

Integrated Payroll and Personnel Information System on Payroll Malpractices in Nigerian Public Service

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Abstract

This study examined the effect of Integrated Payroll and Personnel Information System (IPPIS) on the reduction of Payroll malpractices in Public Service. The independent variable used was Integrated Payroll and Personnel Information System (IPPIS) while ghost workers and payroll fraud were dependent variables. To achieve this purpose, research questions were raised, hypotheses were formulated and review of related literature was made. In order to gather the needed data for this study, a well structured questionnaire designed in likert 5 point scale was administered on the Federal Civil Servants from different MDAs at the Federal Secretariat Complex, Awka, Anumbra state. The stated hypotheses were tested with the t-test, t-values were (3.41) and (4.39) greater than the critical value (1.96). Findings revealed that Integrated Payroll and Personnel Information System had a positive and significant effect on the reduction of ghost workers as well as payroll fraud in Nigerian public service. It was concluded that Integrated Payroll and personnel Information System has a positive and significant effect on the reduction of payroll malpractices in Nigerian public Service. Therefore the study recommended that Government should ensure accurate and proper quarterly staff audit in all the MDAs by IPPIS as well as Payroll audit by external auditors on semi-annual basis. Issues of deceased staff of any MDA should be reported promptly as well as promotions of staff and newly employed should be captured by IPPIS without any delay. Cyber security and job rotation among IPPIS workers should not be taken for granted.

Keywords: IPPIS, Payroll Fraud, Ghost Workers, Nigerian Civil Service

1.1 INTRODUCTION

Over the years, Government at all levels in Nigeria has been faced with the challenges of corruption, fraud, inefficiency, ghost workers syndrome, illegality, irregularity as well as inaccuracy of the number of workforce of Nigeria public servants in the payroll. As a result of these, the Federal Government of Nigeria in its wisdom included Integrated Payroll and Personnel Information System (IPPIS) in its financial reforms policy of 2006, which is aim at digitalizing the manual based process that is characterized with the aforementioned challenges. However, it was not completely smooth as Federal Government was trying to reduce and possibly eradicate these aged problems through Integrated Payroll and personnel Information System (IPPIS) that was introduced in 2007. The scheme was billed to be implemented in phases. The pilot implementation was necessitated considering the fact that government wage bill had constituted a huge chunk of recurrent expenditure at 58 percent of the annual budget. (National Bureau for Statistics, 2015). For example the staff audit exercise conducted in Federal Capital Territory in 2013 revealed that out of 26,017 staff on the payroll, 6000 were fictitious. Hence the audit exercise further exposed the extent of monumental malpractices, theft and financial irregularities that could be addressed if the electronic payroll system is fully implemented in the public service.

Integrated Payroll and Personnel Information System (IPPIS) is an innovation which enhances productivity by removing cumbersome manual processes in Ministries, Departments and Agencies (MDAs) in Government. Integrated Payroll and personnel Information System is used to prepare salaries and also provide a range of supporting functions such as preparing pay slips and payroll reports (Hyaledzigbor, 2015). Other duties of IPPIS include: management of Federal Government employees' records. Payment of salaries and wages of Federal Government employees. Deduction of taxes and other third party payments. Remittance of payroll deductions to third parties as well as enrolment of employees into IPPIS database. It is connected to and is a component of an Integrated Financial Management Information System (IFMIS). Regardless of how well the ministry/department has organized its payroll, establishment of control, budgeting, and personnel management activities, must be tightly connected in order for information regarding staff expenses and deployment be shared.

Payroll malpractice on the other hand is referring to unethical or illegal activities related to the management and processing of employees compensations, salaries, and other benefits as well as creating fictional employees on the payroll to divert funds into personal accounts. These practices can undermine the integrity of a payroll system and lead to financial losses for organizations and government. It is equally defined by Oxford dictionary as improper, illegal or negligent of professional behavior.

Payroll malpractices, both financially and otherwise have been described as a cankerworm experienced in the Nigerian Public Service. It has led the Federal government to spend Billions of Naira in payment of salaries to non-existing Federal Government staff, falsification of

records, and lack of proper accountability among others have been on the increase annually. The consequence of these is that the government or the citizens cannot ascertain with precision the accurate and reliable amount of money spent in settling the Government wage bill on its payroll as well as the authentic number of employees. These unpatriotic individuals will sit down in their comfort zones receiving salaries as workers that do not exist. Some people have their names on the payrolls of multiple agencies and ministries. It is based on this premise that this paper investigated to what extent has IPPIS impacted on the reduction of payroll malpractices in the public service.

Arising from the above, the main objective of the study is to examine the effect of Integrated Payroll and Personnel Information System (IPPIS) on Payroll malpractices in Nigerian public Service. The specific objectives were to:

- (1) Ascertain the effect of Integrated Personnel Information System on the reduction of ghost workers in Nigerian public service
- (2) Examine the effect of Integrated Payroll Information System on the reduction of Payroll fraud in Nigerian public service.

2.1 Review of Related Literature

2.1.1 Integrated Payroll and Personnel Information System (IPPIS)

This is one of the Federal Government Reforms conceived to transform the Nigerian Public Service and makes it more efficient and effective in service delivery (OAGF, 2004) the IPPIS initiative is aimed at improving the Public Financial Management and providing a Centralized payroll system in the country. IPPIS is designed to enroll all federal government Ministries, Departments and Agencies into the platform that draw personnel cost fund from Consolidated Revenue Fund (CRF 2006). In order to be described as a reform, the scheme must be planned, systematic and must produce a fundamental change that involves modernization and attitudinal reorientation in terms of value service delivery (Aliyu ,2023).The Accountant General of the Federation. Ahmed Idris in 2016, said the enrolment would address critical issues bedeviling the system. In the Nigerian public service there are some glaring problems that the reform is formulated to address like, the ghost workers syndrome, falsification of records, employees working in different places, earning double or triple salaries. Other problems are poor records management systems, weak accountability, non-procurement system, accounting, audit and budget procedures, ageing workforce, erosion of public service value, poor succession planning, weak/inappropriate organizational structures.

Enakirerhi and Temile (2017) see IPPIS as an IT-enabled facility being put in place to establish a reliable and comprehensive database for the public service, facilitate manpower planning, eliminate record and payroll fraud, facilitate easy storage, update and retrieval of personnel records for administrative and pension processes and staff remuneration payment with minimal

wastages and leakages. According to them, since the inception of the project. IPPIS has saved the Federal Government of Nigeria billions of Naira by eliminating thousands of ghost workers via personnel verification exercise and salary payment process. While Enakirerhi and Temile conceptualized IPPIS from IT-enabled facility which has assisted the government in saving billions of Naira. Ugada and Eze (2024) Concluded that proper implementation of IPPIS can eliminate payroll fraud in Nigeria civil service and the study recommended on the improvement of personnel records and internal control to be more efficient.

Farajimakin and Anichebe (2019) view IPPIS as intervention scheme and reform when they observed that, Integrated Personnel and Payroll Information System (IPPIS): is a world Bank-Assisted project under the Economic Reform and Government Project (ERGP) which was aimed at establishing a reliable and comprehensive database for the public service, facilitate manpower planning, assist in providing information for decision making, eliminate double dipping and credentials falsification, facilitate easy storage, update and retrieval of personnel record for administrative and pension process, and to facilitate staff remuneration payment. According to them, IPPIS programme enable the MDAs to fish out the ghost workers for the attainment of public probity in governance (Farajimakin & Anichebe, 2019).

According to the Office of Accountant General of the Federal (2008), IPPIS is a child of the Federal Government Reform Programme which was conceptualized at the Bureau of Public Service Reform (BPSR) for the purpose of centralized payment of all civil servants in the employment of the Federal Government. The IPPIS project started in April 2007 with the enrolment of the seven pilot Ministries, Departments and Agencies (MDAs). It was financed through a World Bank facility of about USD 4.9 million. It was finally transferred to the Office of the Accountant General of the Federation (OAGF) in 2008. In other words, the IPPIS was introduced to serve the purpose of centralized payment of all civil servants in the employment of the Federal Government which after 13 years of introduction has not registered some agencies and departments. However, Olagunju and Olufemi (2021) are of the opinion that IPPIS should decentralize its activities, gets more autonomy to operate effectively and needs more remodifications and redesigning.

The Federal Government in October 2006, conceived the Integrated Personnel and Payroll Information System (IPPIS) to provide a reliable and comprehensive database for the public service to address ghost worker also to facilitate human resource planning, eliminate manual record and payroll fraud also to facilitate easy storage, update and retrieve personnel records for administrative and pension processes, and facilitate convenient staff salary administration payment with minimal waste and leakage (Public Service Institute of Nigeria, 2011) This implies that IPPIS was conceived with a broad base objective which has not been fully achieved.

Department of IPPIS while describing mode of its operations asserts that, the Integrated Personnel and Payroll Information System (IPPIS) is a department within the office of the Accountant-General of the federation which is responsible for payment of salaries and wages directly to government employee's bank account with appropriate deductions and remittances of 3rd party payments such as: Federal Inland Revenue Service, State Boards of Internal Revenue, National Health Insurance Scheme, Pension Fund Administrative, Cooperative Societies, National Housing Fund, Bank Loans and Associations Dues (Office of Accountant General of the Federation, IPPIS Department Publication, 2012).

According to Effiong, et al (2017). IPPIS was conceived to reduce or eliminate corruption and data storage in the payroll system. According to them, in a bid to reduce corruption, the Nigerian government in October 2006, conceived the Integrated Payroll and Personnel Information System (IPPIS) to provide a reliable and efficient database for the public service to eliminate record and payroll frauds, facilitate easy storage, facilitate manpower planning, update and retrieve personnel records for administrative and pension processes and facilitate convenient staff remuneration payment with minimal wastes and leakages. IPPIS in other words can be seen as a paradigm shift from analogue process to IT-driven digital way of pay rolling public servants. It is multi-tasking software designed to ease human resources challenges in the federal civil service.

2.1.2 Payroll Malpractices

This is referring to unethical or illegal activities related to the management and processing of employees compensations, salaries and other benefits. These practices can undermine the integrity of a payroll system and lead to financial losses for organizations and government. It is equally defined by Oxford dictionary as improper, illegal or negligent of professional behavior.

2.1.3 Payroll Fraud

Fraud is defined as a deliberate misleading conduct that is intended to give the offender with an illicit gain or access to resources, or to deprive a victim a right (Larson,2016). Fraud is the intentional withholding of vital information or the making of false claims to another person with the objective of obtaining something that would not have been supplied without the deceit. Payroll fraud involving phantom workers is perhaps the largest and most persistent kind of fraud in Nigeria, costing the government hundreds of billions of Naira annually in lost income to the 6 criminals (Larson, 2016). Payroll fraud, as previously stated, refers to the complete process of employee's impersonation that results in a salary cost to the government. All unlawful, unauthorized, unqualified, fake, and non-existent employees who make wage claims from the government coffers are included in this category. The above suggests that ghost employees and payroll fraud in the public sector include underage, overage, backdated employments, inherited employments, unqualified personnel, and unlicensed staff, even if they

report for work on a daily basis. In certain cases, these dishonest public officials falsify paperwork and authorizations in order to add an employee to the payroll (Lekubu.2013).

2.1.4 Ghost Workers

Ghost workers are non-existent employees whose names and other information are retained on the company's payroll and wages are given to them, but the money is collected by others (most often the fraudster) who had the name added or left in the register. If payroll administrators take too long to remove the identities of people who are no longer employed by the company, ghost workers may be maintained on the payroll (Lekubu, 2013). Payroll clerks may put fake or separated workers' identities on the payroll, counterfeit their signatures, and collect their wages on their behalf in some situations (Izedonmi & Ibadin.2012). Because individuals who should be responsible for preventing the phantom names from entering the payroll are themselves part of the crime, ghost workers put into the payroll through collaboration are generally difficult to identify. Internal control flaws in government institutions also contribute to the spread of such crimes (Wells, 2002). In an organization, the formation of ghost workers may also arise if a single individual is responsible for completing personnel and payroll operations from start to finish. Such people can establish or keep ghost workers on the payroll without their identities being discovered. Because of the enormous number of employees in the public sector, governments frequently perform headcount exercises to detect ghost workers and remove them off the payroll (Tanzi, 2013). However, due to internal cooperation, these exercises seldom produce the desired effects.

2.2 Theoretical Review

This study adopted system theory as its theoretical framework

2.2.1 System Theory

The authors of system theory such as Ludwig Von Bertalanffy and Kenneth Boulding argue that the universe can be viewed as hierarchy of system" with everything at some level within the structure. The system in question was adopted on its merit in terms of their connectivity among parts of global systematic arrangement that made up single whole. A country could be said to be totally committed to implementation strategy as far as integration is concerned. That is if the basic diverse elements in the realm of politics, socio cultural, technocratic, bureaucratic and above all economic resources are marshaled towards that end. Though, there inputs are hard to quantify but they come mostly in qualitative terms. Esecebor (1993). He further lamented that systems exist in aspect of life and all discipline such as biology, information, engineering, organization etc. The system there is also employed in this research to stress the point that as a result of interdependence of the parts of a system, for instance in human digestive system, it is obvious that our feeding and consequently constipation would adversely lead to total disorder of the human system thus leading to unintended consequences like stomach-ache, body pains headache, cold among others.

2.2.2 Relevance of system theory to the study

The relevance of system approach to policy process and indeed implementation of every adopted policy like the ICT policy and IPPIS reform in use by the public service cannot be over emphasized especially for the fact that before independence to date the duties of the public service have expanded in line with the dynamics of human society which has resulted in certain changes in the structure, scope and nomenclature of the whole system of this entity called the Nigeria public service with the mandate area of coverage of service delivery to the generality of the people. Public service with the aim of improving the operation of the system and the need for effective service delivery and reduction of irregularities like Ghost Workers Syndrome, Corruption, Falsification of records, Manual Filing System, Cost of Governance etc cannot be emphasized which resulted in practical application of ICT and IPPIS reform in the conduct and processing of most of the financial activities in the public service such as e-payment of salary, software database for all employees of the Federal Government (MDAs), Treasury Single Account (TSA), e-remittance of Government Revenue, Electric Data Capture and Finger Prints.etc.

The public service has witnessed eventful reforms that have revolutionized its operation line with the global ICT Management System. This study will investigate how this IPPIS and ICT units established in Nigeria public service has performed their manifest and latent functions especially with the application of ICT policy through IPPIS reform and to what extent such digit experiment has brought positive changes to the operation of the public service and the quality of Financial Management in the service.

2.3 Empirical Reviews.

Ugada, & Eze (2024) investigated the effect of IPPIS on personnel cost in Nigerian civil service. Descriptive quantitative research method was used in analyzing primary and secondary data. A population of 1265 comprising four MDAs and a sample of 304 were used using Yemani model. Findings revealed that effect of personnel costs are positive because a lot of ghost workers were fished out and millions of Naira were saved, thereby, personnel cost was reduced. Concluded that proper implementation of IPPIS can eliminate payroll fraud in Nigeria civil service. The study recommended on the improvement of personnel records and internal control to be more efficient.

Dambala, Suleiman & Bale (2024) appraised the effectiveness of IPPIS in eliminating ghost workers in Nigeria public service. Data was generated from both primary and secondary sources and were analyzed with frequency counts and percentages. Findings showed that there was a significant relationship between ghost workers, fraud and irregular payment of salaries in Nigerian public service. It recommended the use of biometric technology, the use of BVN and punishment of the perpetrators.

Aliyu & Idris (2023) investigated IPPIS Implementation and Its Impact on Payroll Integrity in Nigerian Federal Government Agencies. A descriptive cross-sectional survey research design was used. Population was made up of 80 treasury staff of office of Accountant General of the federation. Data was analyzed using descriptive and inferential statistics (SPSS). Findings showed a significant moderate positive relationship between IPPIS implementation and its impact on payroll integrity. The study recommended that Government should strengthen the internal control mechanism of IPPIS so as to ensure integrity.

Okwu & Etekpe (2022) examined the effect of IPPIS on payroll fraud in the budget of the federation of Nigeria. Questionnaire was used to generate primary data and chi-square statistical analysis was used to analyze the data. Findings revealed that computerized accounting system of the IPPIS has facilitated human resource planning, thereby, preventing payroll fraud in the budget office of the federation. The study, however, concluded that IPPIS has reduced payroll fraud in the budget office of the federation. It recommended that IPPIS should be used to facilitate effective human resource planning through appropriate personnel cost administration as well as electronic system.

Olagunju & Olufemi (2021) analyzed the gains and pains of IPPIS policy implementation in Nigeria. Data was collected and analyzed using qualitative descriptive method. Findings revealed that IPPIS has been able to mitigate problems associated with salary payment of public servant but the feat came with some pains to both the public servants and IPPIS implementers. It recommended that IPPIS should decentralize its activities, gets more autonomy to operate effectively and needs more remodification and redesigning.

Abdulsalam, Kabir & Sani (2020) examined the effect of IPPIS on transparency in Government payroll administration in Nigeria civil service. A descriptive cross-sectional survey research design was used. Population was made up of 100 treasury staff of office of Accountant General of the federation. Data was analyzed using descriptive and inferential statistics (SPSS). Findings showed a significant moderate positive relationship between IPPIS, Transparency and Accountability. The study recommended that Government should strengthen the internal control mechanism of IPPIS so as to continuously dictate and block any loophole.

Chima & Folorunsho (2020) explored the extent to which IPPIS as an e-governance tool reduces corruption in the Nigerian public service. This investigation was motivated basically because IPPIS was introduced to guard against fraudulent practices and entrench accountability as well as transparency in the Nigerian Public Service. However, there are mixed reactions regarding its effectiveness in the Nigerian public service. Utilizing the qualitative method, this paper infers from analysis of existing bibliographic documentation that the use of IPPIS based on the evidence cited across Africa and Nigeria in particular is instrumental in deterring and detecting fraud. Hence, the paper supports the application of IPPIS in all **MDAs**. The paper, however, strongly concludes that the extension to MDAs at various levels of government can easily be facilitated and made more effective when proper records of employees are fed into

the IPPIS and the operators are constantly trained and motivated to encourage them to be upright while discharging their duties. Furthermore, a comprehensive payroll and personnel system modules should be built into the IPPIS to enhance its effectiveness. Consequent upon the foregoing, the paper recommends inter alia that there is a need for government to extend its implementation to all Ministries, Departments and Agencies (MDAs) at Federal, State and Local Government levels.

Abdulsalam et al (2020) investigated the effect of Integrated Personnel and Payroll Information System (IPPIS) on transparency in Government Payroll Administration in Nigerian civil service. A descriptive cross sectional survey research design was used in form of questionnaire administered to illicit information from the respondents, which provides generalized opinions/statistics from the number of individual cases. The population of the study covers 100 Treasury Staff of the Office of Accountant General of The Federation Working at Federal Pay Office, Sokoto and Federal Pay Office BirninKebbi. Census was adopted, and as such sampling represents the population. Data was collected and analyzed using descriptive and inferential statistics with the aid of Statistical Package for the Social Sciences (SPSS) Version 21. The findings from test of hypothesis of this paper revealed a significant moderate positive relationship between IPPIS, Transparency and Accountability. Hence, the null hypothesis which states that there is no significant relationship between IPPIS and transparency in government payroll administration in Federal Civil Service in Nigeria is rejected and the alternate hypothesis is accepted. The paper recommends that Government should strengthened the internal control mechanism of IPPIS so as to continuously detect and block any loopholes that will give room for fraud as well as carrying out routine Audit and Inspection of the program so as to ensure strict compliance with laid down rules and regulations governing the operation of IPPIS, coupled with compliance with the provisions of Financial Regulations and the Civil Service Rules.

In their own study, Kaoje, et al., (2020) which focused on Integrated Personnel and Payroll Information System (IPPIS) and Transparency in Government Payroll Administration in Nigerian Civil Service: A Unique Approach. The study was carried out with descriptive cross-sectional survey research design. The study found a significant moderate positive relationship between IPPIS, Transparency and Accountability.

The study by Mela (2019) on The Implementation of IPPIS Policy in The Nigerian Universities by Federal Government: Benefits and Challenges. The study was a qualitative research typed1. The study revealed that, university system did not reject IPPIS but argued that IPPIS did not adequately capture university flexibility and peculiarities

In the study of Leyira & Temple (2018) on IPPIS and the Ghost Workers Syndrome in Nigeria's Public Sector. The study adopted a historical research method and its finding was that the implementation and deployment of Integrated Personnel and Payroll Management System

(IPPIS) have to a great extent reduced the incentive, capacity and opportunity of fraudulent individuals to perpetrate payroll fraud at all levels.

While the study by Agboola (2018) on Effectiveness of Integrated Personnel and Payroll Information System in Addressing Ghost Worker Syndrome in Nigerian Public Sector was a survey research. The study utilized primary and secondary sources of data to elicit the opinions of public servants in the Federal Inland Revenue Service (FIRS). The study revealed that there were still challenges facing IPPIS in uploading monthly salary of the employees. The study concluded that with the introduction of the IPPIS scheme, if properly implemented and managed, it will go a long way in eradicating ghost workers in the Nigeria public service.

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Farajimakin & Anichebe (2017) Study Effect of Integrated Personal Payroll Information System on Employee Welfare: Evidence from Federal Ministries in Nigeria the study was based on survey and descriptive research design and the data were collected using questionnaire structured in hinary format. Binary logistic regression analysis was employed. The result of the study showed that, the implementation of IPPIS had weak positive relationship with employee welfare but it is statistically significantly.

In another study by Farajimakin & Anichebe (2017) on Integrated Payroll System and Government Recurrent Expenditure in Nigeria. The study used both qualitative and quantitative method of research. Data were collected through primary and secondary sources. The secondary was collected from annual reports of Bayelsa State Government, Nigeria and survey data were obtained from 30 respondents using researcher-designed questionnaire validated by experts and shown to have a reliability coefficient of 0.90. Descriptive and ordinary least square regression statistical techniques were used in analyzing the data with the aid of Statistical package for Social Sciences (SPSS) version 21. The study found that there was positive and strong relationship between integrated payroll system and personnel cost and overhead cost.

Enakirerhi & Temile (2017) study on IPPIS in Nigeria: Challenges, Benefits and Prospects. The study was a theoretical one that relied on various federal government announcements, opinions, stakeholders, presentations to international bodies and various articles and newspaper publications to reach its conclusion. The study found that accurate and reliable personnel, reduction or elimination of corrupt and sharp practices, facilitation of modern scientific and accurate budgeting and forecasting were major benefits of IPPIS. These benefits according to the study were however threatened by skills transfer problem, poor supporting infrastructure,

technological barriers for inter MDAs transfer, resistance from stakeholders and lack of will for accelerated implementation.

Idris, Adaja & Audu (2015) study on Integrated Personnel Payroll and Information System (IPPIS) Panacea for Ghost Workers Syndrome in Nigerian Public Service. The study elicited data from both primary and secondary sources. The data were analyzed using the simple percentage, frequency tables, mean score and spearman rank order correlation technique. The study found that ghost workers syndrome was rampant in the public service and that the integrated personnel payroll and information system (IPPIS) if properly adopted in the public service, it would ensure a virile economy through enhance productivity.

Effiong et al.. (2017) study which examined the Effects of Treasury Single Account (TSA). Integrated Payroll and Personnel Information System (IPPIS), and Integrated Financial Management Information System (IFMIS): Application and Implementation Effects on Fraud Management in the Public Sector in Nigeria. The study was conducted using descriptive research design with questionnaire administered on respondents randomly selected from the studied Ministries. The linear regression model was employed in establishing the relationship between variables and the study finding showed that TSA, IPPIS, and IFMIS have positive and significant relationship with Fraud and fraud management as well as jointly impact the performances of Public Interest Entities.

The authors of system theory such Ludwig Von Bertalanffy, Kenneth Boulding, argues that the universe can be viewed as hierarchy of system" with everything at some level within the structure. The system in question was adopted on its merit in terms of their connectivity among parts of global systematic arrangement that made up single whole. A country could be said to be totally committed to implementation strategy as far as integration is concerned. That is if the basic diverse elements in the realm of politics, socio cultural, technocratic, bureaucratic and above all economic resources are marshaled towards that end. Though, there inputs are hard to quantify but they come mostly in qualitative terms. Esecebor (1993). He further lamented that systems exist in aspect of life and all discipline such as biology, information, engineering, organization etc. The system there is also employed in this research to stress the point that as a result of interdependence of the parts of a system, for instance in human digestive system, it is obvious that our feeding and consequently constipation would adversely lead to total disorder of the human system thus leading to unintended consequences like stomach-ache, body pains headache, cold among others.

2.4 Literature Gap

Knowledge is lacking regarding the impact of IPPIS policy on the reduction of Payroll malpractices in public service of Nigeria to the barest minimum. Previous studies focused on how the implementation of Integrated Payroll and personnel Information System has been deployed to detect ghost workers, payroll fraud and to save money to government

treasury. Works by Idris. Adaja & Audu (2015), Agboola (2018), Ugada, & Eze (2024) investigated the effect of IPPIS on personnel cost in Nigerian civil service. Leyira & Temple (2018), and Effiong (2017) supported this conclusion. Work by Enakirerhi & Temile (2017), established the effectiveness as well as challenges of IPPIS implementation in Nigeria while works by Effiong focused on relationship between IPPIS and TSA and IFMIS as well as Aliyu & Idris (2023) who investigated IPPIS Implementation and Its Impact on Payroll Integrity in Nigerian Federal Government Agencies. The study of Kaoje, et al. (2020) established relationship between IPPIS and Farajimakin & Anichebe (2017) established relationship between IPPIS, personnel cost and overhead cost and also demonstrated weak relationship between IPPIS and employee welfare. None of the Scholars in recent studies, to the best of my knowledge measures the effect of IPPIS policy on the reduction of Payroll malpractices in public service of Nigeria a gap which this study intends to fill.

3.0 METHODOLOGY

3.1 Research Design

This study adopted a field survey research design in which structured questionnaire was designed and distributed to the respondents as a means of gathering data. This study used primary source of data due to the fact

that the data needed for this study should be obtained by the field survey of knowledgeable individuals through the administration of questionnaire to respondents. The population of this study focused on Federal Government Ministries, Departments and Agencies (MDAs), which consisted of Federal Civil Servants at the Federal Secretariat Complex, Awka, Anambra state, from Grade Levels 07 and above, who also have been in the Federal Civil Service before the implementation of IPPIS in the country. Purposive sampling technique was used to sample 90 respondents from the Federal Government MDAs who are easily accessible to the researcher. For the purpose of this study, the needed data was collected with the use of questionnaire designed in a 5-point Likert scale with closed ended questions to elicit the needed responses on the effect of Integrated Payroll and Personnel Information System (IPPIS) on payroll malpractices in Nigerian public sector. Ninety (90) questionnaires were administered. Therefore, 90 questionnaires were raised and distributed to the respondents in order to achieve the objectives of this study.

Method of data analysis for this study were frequency analysis and hypotheses which were statistically tested based on null hypotheses formulated with t-test at 5% level of significance. Since the population is a single population, the t-test for one sample test was used in this study with the application of the formula given below

$$t = \frac{\bar{x} - \mu}{S/\sqrt{n-1}}$$

Where \bar{x} = Sample mean

μ = Population mean

S = Simple standard deviation

n = Sample size

Decision Rule: If computed t-test is greater than the critical value from the table, reject the null hypothesis, and accept the alternate hypothesis but if the computed t-test is less than the critical value from the table, accept the null hypothesis and reject the alternate hypothesis.

4.0 DATA PRESENTATION, ANALYSIS AND INTERPRETATION

To what extent does Integrated Personnel Information System (IPIS) affect the reduction of ghost workers in Nigerian public service?

Table 1: Frequency Distribution of Responses

	FACTORS						TOTAL
		SA	A	D	SD	UD	
1	IPPIS enhances the opportunity for staff data to be captured in the payroll as well as maintains and updates same data records in order to minimizing ghost workers in the public sector.	52	29	5	3	1	90

Source: Author's Computation 2024

How can there be effect of Integrated Payroll Information System (IPIS) on the reduction of Payroll fraud in Nigeria?

Table2: Frequency Distribution of Responses

	FACTORS						
		SA	A	D	SD	UD	TOTAL
2	The advent of IPPIS helps to checkmate the problems of payroll fraud by periodically carrying out staff and payroll audits, which really uncovered and saved government a lot of irrelevant costs.	55	25	6	4	0	90

Source: Author's Computation 2024

Result from table 1 presents the distribution of the respondents from the employees of Federal Government MDAs in Anambra state on the effect of Integrated Personnel and Information System (IPIS) on the reduction of ghost workers in Nigerian public sector. Majority of the respondents opined that IPIS has a huge positive impact on the reduction of ghost workers in Nigerian public sector.

Result from table 2 presents the distribution of the respondents from the employees of Federal Government MDAs in Anambra state on the impact of Integrated Payroll and Information System (IPIS) on the reduction of payroll fraud in Nigerian public sector. Majority of the respondents opined that IPIS has a huge positive impact on the reduction of payroll fraud in Nigerian public sector.

These findings were further supported by t-test.

HO1: Integrated Personnel Information System has no significant effect on the reduction of ghost workers in Nigerian public service.

Table1. Test of Hypothesis

Responses	Scores	Frequency	FX	(x-x)	(x-x) ²	F(x-x) ²
SA	5	52	260	0.60	0.36	18.72
A	4	29	116	-0.40	0.16	4.64
D	3	05	15	-1.40	1.96	9.80
SD	2	03	06	-2.40	5.76	17.28
UD	1	01	01	-3.40	11.56	11.56
Total	15	90	398	-	-	62.00

$$t = \frac{\bar{x} - \mu}{S/\sqrt{n-1}}$$

Where \bar{x} = Sample mean=4.40

μ = Population mean= 3.0

S= Simple standard deviation= 0.83

n=Sample size= 5

Mean (\bar{x}) = 4.40

S.D= $\sqrt{\sum f(x-x)^2 / \sum f} = \sqrt{62/90} = 0.83$

$t = 4.40 - 3.0 / 0.83 = 1.4 / 0.41 = 3.41$

t- Computed = 3.41

t- Critical = 1.96

Decision Rule: Since computed t-value (3.41) is greater than the critical value (1.96) the null hypothesis is rejected. This implies that Integrated Personnel and Information System (IPIS) has a positive and significant effect on the reduction of ghost workers in Nigerian public service.

H02: Integrated Payroll Information System has no significant effect on the reduction of payroll fraud in Nigerian public service.

Table 2 Test of Hypothesis

Responses	Scores	Frequency	Fx	(x-x)	(x-x) ²	F(x-x) ²
SA	5	55	275	0.55	0.3025	16.64
A	4	25	100	-0.45	0.2025	5.06
D	3	06	18	-1.45	2.1025	12.61
SD	2	04	8	-2.45	6.0025	24.01
UD	1	0	0	-3.45	11.9025	0
Total	15	90	401	-	-	58.32

Source: Author's Computation 2024

$$t = \frac{\bar{x} - \mu}{S/\sqrt{n-1}}$$

Where \bar{x} = Sample mean = 4.45

μ = Population mean = 3.0

S = Simple standard deviation = 0.65

n = Sample size = 5

Mean (\bar{x}) = 4.45

S.D = $\sqrt{\sum f(x-x)^2 / \sum f} = \sqrt{58.32/90} = 0.65$

t = $4.45 - 3.0 / 0.65 = 1.45 / 0.33 = 4.39$

t- Computed = 4.39

t- Critical = 1.96

Decision Rule: Since computed t-value (4.39) is greater than the critical value (1.96) the null hypothesis is rejected. This implies that Integrated Payroll and Information System (IPIS) has a positive and significant effect on the reduction of payroll fraud in Nigerian public service.

5.1 SUMMARY OF FINDINGS

Findings from the data analyzed revealed thus:

IPPIS has a positive and significant effect on the reduction of ghost workers in the Nigerian Public Service to a large extent. This has equally saved Billions of naira to the Federal Government. The use of IPPIS has aided in detecting and deterring payroll malpractices as well as illegal employment in all the MDAs. The findings here are in line with the findings of Lcyira & Temple (2018) as well as Agboola (2018).

IPPIS has a positive and significant effect on the reduction of payroll fraud in the Nigerian Public Service. It has created a centralized database system for the Nigerian Public Service; IPPIS has led to the uncover of most of the fraud using biometric data capture machine; IPPIS has replaced the ineffective manual and file based personnel system; IPPIS has reduced fraudulent financial practices; and IPPIS has reduced massive financial losses occasioned by payroll fraud.

CONCLUSION

The study concluded that Integrated Payroll and Personnel Information System (IPPIS) has a positive and significant impact on the reduction of ghost workers as well as payroll fraud in Nigerian public service. Government should strengthened the internal control mechanism of IPPIS so as to continuously detect and block loopholes that will give room for fraud as well as carrying out routine Audit and Inspection of the program so as to ensure strict compliance with laid down rules and regulations governing the operation of IPPIS, coupled with compliance with the provisions of Financial Regulations and the Civil Service Rules.

RECOMMENDATIONS

Government should ensure more accurate and proper quarterly staff audit in all the MDAs by IPPIS as well as Payroll audit by external auditors on semi-annual basis. Issues of decrease staff of any MDA should be reported promptly, also promotions of staff and newly employed should be captured by IPPIS without any delay.

There should be rotation of job roles among IPPIS employees and at the end of every month, actual number of staff in employment should be compared with the number paid, just to discover variations so as to ensure timely and appropriate corrective actions be taken.

Strong Cyber Security is highly recommended; since it's a computer data based integrated system, this is in order to avoid incidence of hacking and other system malpractices.

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