

**THE QUEENSLAND HEALTH PAYROLL SYSTEM COMMISSION OF INQUIRY ON
BEHALF OF MR ANTHONY PRICE**

Introduction

1. Counsel assisting has provided a document titled "Health Payroll System Commission of Inquiry, Issues for Submissions, Contracting Management". It contains 12 separate issues.
2. In making these submissions on behalf of Mr Price it is not intended to make submissions in respect of each issue identified in that document. Rather, these submissions will be directed to those matters which are viewed as most relevant to the position which Mr Price occupied during the course of the implementation of the Health Payroll solution.
3. Mr Price worked for the Queensland Health Service for 36 years.¹ He had relevant expertise in project management.²
4. He had previously been involved in the successful implementation of the original Lattice system in four districts and also within the corporate office.³
5. In April 2008 he was appointed on a temporary basis to the position of Director of QHEST, which position was then made permanent in around June 2008.⁴
6. He held that position until 28 June 2010.⁵
7. In that position Mr Price was involved in a number of projects, of which the QHIC was one.
8. On 28 June 2010 Mr Reid, the Director General, removed Mr Price from his position. Mr Reid indicated Mr Price was to be transferred to a position which was in no way associated with Queensland Health payroll administrative system.⁶
9. On 7 July 2010 Michael Walsh, the acting Director-General, made Mr Price redundant with Queensland Health, taking effect on about 13 August 2010.⁷

¹ Mr Price statement, para 4

² Mr Price statement, para 5

³ Mr Price statement, para 5

⁴ Mr Price statement, para 8

⁵ Mr Price statement, para 9

⁶ Mr Price statement, para 10

10. After 36 years with Queensland Health, in circumstances where there was no suggestion of any prior blemish on Mr Price's service, the inference is open that he had meted out to him the same fate as Mr Shea and Mr Kalimnios - made the scapegoat for unsatisfactory performance by those at the director-general level.

"1. Did IBM fulfil, to the standard which might reasonably have been expected of it, the scoping works it was engaged by the State in SOW7 and 8A to undertake, including agreeing in conjunction with the SDA what were the "critical Agency requirements"?"

11. Mr Price only commenced work within QHEST in April 2008. He did not have any involvement with the QHIC project prior to that date. He was not involved in the development of Statement of Works 7 and Statement of Works 8A and cannot assist the Commission with direct evidence as to the process which was undertaken.

12. He can recollect that at the time he first started as director of QHEST what was known as the HR – FI integration issue had already manifested itself.⁹

13. Mr Price recalls that his view was that this was the type of issue that should have been the subject of scoping as part of Statement of Work 7.¹⁰

14. Whilst Mr Price cannot comment on what occurred in the scoping stage between the relevant parties, what he can say is that the importance of the new payroll system to integrate functionally with the financial system would always have been of significant importance to Queensland Health. Queensland Health would never have accepted a situation where its human resources and finance systems were not fully integrated.¹¹

15. This particular issue continued to manifest itself for an extended period during the Project.

16. It is submitted that it is an over-simplification to say the problem arose because Queensland Health expected a fully automated system and IBM regarded itself as only being contractually obliged to offer the minimum requirements in respect of its payroll system. The HR – FI requirements were a minimum functionality which was required for the payroll system. The prior Lattice system had that functionality, being able to use the

⁷ Mr Price statement, para 11

⁹ Mr Price statement, paras 18-20

¹⁰ Mr Price statement, para 21

¹¹ Mr Price statement, para 20

“MAN” series of integration programs to post its data to the finance system, such as ledgers.¹²

17. What should have occurred, either in drafting the original contractual scope (by its express terms) or alternatively via the scoping process involving the Statement of Work,¹³ was that this particular issue, namely the integration between the IBM designed and built system and the “MAN” series, ought to have been specifically identified as an essential requirement. Further, to the extent that the obligation to take responsibility for integrating the IBM system with the existing MAN series was placed on Queensland Health, it ought to have been determined by the parties at that point in time whether Queensland Health had the capability of undertaking that task. If this task was assumed by Queensland Health then that represented a significant risk allocation to Queensland Health, and concerned the integration of a payroll system that Queensland Health was neither designing nor building.

“6. Did the State fail to avail itself of realistic opportunities it had to extricate itself from SOW8 (of the contract as a whole) namely:-

- (a) at the times referred to in 5(a), (b) and (c) above;**
- (b) the date when the scoped project was to be delivered under SOW7 and 8A;**
- (c) in or about January 2009 when the decision was made that no new Statements of Work would be entered into by the SOW.**

If so, ought the State to have made alternative arrangements at one of these stages for delivery for an interim solution or for maintenance or upgrade of the existing LATTICE system?...

8. Did Mr Kalimos and Mr Shea take sufficient steps to bring to the attention of the Director-General of Queensland Health, the problems which have been made known to them (including by Mr Price) about the potential shortcomings in the system?

9. Ought Mr Reid, having been made aware of a high level of dissatisfaction by senior Queensland Health staff and advisors with the whole of government solution and with IBM’s performance, have done more to secure from CorpTech (or others) arrangements

¹² Mr Price statement, para 19-20

¹³ Depending where the Commission determines the issue was practicably dealt with.

by which Queensland Health could itself manage its relationship with IBM, including by seeking the Health Minister's assistance?"

18. In the second half of 2008, it is clear that Mr Price was receiving information from both his superiors and his subordinates within Queensland Health which were critical of the QHIC project, the performance of IBM and the dysfunctional nature of the governance system within the project. That dysfunctional governance system included the tripartite situation of IBM as contractor, CorpTech as the other contracting party, and Queensland Health as client (but with no contractual status).
19. These criticisms were manifested in several documents created in 2008 and into 2009.
20. In this respect the first document is a letter dated 15 August 2008, signed by Mr Kalimnios to Ms Perrott concerning a contemporaneous notice of delay letter from IBM.¹⁴ Mr Price's statement identifies a series of emails relating to the drafting of this letter.¹⁵ Mr Price was only recently able to access his prior email system as maintained by Queensland Health.
21. What those emails show is that Mr Price, Mr Burns and a number of others within Queensland Health were written to by Mr Peter Douglas concerning the IBM letter. This occurred on 8 August 2008. Mr Douglas was Mr Price's superior and had held a position at a level broadly similar to that of Mr Shea, however Mr Douglas had a more substantive involvement in the QHIC project via his interaction with CorpTech.¹⁶
22. The initial response to the IBM letter originated with Mr Douglas and was sent to Mr Price and Mr Burns on 12 August 2008. This then led to a drafting process in which a significant number of Queensland Health personnel were apparently involved. For example, this is evident from the email of 14 August 2008 which was sent by Mr Price to Mr Van der Zwan, Mr Porter, Ms Doherty, Mr Vayo, Mr Peterson, Mr Shea and Mr Burns. This email exhibited a further draft of the letter based upon Mr Douglas's original letter and discussions which had evidently taken place within that wider group of persons. The draft

¹⁴ Agreed Bundle vol 5 page 272.

¹⁵ Mr Price's Statement para 34 and ex 3 to 12 at pages 8 to 63. Mr Price only had that system restored to him for purposes of this Inquiry and has not had general access to the Queensland Health documentary records. This is no criticism of Queensland Health, but simply reflects the limited ability of Mr Price to have regard to any contemporaneous documents for the purpose of assisting the Commission.

¹⁶ Transcript 22-23, line 32 to T22-24, line 5, Shea evidence Transcript 22-23, line 50 – 56.

letter then goes through a series of iterations with apparent input from the wide group of persons involved in the QHIC project.

23. The Commission can conclude that the draft letter represented views which were held by not just Mr Douglas, but by the project manager, Ms Doherty, Mr Burns and various team leaders. The draft letter reflected that there was then a significant level of dissatisfaction with how the QHIC Project was progressing.
24. The second document is the 29 August 2008 briefing note for approval which was drafted by Mr Burns and cleared by Mr Price on 28 August 2008 and Mr Kalimnios on 29 August 2008.¹⁷
25. Mr Price's recollection is that this briefing note reflected the collective views of QHEST team members and Mr Kalimnios.¹⁸ It set out a very specific set of recommendations to change what Queensland Health was doing in relation to the IBM solution.
26. Mr Price identified that within Queensland Health they were having their own discussions and making their own inquiries about possible alternatives to the current arrangement with IBM.¹⁹ He provides two contemporaneous examples of documents where this was occurring on 14 August 2008 and 4 September 2008.²⁰ Mr Kalimnios confirmed in his oral evidence that Queensland Health was continuing to consider alternatives to continuing with IBM under the current arrangements.²¹
27. The heading "Current Issues" on the first page of that briefing note summarised the difficulties which Queensland Health had been having in relation to its payroll system for at the least four years. These issues included criticisms of the failure of the shared services initiative to deliver viable alternatives to Queensland Health, and the restrictive program of governance by CorpTech which was seen to be contributing to delays of the increased cost and delivery complexity. It recorded the perception that the SDA and the SPO were impeding progress (in this respect specific individual criticisms of those organizations were listed). Further, it made criticism of how CorpTech had been managing the contract with IBM.

¹⁷ Agreed Bundle vol. 5 page 294.

¹⁸ Mr Price statement, para 38

¹⁹ Mr Price statement, para 39

²⁰ Mr Price statement, para 39 and the two emails referred to therein

²¹ Transcript 21-120, line 36 to T21-121, line 12

28. This led to a series of clear recommendations for action. These recommendations included:
- Queensland Health to separate itself from the CorpTech - driven whole of Government approach and Queensland Health engage directly with contract companies in order to evaluate alternatives in an expeditious fashion.
 - Queensland Health should examine alternatives to an IBM managed project.
 - If Queensland Health decided to continue the relationship with IBM, it is recommended that Queensland Health engage directly with IBM and negotiate new contractual terms and conditions.
29. By August/September 2008 Mr Price, Mr Burns and the persons below them had articulated to their superiors, particularly Mr Kalimnios, what was then perceived to be the serious shortcomings with how the contract was being implemented and how the relationship between Queensland Health and CorpTech was working. The recommendations in the briefing note specifically contemplated Queensland Health exiting the current tripartite arrangement and seeking alternative solutions to that being provided by IBM. Another alternative was to at least bring about a bipartite governance structure between Queensland Health and IBM, if Queensland Health were to retain IBM as a contractor. The position in the briefing note was clearly supported by Mr Kalimnios who signed off on it.
30. From Mr Price's point of view, and no doubt from the point of view of persons such as Mr Burns, Ms Jones and the Project Manager, the result of the production and dissemination of this briefing note was as summarised by Mr Price in paragraph 40 of his statement:-
- "To the best of my recollection:*
- (a) none of the proposed recommendations were taken further; and*
 - (b) I never received anything back in writing about it, it was more of a verbal 'just proceed as you are'."*
31. If there were opportunities for the State to extract itself from SOW8, or the contract as a whole, at the times referred to in paragraph 5 of the Commission's issue statement, there can be no doubt that Mr Price, Mr Burns and Mr Kalimnios²² had articulated a desire for Queensland Health to extract itself from the present arrangements or at the very least seek

²² And indeed those who sat below Mr Price such as the Project Manager of QHIC and the team leaders

a position where they could contract directly with IBM to manage the risks in the building of this system.

32. The failure of the government to seek to extract itself from SOW8, or the contract as a whole, does not lie with persons such as Mr Price, Mr Burns or Ms Jones, or the teams which sat underneath them.
33. The third document is the 6 July 2009 Queensland Health briefing note from Mr Price addressed to the Deputy Premier.
34. Mr Price recalls that in respect of the creation of this document, Mr Kalimnios had told him that we needed to try again to extract Queensland Health from the current arrangements and that we needed to produce a document that explicitly set out the issues at that time.²³
35. Following that discussion with Mr Kalimnios, Mr Price assembled the QHEST management team to bring together all the issues and to then document them.²⁴ This included the project manager and the team leaders who sat underneath the project manager. It also included Mr Burns and Mr Shea.²⁵
36. To the best of Mr Price's recollection the document once finalised represented the combined views of the group who had prepared it.²⁶ The structure of the team below Mr Price was identified in Mr Shea's evidence.²⁷ Mr Shea identified that by the time it was finalised he agreed with its content.²⁸
37. Mr Price produced to the Inquiry a bundle of emails and attachments starting at 19 June 2009 and extending to 6 July 2009 which show the development of the briefing note and the involvement of the team who had input into it. This includes Ms Sams, Ms Doughty, Mr Vayo, Mr Shea²⁹, Mr Price, Mr Kalimnios and Mr Burns. The Commission ought to find that this was an important document both in terms of its content and by the wide group

²³ Mr Price statement, para 80

²⁴ Mr Price statement, para 81

²⁵ See the emails referred to in paragraph 84 of the Price Statement which are at ex 44 to 60 pages 235 to 375.

²⁶ Mr Price statement, para 82

²⁷ Transcript 22-24, line 14 to T22-25, line 30

²⁸ Transcript 22-27, line 1-13

²⁹ The email of 30 June 2009 8:35 pm from Mr Shea indicated that at that time he thought "most of the content [of the draft memorandum] is okay"

of people who were involved in its drafting, namely from Mr Kalimnios down. These submissions will not go through the entire content of the documents. However, by reference to some of its themes the following submissions are made:

- It included the upfront statement that Queensland Health had lost confidence in CorpTech and IBM delivering interim payroll replacement solutions. It recommended that Queensland Health immediately assume control of the QHIC project and the current project vendor (IBM) be removed. It noted Queensland Health dissatisfaction with the levels support for the current HR – FI systems by CorpTech and the escalating costs. It recommended that there be a review of the application support arrangements for CorpTech service delivery with the intention of understanding whether better returns to Government could be derived by alternative arrangements.
- It provided a background summary as to what had occurred in the project to date.
- It identified unperceived failures in the project partnership. This then digressed into sub-headings with specific complaints. This included concerns arising out of the UAT testing which had then occurred and the unusually high number of category 1 and 2 defects which had been detected. It recorded that a number of defects had not yet been addressed by IBM. Importantly, it noted the concerns then held by the independent tester, KJ Ross, that the quality of the build by IBM had been very poor.
- It addressed the failure to deliver on time and budget was referred to.
- The relationship between IBM and Queensland Health was identified as being one which was not strong.
- Concerns about governance were raised, in particular the problems associated with the tripartite arrangement between IBM, CorpTech and Queensland Health. CorpTech was criticised for its management of the contract.
- Risks were specifically addressed. This included a section on the perceived lack of solution quality and system performance. It re-emphasised the results of the UAT testing and that there was a risk that both IBM and CorpTech may be willing to compromise solution quality in order to achieve a go live date.

- Under the heading 'Consultation with Stakeholders', there was an emphasis of the fact that both CorpTech and IBM were members of the project directorate and the board which provided governance for the QHIC project. It recorded that those two entities had been made aware at numerous meetings of Queensland Health's continuing dissatisfaction with the progress and cost of the project, and with the increasing loss of confidence surrounding delivery and quality of the solution. It identified that key stakeholders within Queensland Health were aware of the shortcomings of the solution and the risks and issues surrounding the delivery of the project.
38. Mr Price officially signed this briefing note and sent it up the management chain. He sent it to the DDGCS' correspondence email address.³⁰
39. He cannot give direct evidence of what occurred after the creation of the document. What can be said is that it set out in significant detail the concerns which Mr Price, the project manager and the team leaders held as set out above.
- Mr Kalimnios and Mr Shea apparently shared these concerns.
40. The document was full and frank and was prepared under the supervision and direction of Mr Price.
41. Whether the State wished to extricate itself from the SOW8 works or the contractors involved was the question for senior management within Queensland Health, the Department of Works and the Government itself.
42. Mr Kalimnios in his oral evidence described this as the last throw of the dice³¹ in terms of trying to extricate Queensland Health from the current situation. Whilst Mr Price was not a party to the communications, it would seem probable that Mr Kalimnios would have communicated to Mr Reid the overall effect of the July 2009 memorandum. That memorandum had been produced at the express request of Mr Kalimnios. Mr Kalimnios had participated in the process of its being drafted. The recommendations reflected Mr Kalimnios' view. It would have been a strange thing if Mr Kalimnios had not communicated in broad terms the effect of that memorandum to Mr Reid.

³⁰ Price statement, para 81

³¹ Transcript 21-100, line 46-60

43. Once again there was no written response to Mr Price. Again, senior management's failure to take up any of the issues or recommendations effectively communicate to Mr Price that he and those below him were to get on with the project as best they could in light of the known concerns and risks, including the risks arising from the results of the UAT testing and the solution quality.
44. Any failure by the State to seek to extricate itself from the Contract lies with senior management, at the Director General level or above.
45. Apart from the documents which have been discussed above, it is also relevant to note that Mr Price took a proactive role within the directorate to appropriately voice concerns which were being raised by persons within Queensland Health and by K J Ross.
46. In this respect, reference is made to the evidence of Mr Cowan who was an independent and experienced UAT tester contracted by KG Ross to control the UAT testing for Queensland Health. Mr Cowan in his statement indicated that he regarded Mr Price and Mr Burns as having tried to move the project in the right direction.³² At paragraph 5 of his statement Mr Cowan recalls Mr Price and Mr Burns telling him to "keep those IBM bastards honest". He understood from Mr Price and Mr Burns that he was to do his testing job thoroughly and robustly.³³ He also indicated that he felt sorry for Mr Price.³⁴ In cross examination of Mr Cowan those statements were explored. The effect of Mr Cowan's evidence is that he had worked closely with Mr Price and that it was Mr Price who was advancing, within the directorate, Mr Cowan's concerns arising from the UAT tests results.³⁵ He identified that the interaction between Mr Price and IBM in respect of this was such that he had never seen a contractor be so rude and aggressive to a customer.³⁶ Mr Cowan was aware that Mr Price was in fact removed as chairman of the directorate in mid 2009, and it was Mr Cowan's view that it appeared that Mr Price had paid the price for having raised the concerns with the directorate.³⁷
47. It is apparent from an email that Mr Doak of IBM sent to Ms Berenyi of CorpTech on 1 July 2009 that IBM had previously had Mr Price removed as chairman of the directorate.

³² Cowan statement, para 5

³³ Transcript 24-43, line 1-34

³⁴ Cowan statement, para 5

³⁵ Transcript 24-43, line 36 to T24-44, line 60

³⁶ Transcript T24-44, line 40 to 60

³⁷ Transcript 24-45, line 1-20

It is also apparent from that email that Mr Doak intended make that same request again.³⁸ He identified that from his view the project had only worked well when Mr Burns had briefly been the chairman. The content of the email made specific references to the concerns about the UAT testing results. Obviously this was a reference to Mr Price advancing Mr Cowan's concerns. Mr Doak's request was apparently complied with and Mr Price was duly removed as chairman of the directorate with Mr James Brown installed. Mr Cowan then identified that after Mr Price's removal Mr Cowan began to have a lot less to do with the directorate.³⁹

48. The failure by senior management within the Government departments from the second half of 2008 through to July 2009 brought about a situation where there had been express statements pointing out the risks associated with this project and the deficiencies with how it was being conducted. There was no overt response from senior management. Middle management, certainly from Mr Price on down, understood that they were being told to get on with the job. There was no suggestion that senior management was receptive to the proposition that Queensland Health ought to extract itself from the contract or Statement of Work 8, or that the governance structure be altered.
49. Given what was identified in the 6 July 2009 memorandum, and the non-response from senior management, the directorate and the Board adopted a pragmatic position of attempting to do the best that they could with the hand they had been dealt. Mr Price summarised this position in his evidence as follows:

"Horton: And now it seems with respect to the Work brain testing as well?"

Price: There's undoubtedly a compromise situation occurring as pressure mounted around schedules, costs, the ever present threat of LATTICE collapsing, and particularly, from my own point of view, having put forward on two separate occasions what should happen. So in 2008 we told the Director-General that we needed to get out of this, we needed to remove ourselves from the IBM contract and our relationship with CorpTech. That was effectively ignored. We did it again in 2009; again that was ignored. So our options have been cut off, we're virtually told to make the best we can of this thing and so that put us in a situation where compromise was the only way to go to be able to keep on going and avoid the LATTICE risk, and I think that's true of most of 2009.

³⁸ Agreed Bundle vol 9, page 231

³⁹ Transcript 24-45, line 17-20

Horton: You said "been told", I know you were speaking in a general sense, but who are you really referring to when you say?

Price: I guess I am referring to the fact that no response – when I asked for a thing to happen and a recommendation, when the three senior members of the corporate services asked the DG to do something and there's no response you've got to take that as a negative. When the 2009 document, which I understand may not have been brought forward, but certainly in my view it was verbally put forward – again there was no response about all those issues raised in 2009. That to me – the view is, "just stick with what you've got, make the best you can of what you've got," and I guess that's what we did."⁴⁰

50. It is submitted that there is no doubt that Mr Price, Ms Jones, Mr Shea, Mr Burns, the two project managers and the various team leaders sought to deliver the interim payroll solution within the parameters which were forced on them by senior management's inaction in dealing with their concerns and the identified risks.
51. The position, as explained by Mr Price above, was one which was confirmed by the evidence of Mr Kalimnios in response to a number of questions from the Commissioner. Relevantly, it provided as follows:

"Commissioner: Mr Kalimnios, I understand that last point you're making. Those further down the line seem to take the view: the problems they raised and the difficulties they saw with going ahead were raised with you and Mr Shea?

Kalimnios: Yes.

Commissioner: They seemed, on occasion, to recommend that the project not go ahead. You've told us what happened at your level?

Kalimnios: Yes.

Commissioner: Do you accept that, that they say they felt under pressure to go ahead with the project risks, difficulties and all?

Kalimnios: Yes

Commissioner: Because when they raised the problems they met a polite negative?

Kalimnios: Yes

Commissioner: From that point of view, that's fair enough I suppose?

⁴⁰ Transcript 21-15, line 1-29

Kalimnios: Absolutely, my role as the project sponsor and certainly my role in Queensland Health was to take in issues that were raised by the project directorate in that sense, and others, and resolve them. So in terms of the progression of a project (indistinct) resolve them appropriately, that is my responsibility. Again, the other point I would make is that ...

Commissioner: You tell us what happened when you raised it?

Kalimnios: Yes, but from their perspective, absolutely, they were dealing, I suppose – well I think I was dealing – and they were just being good public servants and doing what they were directed to do after raising appropriate concerns. That's the kind of process that existed."⁴¹

“7. Ought the Project Directorate to have recommended that the system go-live on 14 March 2010 and ought the Project Board to have approved that go-live?”

52. From the Queensland Health point of view, this question has to be answered in light of the factors dealt with under the prior heading. After July 2009 the Queensland Health members of the directorate did what effectively they were directed to do, to get on with the matter.
53. In making its ultimate recommendation to the Board to go-live, the project directorate supplied to the Board the “QHIC Final Solution Risk Assessment Report” by Mr Burns and Mr Shah. It also supplied a copy of the KJ Ross report, containing the concerns raised by Mr Cowan. They were also supplied with a written response by the directorate to the KJ Ross report, together with IBM's corresponding response. At that point in time the directorate made its recommendations to go-live taking into account the risks identified in those documents. As Mr Price stated in paragraph 96 of his statement:

“To the best of my recollection, the Project Directorate had the view that the go-live decision was based on that risk vs. risk assessment. By this time, Queensland Health had been corralled and pushed down this track and had two choices-either stick on LATTICE and risk that 70,000 people not be paid if LATTICE failed or accept the risk that had been identified by KJ Ross & Associates and others, and go-live.”

54. At least from the position of Mr Price, it is submitted that he had at appropriate times raised concerns in relation to the project and the ultimate risk of an unsatisfactory quality solution for the payroll. The concerns about compromised solution quality had been expressly raised by Mr Price in the 9 July 2009 briefing note. This was a risk which was

⁴¹ Transcript 21-124, line 1-32

already known to the Board (which included Mr Kalimnios) prior to the supply of the KJ Ross final report.

55. Dr Manfield identified the role of the directorate within the “Prince 2 methodology compliance structure”. That was as follows:

Traves: *Have you seen those documents at all? To come to the crux of it, you say the Board should have asked big questions and perhaps they should have but of whom? The directorate?...*

Manfield: *No. I think that the job of the directorate is to provide information about the state of the project and in terms of – and it’s quite reasonable to expect the project directorate to not only describe issues but describe options for the Board to consider with the company information. But it is quite a normal process. I hope I didn’t imply otherwise. Then the major job for the Board to – representing as it does the major stakeholders to a position to address issues that are identified and choose options that that’s appropriate or to suggest something else.*

Traves: *Is the structure that we have been talking about one which you’re familiar in other projects? Is one often adopted?*

Manfield: *What – my belief is what we’re talking about here is one of standard, Prince 2 methodology compliance structure.*

Traves: *How does that – could you describe that briefly for us?...*

Manfield: *What it is, is you have a governance board which is comprised of a project executive and chief supplier, IBM, and a chief user, Queensland Health. That’s a very straight up and down. Beneath that and to one side is the project directorate which provide the services that I have described before. Below that, you have actual teams doing the work, you have the actual IBM delivery team or teams. You have – in customer side, you have operational type teams who are preparing to accept the solution when it’s delivered. The various teams are functioning groups which are being – which have – sort of one way to do all this if you have a set of teams that you have specific responsibilities around both developing and taking on board a solution as it occurred....”⁴²*

Conclusion

56. Mr Price has paid a heavy toll for his involvement with the project. It is submitted that he was treated in a shabby manner, without any due process.

⁴² Transcript 30-90 line 28 to 31-91 line 10

57. What the evidence does show:-

- (a) is that Mr Price proactively promoted concerns of his subordinates, and indeed his superiors, as expressed to him;
- (b) he promoted the concerns in writing such as the 29 August 2008 briefing note and the 6 July 2009 memorandum. He also did so in his role as a Queensland Health representative on the directorate;
- (c) in promoting those concerns it is clear he did so in a forthright way, as is evidenced by the recollection Mr Cowan, and the desire of IBM to remove him as chairman of the directorate. As Mr Cowan said, he paid a price for promoting the concerns of the directorate;
- (d) is that having promoted the concerns of his subordinates to senior management within Queensland Health, the effective decision of senior management was not to agree to the recommendations, and to indicate to Mr Price and his subordinates to get on with the matter.

58. Mr Price was a life-long public servant. He was brought into this project after it was let and when scope disputes had manifested themselves. It is submitted that he performed his role appropriately within the constraints that senior management created by their failure to act on the recommendations put forward by Mr Price, Mr Shea and Mr Kalimnios. There was a failure by senior management at the Director-General level.

59. Yet at the end of the day the people who paid the ultimate price for that failure were not the senior management, but Mr Kalimnios, Mr Shea and Mr Price, the three persons who had promoted from an early stage their concerns about:

- dysfunctional governance;
- perceived failures in contractual implementation;
- the quality of the solution which was being implemented.

60. It is submitted to the Commission that Mr Price was treated in a tawdry fashion by senior management within his department. It is submitted that the Commissioner should recognise by appropriate findings that Mr Price acted properly in his position during the project and was treated poorly by the State.

Tom Sullivan SC
Counsel for Mr Price
30 May 2013