TechnologyOne was ceasing support to on-premise solutions.

A successful implementation of the TechOne Project was anticipated to provide the CoA with a range of benefits, alongside minimisation of the risk of loss of data due to the cloud set up. The implementation of the TechOne Project went live on 4 July 2022, with other key milestones shown below:



In addition to the migration of the system from on-premise to the cloud, the CoA also completed a change to the chart of accounts with the aim of consolidating the existing eight ledgers into two ledgers: the General Ledger and Project Ledger. This change was documented within the TechOne Project Initiation and Management document. It is noted that an internally driven lesson learnt session was not conducted following implementation (refer to Finding 4).

Overview of the transition of the DT Project

The CoA initially planned to include the debtors functionality, including invoicing, as part of the scope of the TechOne Project. However, it was subsequently decided to transition the debtors module from TechnologyOne system to the Pathway system (the DT Project). This decision was not formally documented and approved (refer Finding 2). This project began in July 2022 and went live in November 2022, which was four months following the go-live of the TechOne Project.

Governance for both project implementations

A Steering Committee was established to govern both implementations (the TechOne Project and DT Project), which included key stakeholders that were heavily involved in both projects. This included the Project Sponsors, Business Owner, Project Management and a Program Manager. The monthly meetings between the Steering Committee addressed the overall project progress for both projects, change request approvals and also provided project support where appropriate.

While the CoA has developed an Information Technology Project Management Framework (the Framework), this Framework was not utilised in the implementation of both the TechOne and the DT Projects. Stakeholder meetings highlighted that the Framework was not utilised as it was out of date at the time of implementation.

Resourcing Structure and Project Management for the TechOne Project

The CoA obtained an outsourced Project Manager (PM) and Business Analyst (BA) from Bailey Abbott SA Pty Ltd. where both roles assisted in the CoA TechOne Project implementation team. Whilst these two resources were contracted, there was also a range of CoA stakeholders guiding and delivering the TechOne Project. Further, the Finance Team collaborated closely with the PM, BA, and the CoA IT team to implement the TechOne Project.

Background

Resourcing Structure and Project Management for the TechOne Project (contd.)

Due to the impact of the TechOne Project, many business unit stakeholders were involved across the implementation, and these were identified in the TechOne Project Initiation and Management document.

While the TechOne Project Initiation and Management document identified key stakeholders, it lacked comprehensive details on governance and decision making processes, such as required approvals, escalation procedures, and documentation for risk and issue management.

Project reporting was also not formalised, including leaving meeting actions untracked. Critical artefacts like Test Strategy were absent, and many project documents remained incomplete or in draft form. These gaps underscore governance and procedural shortcomings, as detailed in Finding 1 and Finding 3.

Resourcing Structure and Project Management for the DT Project

The Implementation team that drove the DT Project was the same team as the TechOne Project. While the resourcing structure and Steering Committee of the DT Project provided consistency in the project implementation, key gaps present in the TechOne Project were also noted in the DT Project. These included ongoing maintenance and update of project management documentation during the implementation, including, the Project Management Plan Debtors document, Risk Issue log and Project Quality Register (RAID) (refer Finding 3 for further details).

Change Management

Effective change management supports the implementation of IT projects as it minimises disruptions, reduces resistance, improves communication, engages stakeholders, increases project success rates, and maintains project scope and quality.

The TechOne Project:

The transition of TechnologyOne from an on-premise system to a cloud-based solution was managed using multiple key documents:

- Project Initiation and Management Plan: This document outlined the project scope, objectives, and organisational structure, serving as the foundational blueprint for execution.
- Communication Plan: This plan specified the communication strategy, including the target audience, frequency, and types of communication mechanisms.

A shortfall in change management was identified during the TechOne Project, which included the absence of a dedicated training plan for business users and key stakeholders. This gap arose as the TechOne Project team believed that the new cloud system was sufficiently similar to the existing on-premise TechnologyOne system, and thus, additional training documentation was deemed unnecessary. This oversight led to inadequate preparation and support for those involved in the TechOne Project and business users.

The DT Project:

As outlined in Finding 2, the DT Project faced several challenges post-implementation due to a lack of formalised consideration and approval of the transition. Business users reported inadequate change management efforts, including insufficient communication of benefits and lack of training during and after the implementation.

Additionally, the absence of formal follow-up consultations post-implementation limited the CoA's ability to assess project success and user satisfaction with the new system. This gap in feedback contributed to ongoing issues during the DT Project. Better practice includes a robust consultation and feedback mechanisms to ensure continuous improvement and address user needs effectively. For further details on observations relating to Change Management for both projects refer to Finding 3.

Summary of Findings

Internal Audit identified three (3) high-rated findings and one (1) moderate-rated finding. The details of the findings are provided in the **Detailed Findings** section of this report. These findings have been individually rated as outlined below. The classification of risk ratings in this report are based on the CoA's risk ratings (as shown in **Appendix 3**).

Critical	High	Moderate	Low	PIO
-	3	1	-	-

Rating	Ref #	Description
High	**F1**	Governance and management of the TechOne Project
High	**F2**	Inadequate approval process and post-implementation challenges for the DT Project
High	**F3**	Inadequate maintenance of project documentation
Moderate	**F4**	Change management not well documented and formalised

Detailed Findings

Finding 1: Governance and management of the TechOne Project

High

Observations	Recommendation(s)	Agreed Management Actions
Gaps in governance and adherence to effective project governance and management practises were identified in the TechOne project, leading to issues in project execution, monitoring and user satisfaction. **Need for an updated Project Management Framework to guide technology implementations** While the CoA had developed an Information Technology Project Management Framework (the Framework), the Framework was out of date at the time of implementation of the TechOne Project (and the DT Project) and was therefore not utilised. As a result, a structured methodology to manage the complex processes, tasks and risks associated with the system implementation were lacking. Such a framework seeks to ensure that all aspects of the project are systematically approached, facilitating better planning, execution and risk management, including introduction of key checkpoints along an IT project's implementation. Stakeholder consultations indicated that the CoA is currently in the process of updating the Framework. It is recognised that the Project Initiation and Management document included a number of key project management aspects. This document, however, was not updated during the implementation and had a number of gaps as outlined below. *Continued on following page.*	1. The CoA to expedite efforts to update the Framework to further support technology project governance and decision-making processes, including required approvals and escalation for document sign-off, risk and issue management, stage-gate reviews, and contract milestone approvals. As required, update supporting procedures and project management document templates to enable effective implementation of the updated Framework. These documents and practical processes will support the CoA in managing future IT projects and can be updated and refined based on the size and complexity of projects.	1. The Information Management team has identified a lack of consistency in IT Project Management governance and is currently reviewing and updating the IT Project Governance Framework. Additionally, Information Management has re-established the Business Systems Committee (BSC) that will provide further project governance and oversight to the broader roadmap of Business systems related transformation. Key actions: i. Re-establish the Business Systems Committee, including updated Terms of Reference (ToR). ii. Review and update IT Project Governance Framework, including adoption by BSC. **Responsibility:** i. & ii. Associate Director, Information Management **Target Date:** i. 31 December 2024 (complete) ii. 30 September 2025

Finding 1: Governance and management of the TechOne Project (contd.)

High

Observations	Recommendation(s)	Agreed Management Actions
Continued from previous page. **Project governance and decision making** While the CoA TechOne Project Initiation and Management document captured certain governance elements including stakeholder roles and responsibilities, and approach for delivery, several good practice governance arrangements were missing, including a lack of detail regarding: • *Governance and decision making:* Required approvals and escalation procedures and how these would apply to document sign-off, risk and issue management, establishment of stage-gate reviews and approvals and contract milestone approvals. Whilst the Project Initiation and Management document outlines the risks related to the Project, further guidance is not set out which outlines the procedure to be undertaken if risks materialise. • *Project reporting:* No minutes or approval of the actions mentioned in the weekly reporting and Steering Committee presentations were formally documented to articulate and track the actions from each Steering Committee and weekly meetings. • *Project Scope Change Process:* While the Project Initiation and Management document identified the responsible individuals for reviewing and approving changes to project milestones, it does not define the required change control steps, documentation and approvals for change identification, reporting, and impact assessment. • *Required milestone artefacts:* The Project Initiation and Management document details the seven key milestones which the project will achieve, however, there is no further detail to outline how each milestone will be achieved. *Continued on following page.*	2. While the Framework is being updated (Recommendation 1 above), implement the existing Framework to provide greater governance on IT projects. For projects currently being implemented, considering the risk and importance of the IT project, conduct 'in-flight' review of those projects against existing Framework and address any gaps identified. 3. Ensure that minutes and actions from weekly reporting and Steering Committee meetings are formally documented, with assigned action items and deadlines clearly articulated and tracked. 4. Create a clear change control process, including steps for change identification, documentation, reporting, and impact assessment, as well as the necessary approvals for any project scope changes.	2. List of high-risk projects to be developed and plan to carry out in-flight reviews to be developed. 3. Minutes and actions will be reviewed as part of the in-flight review of projects planned in Management Action 2 (above). 4. Strong change control processes to be implemented from 1 July 2025 with the Project Steering Committee accountable for the management of scope for individual projects. **Responsibility:** 2 – 4. Associate Director, Information Management **Target Date:** 2. 1 May 2025 3. 31 March 2025 4. 1 July 2025

Finding 1: Governance and management of the TechOne Project (contd.)

High

Observations	Recommendation(s)	Agreed Management Actions
Continued from previous page. Internal Audit further noted: • The Project Initiation and Management document outlines the need to prepare an Acceptance Test Strategy, Test Plans and Test Scripts. However, a Test Strategy was not formally documented. Further, while a document was provided that showcased tests conducted, this document did not indicate how these tests were planned and was more focused on outcome of testing rather than a plan that showcases tests were done to address key risks during the implementation/relating to the system. • No Go-Live Readiness Report was developed prior to going live. This report is typically utilised for the organisation to review the testing and activities performed to ensure sufficient and appropriate actions have been undertaken prior to the system is live for use. Further, while no defined report was completed, there was also limited documentation outlining approval of the testing activities signifying that the test has been conducted appropriately and outcomes agreed. **Risks** • Lacking well-defined governance arrangements can lead to uncertainty regarding the required processes for managing the project and day-to-day decision making. This includes managing risks and issues which may impact the achievement of the project scope. • The lack of a clear change control process may result in either uncontrolled variations in scope, including scope creep, or under-delivery. • Without appropriate artefacts managed against stage-gate there is a risk that there is insufficient control regarding milestones in project delivery which may lead to misunderstandings both within the business and projects, and with third parties.	5. Reinforce the need to detail how each project milestone will be achieved in the project planning, including the required key project artefacts and the processes to manage these milestones effectively. The appointed Project Manager to verify the successful completion during stage-gate reviews. 6. As required, ensure the Framework contains a requirement for the preparation and approval of a Go-Live Readiness Report to review appropriateness and completeness of the testing activities performed. This will aid the CoA to identify if sufficient and appropriate actions have been taken before the next stage in the implementation plan and/or system goes live. This should include documented approval of testing activities.	5. & 6. The CoA will review, align and update documentation templates to the project phases. **Responsibility:** 5 & 6. Associate Director, Information Management **Target Date:** 5 & 6. 30 September 2025

Finding 2: Inadequate approval process and post-implementation challenges for the DT Project

High

Observations

The CoA did not undertake a formalised approval process for the transition of the debtors module. Further, there was a lack of formalised documentation that detailed the review and approval of the system design.

Approval of the transition of the debtors module

The debtors module was integrated with various systems across the CoA's IT environment. Consequently, reviewing and assessing the impact of this system on the CoA's IT environment would have been crucial to understanding the transition's effects on the Accounts Receivable (AR), Finance function and the broader IT ecosystem. However:

- Several system integrations were noted in the debtors process, but a design overview document and approval of design of transition from the Architecture Review Group was not available.
- Lack of availability of documentation that showcased that:
  - Benefits relating to the transition were formally defined and accepted.
  - Impact to the CoA's existing IT ecosystem was formally assessed.
  - AR and business units have understood and accepted the transition.

This lack of formal consideration of the DT Project's design and impact to the CoA's existing IT ecosystem has led to ongoing issues with the debtors module post-implementation, causing the AR team to develop manual 'workarounds' to manage these challenges.

Gaps in the implemented debtors module

Stakeholder consultations further outlined a range of system deficiencies as well as lack of functions which were previously available to the business users post the DT system implementation. This included the AR team indicating a range of issues they are experiencing with the implementation:

- Pathway assigns debtors on an account-basis rather than an invoice-basis; therefore, a manual process is conducted to identify actual aging of invoices. As a result, this process provides additional risk due to the CoA being unable to accurately monitor and track debts.
- Pathway is unable to generate/assign Credit Notes to specific invoices.

Continued on following page.

Recommendation(s)

1. Conduct a comprehensive review of all AR integrations within the CoA's IT ecosystem and identify key issues, deficiencies and manual workarounds currently being conducted. During this review, assess system integrations and data flows to identify where uplift is required. Develop and implement a plan to improve system integrations, eliminate manual workarounds, and address identified issues. Ensure that business stakeholders are engaged to understand business challenges with AR/debtors/invoicing system modules.
2. Ensure adherence to a structured and formal approval process for all IT implementations within the CoA (the Business Systems Committee can facilitate this). To ensure this approval process is in place, resource allocation should not be granted unless this approval is formally documented and provided. This process should include detailed documentation of system design reviews and impact assessments.

Agreed Management Actions

1. & 3. The CoA will review current AR function, including current integrations, manual work arounds, and identify key issues and opportunities for improvement and develop a remediation plan and, if required, consideration for 2026/2027 Business Plan and Budget process.

Responsibility:

1. & 3. Acting Manager, Finance and Procurement & Associate Director, Information Management

Target Date:

1 & 3. 31 December 2025

2. Agree, as outlined in Management Response 1 to Finding 1, the re-establishment of the Business Systems Committee will provide further governance and oversight to the broader IT roadmap for the CoA.

Finding 2: Inadequate approval process and post-implementation challenges for the DT Project (contd.)

High

Observations	Recommendation(s)	Agreed Management Actions
Continued from previous page. Business users also highlighted a range of inefficiencies with the system, including that they are unable to attach additional documentation to an invoice. This has resulted in business users having to send a separate email with the relevant documentation attached. As noted above, due to system limitations, 'workarounds' have been developed by the AR team, however, these 'workarounds' have not been formally documented. **Risks** • Without proper consideration of system integrations, technology projects may encounter significant technical challenges. These can include data mismatches, system incompatibilities, and failures in communication between different systems, leading to delays and additional costs. • Failure to document impacts means that stakeholders may not fully understand the effect of the project on existing systems and processes. This can result in unforeseen disruptions, stakeholder dissatisfaction, and resistance to change. • If a system design review is not properly approved and documented, critical issues with integrations and system architecture may go unnoticed. This increases the risk of system failures, user dissatisfaction, and costly rework. • If key AR team members leave or new members join, there could be a loss of knowledge regarding 'workarounds' developed, making it difficult for new employees to understand and apply them correctly.	3. Identify any manual workarounds currently being employed to address integration issues or system limitations. Document these workarounds, including the reasons they are in place and the processes/steps involved.	

Finding 3: Inadequate maintenance of project documentation

High

Observations	Recommendation(s)	Agreed Management Actions

Gaps were identified in the maintenance and completion of key project artefacts for the TechOne and DT Projects. This included multiple documents still in draft form, lacked proper sign-offs and contained incomplete sections.
 	
Inadequate maintenance of project documentation for the TechOne Project
• Whilst a Project Risk, Assumption, Issues and Dependencies (RAID) document was developed, multiple tabs were incomplete, including:
  o Risk Register:
    o Treatment Plans were not available for one (1) extreme, two (2) high and one (1) moderate risks.
    o Risk Status was marked as ‘Open’ or blank for 27 extreme, 16 high, four (4) moderate and two (2) low risks.
  o Issue Register: Of the 95 issues noted in the Issue Register, the status of 60 of those issues were marked as ‘Open’.
  o Decision Register: 65 out of 89 decisions remained as opened or no status provided. Additionally, only 24 of the 89 decisions had a documented impact summary completed.
  o Dependencies Register: Six (6) dependencies were listed, with all six (6) recorded with the status as ‘opened’.
  o Change Register: Only one (1) change was identified as being documented with limited details provided regarding the status, process and reason for the change request.
  o Assumption Register: 70 assumptions were listed within this register, however, only eight (8) were documented as closed, 61 assumptions were documented as either opened or no status provided, and one (1) assumption was identified with an opened status, however included a closed date.
  o Opportunities Register: 14 opportunities were documented; however, none were documented as closed. Additionally, only one (1) opportunity was assigned to a staff member to complete.
 	
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	1. Ensure that all project artefacts, such as the RAID document, are thoroughly completed, signed off, and regularly updated. This includes maintaining accurate version control and ensuring completeness before implementation.	1. The CoA will ensure clear processes and procedures are identified and documented that align to the CoA's records management practices for post project document management.
		
		Responsibility:
		1. Associate Director, Information Management
		
		Target Date:
		1. 30 June 2025

Finding 3: Inadequate maintenance of project documentation

High

Observations	Recommendation(s)	Agreed Management Actions
Continued from previous page. **Inadequate maintenance of project documentation for the DT Project** The Project Management Plan – Debtors document, which established the project plan and identified key stakeholders for the implementation was prepared by the outsourced PM. However, this Plan was in draft state and lacked sign-off. It is noted that the Project Management Plans for the TechOne Project and the DT Project employed distinct formats and templates, resulting in variations in their structure and content. For instance, the TechOne Project utilised a comprehensive Communication Plan maintained as a standalone document. In contrast, the DT Project Management Plan incorporates a condensed Communication Plan within the main document. It should be noted that the DT Project Management Plan was prepared by an outsourced project manager and deviated from the standard CoA Project Management Plan structure. For the DT Project, the following gaps in documentation were identified: • A RAID document was prepared, however, multiple areas that are incomplete, including: o Risk Register: Contained one (1) risk which was not entered completely, with the control, risk owner and relevant dates missing. o Issue Register: Ten (10) issues are noted within the register with only two (2) issues listed as closed and two (2) issues listed without a status. o Change Register: One (1) change was indicated, however, all areas of the Change Register were not complete for this one (1) change. o Opportunities Register: Five (5) opportunities are included in the register, however, these opportunities are not closed. o Decision Register: 33 decisions listed with seven (7) remaining open and one (1) without a closed or opened status. o Decision Register, Assumption Register and Lesson Learnt Log are incomplete with no data entered. • As per the Project Management Plan – Debtors document, a Schedule Management, Risk Management, Stakeholder Management and Issue Management plans are required to be submitted to the CoA by the outsourced PM on a weekly basis, however, no evidence was provided that these plans were formally submitted and reviewed by the CoA on a weekly basis. *Continued on following page.*	2. Develop and maintain CoA-approved templates of comprehensive documentation for all stages of IT project implementations, including requirements specifications, test plans, deployment plans, and user acceptance testing. Ensure that this documentation is reviewed and approved by appropriate stakeholders. 3. To ensure consistency between project management documentation developed by CoA and outsourced resources, enforce the use of standardised templates and documentation formats. This also aids in providing coverage of all necessary information to the Steering Committee/CoA-appointed PM.	2. & 3. The CoA will review, align and update documentation templates to the project phases. **Responsibility:** 2 & 3. Associate Director, Information Management **Target Date:** 2 & 3. 30 September 2025

Finding 3: Inadequate maintenance of project documentation

High

Observations	Recommendation(s)	Agreed Management Actions
Continued from previous page. • Formalised requirements specification documents, Test Plan, Deployment Plan, and approved User Acceptance Testing documents were not available, and stakeholder consultations indicated that, while testing was completed, there was a lack of formal documentation of the testing methodology/test cases, approval of the testing methodology, and approval by the CoA that the testing completed was adequate and the results were deemed appropriate for the DT Project to go-live. • With respect to project reporting: o No minutes or approval of the actions mentioned in the weekly reporting was conducted. o The Steering Committee reporting did not track the actions or assigned owners from each Steering Committee. This observation regarding project reporting for the DT Project is also applicable to the TechOne Project (refer Finding 1). To facilitate Management's review and response of this observation, the associated risks and recommendations have not been reiterated from Finding 1. **Risks** • Incomplete project documents during a technology implementation can pose various risks that can affect the success of the project. Key risks include: o Incomplete documents may result in misunderstandings about project scope, timelines, and deliverables, leading to delays. o If dependencies are not thoroughly documented, it can cause delays when unforeseen tasks or resources are required. o Incomplete communication plans can result in stakeholders not being adequately informed or engaged, leading to dissatisfaction and lack of support. o Without clear documentation, it is challenging to manage and align stakeholder expectations, potentially causing conflicts.	4. Create formal testing methodologies, including Test Plans, Deployment Plans, and User Acceptance Testing (UAT) documents. Ensure all testing outcomes are documented, reviewed, and approved by relevant stakeholders before moving to the next project phase.	4. Review project phases, milestones, including artefacts and approval stage-gates. **Responsibility:** 4. Associate Director, Information Management **Target Date:** 4. 30 November 2025

Finding 4: Change management not well documented and formalised

Moderate

Observations	Recommendation(s)	Agreed Management Actions

There was an absence of a documented change management strategy or plan for the TechOne and DT Projects, which led to inadequate change impact assessments, insufficient training, and inconsistent stakeholder engagement.
 	
Change management is crucial to the success of an IT project because it ensures that all stakeholders are fully informed, engaged, and prepared for the transitions that come with new implementations. Effective change management helps in clearly defining objectives, developing structured plans to meet those objectives, and establishing open communication channels with relevant stakeholders across the project lifecycle, which are essential to minimising resistance and maximising adoption. Further, it defines what training and support is required and allows for continuous monitoring and feedback, facilitating smooth transitions and addressing issues promptly.
 	
In contrast, this review identified lapses in these areas, including:
• No Change Management Plan was developed for the TechOne and DT Projects to provide a formalised plan on the rollout of the new systems including relevant trainings.
• Business users advised that they were not well informed or consulted prior to project implementation, including a lack of clear understanding on how the system would impact their existing workflows.
• No Training Plan was developed to outline the required trainings to support effective change management.
• Business users consulted consistently highlighted a lack of training that was provided. Additionally, inconsistencies were found in the training provided within the CoA, with certain business users indicating they had not received any training at all. Furthermore:
  o The training provided was not interactive with the new system and primarily focused on explaining the reasons behind its implementation. Moreover, there was no follow-up or refresher training offered to users to reinforce their understanding of the system.
  o No formal identification of key users which were to be trained during the planning stage for both projects, however, super users have now been identified.
 	
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	1. For future projects and implementations with an impact on system integrations, it is advisable to develop a change management strategy or plan that identifies the needs of various users, how they will be impacted, and design/tailor appropriate training and support measures.	1. The CoA will develop a flexible and fit for purpose change management/ business readiness framework that can be used and adopted for future projects. Noting that CoA has identified change management as an organisational action in CoA's Culture Survey action plan, and further refinement and alignment will be made once that action has been progressed.
		
		Responsibility:
		1. Associate Director, Information Management.
		
		Target Date:
		1. 30 June 2026.

Finding 4: Change management not well documented and formalised (contd.)

Moderate

Observations	Recommendation(s)	Agreed Management Actions
Continued from previous page. • A lessons learned review and/or feedback on the implementation of the projects was not formally obtained from stakeholders of the projects, including business users. **Risks** • Without having a clear change management strategy or plan that includes change impact assessments, communication and training efforts may be ineffective, leading to confusion, resistance, and ineffective resource allocation. • Without proper change management, employees might struggle to adapt to the new technology, which can result in decreased efficiency and productivity. • The anticipated benefits of the technology implementation, such as improved efficiency, cost savings, or competitive advantage, may not be fully realised if change management is neglected, leading to a reduced return on investment. • Insufficient training and support can lead to a higher incidence of user errors, technical issues, and operational disruptions, affecting overall performance and reliability of the system.	2. Structured training plans should be developed, including interactive training sessions with the new systems. Identify and designate users and key/super users for detailed early training, who can then act as additional support within their teams. Training plans should accommodate different learning modes and include follow-up and refresher sessions. 3. To support continuous improvement in IT project delivery, it is recommended that the CoA: i. Develop a standardised feedback mechanism (e.g., surveys, interviews, feedback forms) to gather insights from all relevant stakeholders, including business users, project team members, and other involved parties. ii. Conduct mandatory post-implementation review meetings with key stakeholders to discuss the successes, challenges, and areas for improvement encountered during the project. The CoA should ensure responsible parties are identified that will document and store all feedback and lessons learned. Feedback and lessons learned obtained should be analysed and as required, common areas for improvement should be addressed in updates to the Information Technology Project Framework or supporting guidelines.	2. The CoA to incorporate robust training plans and training sessions in-line with the organisational change management framework being developed. 3. Post-implementation change management feedback and evaluation mechanism will be agreed in-line with the organisational change management framework being developed. **Responsibility:** 2. Associate Director, People Services 3. Associate Director, Information Management **Target Date:** 2. 30 June 2026 3. 30 June 2026

Appendices

Appendix 1 – Scope of Work

Internal Audit Program 2024/2025: TechnologyOne Post Implementation Review

Background

In accordance with the 2024/2025 Internal Audit Plan for the Corporation of the City of Adelaide (CoA), an internal audit focussing on a post-implementation review of the TechnologyOne upgrade was performed. The objective, scope and approach are outlined below.

Objective

The overall objective of this internal audit included assessing the effectiveness of the TechnologyOne upgrade from on-premises to cloud (the TechOne Project), by performing a post-implementation review of the Project. Key areas of focus will include project management, governance and arrangements put in place, delivery of project benefits and consideration of lessons learned and areas for future improvement.

Scope of services

To address the overall objective above, the scope of this engagement included consideration of the adequacy of processes and key controls over the following areas:

- Project governance frameworks and processes, including clarity of roles, responsibilities and accountabilities of key project activities.
- The project management methodology adopted during the upgrade, focusing on planning, execution and stakeholder engagement.
- Project risk management activities, including identification of project risks and controls and ongoing monitoring.
- Changes to scope during project delivery, including noting of change requests and modifications or enhancements made to the system post-implementation
- Processes to manage project costs, including review and approvals of variations to the project budget.
- Overall achievement of project outcomes, including achieving key business case identified benefits.
- The adequacy and effectiveness of change management activities during implementation, including communication, user training and heightened support.
- Identify lessons learned in terms of what went well and what could be improved upon, and what could be done differently for other IT related Projects delivered by the CoA.

Additional Scope of Work:

- Review of the approval process of the transition of the TechOne debtors module to Pathway (the DT Project).

Limitation on Additional Scope of Work:

This review did not cover the transition of Pathway from on-premise to the cloud.

Approach

This engagement was performed using the following approach:

- Desktop review of relevant Project documentation, including planning, reporting, and materials relating to change management and user training.
- Conduct a maximum of seven consultations with key stakeholders from the City Operations, City Shaping, Infrastructure and UPark business units. Key roles including project managers, system administrators, and end-users, to assess feedback on system functionality and usability.
- Development of recommendations based on the work performed above.
- Close-out meeting with the internal audit project sponsor and key stakeholders to discuss initial findings and recommendations.
- Preparation of an internal audit report including identified control gaps, and recommendations for strengthening controls and aligning to better practice.

Appendix 2 – Stakeholders Consulted

The table below outlines all personnel who were involved in discussions and contributed to the observations in this report.

Name	Role
Nicole Van Berkel	Acting Manager, Finance & Procurement
Sonjoy Ghosh	Associate Director, Information Management
Annette Pianezzola	Risk & Audit Analyst
Michelle Ryeys-Smith	Team Leader, Operations Support
Rada Sofranic	System Support Officer
Colette Keech	Program Admin Assistant
Celina Rebola	Program Admin Assistant
Harley Lambi	Program Admin Assistant
Ciaran Carty	Project Manager
Josh Axon	Team Leader, Asset Renewals
Kaushik Shekar	Finance & Business Administrator
Kelly Jamieson	Commercial Business Performance Analyst

Appendix 3 – Classification of Internal Audit Findings

The following framework for internal audit ratings is based on the CoA's risk assessment matrix.

Rating	Definition	Examples of business impact	Action(s) required
Extreme/Critical	Issue represents a control weakness, which could cause or is causing severe disruption of the process or severe adverse effect on the ability to achieve process objectives.	• Detrimental impact on operations or functions. • Sustained, serious loss in reputation. • Going concern of the business becomes an issue. • Decrease in the public's confidence in the CoA. • Serious decline in service/product delivery, value and/or quality recognised by stakeholders. • Contractual non-compliance or breach of legislation or regulation with litigation or prosecution and/or penalty. • Life threatening.	• Requires immediate notification to the CoA Audit Committee via the Presiding Member. • Requires immediate notification to CoA's Chief Executive Officer. • Requires immediate action planning/remediation actions.
High	Issue represents a control weakness, which could have or is having major adverse effect on the ability to achieve process objectives.	• Major impact on operations or functions. • Serious diminution in reputation. • Probable decrease in the public's confidence in the CoA. • Major decline in service/product delivery, value and/or quality recognised by stakeholders. • Contractual non-compliance or breach of legislation or regulation with probable litigation or prosecution and/or penalty. • Extensive injuries.	• Requires immediate CoA Director notification. • Requires prompt management action planning/remediation actions.

Appendix 3 – Classification of Internal Audit Findings (contd.)

The following framework for internal audit ratings is based on the CoA's risk assessment matrix.

Rating	Definition	Examples of business impact	Action(s) required
Moderate	Issue represents a control weakness, which could have or is having a moderate adverse effect on the ability to achieve process objectives.	• Moderate impact on operations or functions. • Reputation will be affected in the short-term. • Possible decrease in the public's confidence in the CoA. • Moderate decline in service/product delivery, value and/or quality recognised by stakeholders. • Contractual non-compliance or breach of legislation or regulation with threat of litigation or prosecution and/or penalty. • Medical treatment required.	• Requires CoA Director and/or Associate Director attention. • Requires short-term management action.
Low	Issue represents a minor control weakness, with minimal but reportable impact on the ability to achieve process objectives.	• Minor impact on internal business only. • Minor potential impact on reputation. • Should not decrease the public's confidence in the Council. • Minimal decline in service/product delivery, value and/or quality recognised by stakeholders. • Contractual non-compliance or breach of legislation or regulation with unlikely litigation or prosecution and/or penalty. • First aid treatment.	• Timeframe for action is subject to competing priorities and cost/benefit (i.e. 90 days).

Appendix 4 – Disclaimer

Inherent Limitations

This report has been prepared as outlined in the Scope Section. The services provided in connection with this engagement comprise an advisory engagement, which is not subject to assurance or other standards issued by the Australian Auditing and Assurance Standards Board and, consequently no opinions or conclusions intended to convey assurance have been expressed.

Due to the inherent limitations of any internal control structure, it is possible that fraud, error or non-compliance with laws and regulations may occur and not be detected. Further, the internal control structure, within which the control procedures that have been subject to the procedures we performed operate, has not been reviewed in its entirely and, therefore, no opinion or view is expressed as to its effectiveness of the greater internal control structure. The procedures performed were not designed to detect all weaknesses in control procedures as they are not performed continuously throughout the period and the tests performed on the control procedures are on sample basis. Any projection of the evaluation of control procedures to future periods is subject to the risk that the procedures may become inadequate because of changes in conditions, or that the degree of compliance with them may deteriorate.

No warranty of completeness, accuracy or reliability is given in relation to the statements and representations made by, and the information and documentation provided by City of Adelaide management and personnel consulted as part of the process.

KPMG have indicated within this report the sources of the information provided. We have not sought to independently verify those sources unless otherwise noted within the report.

KPMG is under no obligation in any circumstance to update this report, in either oral or written form, for events occurring after the report has been issued in final form.

The findings in this report have been formed on the above basis.

Third Party Reliance

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