

EFFECT OF INTEGRATED PERSONNEL AND PAYROLL INFORMATION SYSTEM (IPPIS) ON PERSONNEL COST IN THE NIGERIAN CIVIL SERVICE (2008 – 2020)

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ABSTRACT

The ghost worker syndrome payroll fraud, stealing, over-invoicing, sterile auditing/poor accounting, over-staffing etc have been a menace across all tiers of government in Nigeria and has led to government spending billions of naira resulting from the money being siphoned through the payment to non-existent workers. This is worrisome. Therefore, this paper examined the effect of integrated personnel and payroll information system (IPPIS) on personnel cost in the Nigerian civil service. The researcher applied the descriptive quantitative research method, using primary and secondary sources to elicit data, and analysed data using simple percentage, frequency tables and the critical values of the chi-square distribution with degree of freedom.

The paper discovered that the personnel records of Nigerian civil servants could be relied upon only to a low extent because of bloated staff strength, wrong dates of employment or wrong dates of birth that do normally affect personnel cost negatively. However, the study found out that the effects of IPPIS on personnel cost are positive because a lot of ghost workers were fished out and millions of naira was saved thereby reducing the personnel cost. It was concluded that proper implementation of IPPIS can eliminate payroll fraud in the Nigeria civil service. From these findings, this paper recommends that the practice of IPPIS in the civil service should seriously aim at improving personnel records as well as ensure that all civil servants should continue to be paid through bank and not by cash.

Also, government should strengthen the internal control mechanism of IPPIS so as to continually detect and block any loopholes that will give room for fraud. Government should budget enough money and make funds available for training and retraining of both civil servants that will be handling the program and the stakeholders to the programme. This will make for continuity and sustenance of the scheme. More states should endeavor to key into IPPIS to reap the benefits accruing therefrom.

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INTRODUCTION

1.1. Background of the Study

In Nigeria all the Ministries, Departments and Agencies (MDAs) draw their personnel cost from the Consolidated Revenue Fund, CRF, (Nwosu, 2018) The exact number of personnel being paid in the nation cannot be easily ascertained due to non-availability of required and necessary information (Chude NP 2018). As a result of non-availability of the exact number of Public Servants in the country, it has become difficult for government to have an accurate wage data for planning and budgeting purpose (Agbatogun, 2019). The Integrated Personnel and Payroll Information System (IPPIS) project seeks to resolve this and also reduce the Federal Government expenditure on Overheads. In 2007, the Federal Government of Nigeria and the World Bank initiated the Integrated Personnel and Payroll Information System (OA GF, 2010). The goals set by the Federal Government include the following:

- Implement an Integrated Solution
- Improve human management effectiveness
- Increase confidence in Government Payroll cost and expenditure management
- Significantly improve overall management reporting and planning.

Amongst the objectives of the reforms of Government is to entrench transparency and accountability in the Public Service Human Resources (HR) records and payroll administration. Successive Governments have observed gross inadequacies in the payroll and personnel records in the Public Service. Several efforts have been made to reduce these challenges, but it tends to worsen with time, resulting to greater differences in accessing reliable data for human resources planning and management, chaotic state of pension administration, “ghost worker” syndrome, and various forms of payroll and credential fraud.

Manual computation of salary and documentation of personnel information has been compounding the problem of transparency and accountability. This also affects accuracy in computation of salary hence over payment or underpayment of salaries, omission of staff name in payment, wrong calculation of promotion and pension that is due to staff and ex-staff as the case may be. With the introduction of the Integrated Personnel and Payroll Information System Scheme, if properly implemented and managed, will go a long way in eradicating or at least bring the above mentioned problems to the barest minimum.

1.2. Statement of the Problem

Records showed that the Government of Nigeria spends almost 50% to 60% of its revenue on Personnel Management every year at the detriment of other sectors of the economy. According to the then Honourable Minister of Finance, Mr. Olusegun Aganga in his address at the flag off of Integrated Personnel and Payroll Information System Phase II workshop held at the Sharaton Hotels, Abuja, he said that in 2011 Federal Government Budget was projected at N4,226.19 billion, comprising N196.12 billion (4%) for Statutory transfers; N542.38 billion (13%) for Debt Servicing; N2,481.71 billion (59%) for Recurrent (Non-debit): expenditure a great chunk of which goes to salaries and N1,005.00 billion (24%) for capital expenditure. This huge bill it is said, if not monitored and cut down through appropriate government policy and reform Programme, we may wake up one day to see that all Government revenue is spent in paying salaries at the detriment of competing needs.

The Ghost worker syndrome is not a new thing in Nigeria Public Service, where a non-existent person is paid salaries monthly. There are multiple payments of emoluments to a single employee and credentials are falsified. People have access to their personal files and official documents. (Nwosu, 2018).

It is a big challenge, that at this age when almost every aspect of the world economy is computerized, Nigeria is still depending on manual records for her personnel and payroll information. Workers' data are kept in paper files, their salaries are calculated manually and as such mistakes and fraud in form of overpayment, underpayment and payment of ghost workers always occur. (Nwosu, op cit).

Aganga in Nwosu, (2018) said that Government of Nigeria does not have the accurate number of civil servants and her budget is always an estimate. This has created some loopholes, whereby some Ministries budget more than they require and use the excess for some other things than payment of salaries and allowances. Sometimes some get personnel allocation that is quite less than they need and for that reason they place some workers especially the new ones on allowances for many months thereby subjecting them to unnecessary hardship. (Nwosu, op cit).

1.3 Objectives of the Study

1. To determine the relationship between IPPIS and transparency in government payroll administration in Nigerian Civil Service.
2. To determine the possible effect of Integrated Personnel and payroll information on savings in Personnel Cost/Recurrent Expenditure of the Nigerian Civil Service.
3. To determine the extent to which proper implementation of Integrated Personnel and Payroll System programme will eliminate payroll fraud in the Nigerian Civil Service.
4. To determine the extent to which States in the Federation have keyed in to IPPIS in the service.

1.4 Research Questions

1. To what extent is there a relationship between IPPIS and transparency in Government payroll administration in Nigerian Civil Service?
2. To what extent are the effects of IPPIS felt in savings in Personnel Cost/Recurrent Expenditure in Nigerian Civil Service?
3. Can proper implementation of Integrated Personnel and Payroll Information System programme eliminate payroll fraud in the Nigerian Civil Service?
4. To what extent have states in the Federation keyed into IPPIS in the Civil Service?

1.5 Hypothesis

1. Ho There is no relationship between IPPIS and transparency in Government payroll administration in Nigerian Civil Service.
2. Ho The effects of IPPIS on Recurrent Expenditure/Personnel Cost is not highly effective on savings in Nigerian Civil Services.

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3. Ho Proper implementation of IPPIS cannot eliminate fraud in Nigerian Civil Service.
 4. Ho States in the Federation have not highly keyed into IPPIS in the Civil Service.

LITERATURE REVIEW

2.1 Conceptual Review:

Integrated personnel and payroll information system (IPPIS): is a world bank –assisted project under the economic reform and government project (ERGP) Office of Accountant- General of the Federation OAGF, (2008) 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 records for administrative and pension process, and to facilitate staff remuneration payment. IPPIS programme enables the government MDAs to fish out the ghost workers for the attainment of public probity in governance.

2.1.1 Public Service Reforms in Nigeria

Nwosu (2008) argues that in any system or organization where things are working out fine, infrastructures are current and up-to-date, workers are not only hardworking but also sincere, and there may not be need for any change, (i.e change for good). Reform is a process of effecting change in order to make things better. Reform does not apply to all manners of change. In order to be described as reform, an intervention must be planned and systematic and must produce a fundamental change involving innovation, modernization and attitudinal re-orientation in terms of value and service delivery.

In Nigerian public service, there are some glaring inadequacies that reform has been formulated to address. Among them is the poor record management system, accounting for preponderance of ghost workers. The Head of Civil Service of the Federal (Prof. Abraham Oladepo Afolabi, (2018) in his speech at the flag off of (IPPIS Phase II) sensitization and change management workshop said “The IPPIS is one of the projects implemented under the Reform Programmes of Government that was aimed at improving the effectiveness and efficiency in the storage of personnel records and administration of monthly payroll in such a way as to enhance confidence in staff document, cost and budgeting, using up-to-date information and communication Technology (ICT) infrastructure.

Nigerian Public Service Reforms have been able to change and better a lot of things which are obvious. Some of the good results produced by the reform include the following:

Virtually all MDAs are undergoing restructuring in order to improve their effectiveness.

New initiatives are being formulated on ethics and integrity to ensure value driven public service.

Service wide capacity building is being harnessed through opportunities provided by international cooperation.

Fully structured Ministries, Departments, Agencies (MDAs) such as Federal Ministry of Finance, Budget Office, National Planning Commission, Bureau of Statistics and the State House are functioning.

Substantial savings were recorded in restructuring exercises as a result of effective staff audits reducing to the barest minimum, the phenomenon of ghost workers.

Officers who have not been adding value to the public service are either being severed or have been removed from the system. This is to pave way for the injection of young graduates and other categories of

qualified employees, with the right drive and aptitudes to join with other staff levels to take the public service to the next level.

2.1.2 History of Integrated Personnel and Payroll Information System (IPPIS).

Integrated Personnel and Payroll Information System (IPPIS) was first initiated by the Federal Government in the year 2006 (OAGF, 2008 op cit). The intention was to improve the effectiveness and efficiency in the storage of personnel records and administration of monthly payroll in such a way to enhance confidence in staff emolument costs and budgeting.

IPPIS is a child of the Federal Government Reforms Programme which was conceptualized at the Bureau of Public Service Reforms (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.

The seven pilot Ministers were:

- Federal Ministry of Education
- Federal Ministry of Works
- Federal Ministry of Finance
- Budget Office of the Federation
- Federal Ministry of Information and Communication
- Ministry of Foreign Affairs, and
- National Planning Commission.

The intention was that the system would be implemented according to part of world where Information and Communication Technology (ICT) is used to improve management reporting and information. The scope of the project was to cover the administration of the FGN's human resources beginning with establishment control and cadre management. It was to cover all the activities that had to do with recruitment, promotion; transfer; and career movements until appointment termination. The system is to track all the financial transactions that are related and linked to personnel emoluments.

Prior to their registration; the nominal rolls of the Seven Pilot MDAs submitted indicated 55,000 staff, hence World Bank paid for fifty-five thousand licenses. However, after their enrolment into the Scheme, it was discovered that their total staff strength was 32,000. Therefore, additional eleven (11) MDAs were brought on board in July 2009 to optimize the 55,000 licenses purchased. The MDAs are:-

- i. Federal Ministry of Transport
- ii. Federal Ministry of Health
- iii. Federal Ministry of Agriculture and Water Resources
- iv. Federal Civil Service Commission
- v. Federal Ministry of Works (Housing & Urban Development)
- vi. Federal Ministry of Information (Communication)
- vii. Office of the Accountant General of the Federation
- viii. Office of the Head of Civil Service of the Federation
- ix. Office of the Secretary to the Government of the Federation

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- x. Federal Ministry of Aviation
 - xi. Federal Ministry of Petroleum Resources

Having seen the benefits of the Scheme especially in the area of saving to the Government, the Federal Executive Council in its meeting on Wednesday, 1st December, 2010 approved the enrolment of all MDAs that draw their Personnel Cost from the Consolidated Revenue Fund (CRF) into the Integrated Payroll and Personnel Information System (IPPIS). The Phase II Service-wide implementation commenced under the platform of a new software called “Oracle Application” in September 2011 in batches and is being financed by the Federal Government of Nigeria. As at April, 2018 490 MDAs (including the Nigeria Police and other Paramilitary Agencies have been enrolled into IPPIS with total staff strength of over 700,000 employees (IPPIS, OAGF, 2019).

2.1.3 IPPIS and Government Personnel Report in Nigeria

According to Fa raj im a kin, Abiodun & Anichebe AS (2017) citing Okonjo Iweala (2014), the government saved 160 billion naira by weeding out 60,000 ghost workers from the payroll. This number excludes the 46,821 ghost workers identified in 215 ministries, departments and agencies in 2013. The staff audit exercise conducted in federal capital territory in 2013 revealed that out of 6,017 on the payroll, 6,000 were fictitious. The audit exercise exposed the extent of monumental corruption, theft and financial irregularities that could be eliminated if the electronic payroll system is fully implemented in the public service. Hence, the consistent staff screening in government ministries, departments and agencies will no doubt improve the payroll report at the federal, states and local governments. The integrated personnel payroll and information system has no doubt enhanced accountability and transparency in the management of government resources. In 2013, the Federal Ministry of Finance observed that the implementation of IPPIS has enhanced efficient personnel cost, planning and budgeting as personnel cost was based on actual verified values and not estimates. This has broadened employment opportunities, reduced corruption in the public service and reduced personnel costs. The efficiency in transacting government business is enhanced. More so, the implementation of IPPIS has also enhanced the confidence in payroll cost and budgeting, improved management reporting and information; rebuilding public confidence provides opportunities for improved infrastructural facilities, create conducive work atmosphere and job security (Hall & Torrington 1998, Ikechukwu 2015). Though the envisaged challenges by the employees include: job act, bureaucratic bottleneck, decayed infrastructure, Unionism and reduced fortunes for recruitment, government insensitivity and commitment in pursuing its policies in the past, Mayo (2011) after assessing success so far, believes that the success can be consolidated by adopting it at all levels of government.

2.1.4 IPPIS and e-Payment System

A simple basic definition of payment is exchange of monetary value for the receipt of goods or services. Tan (2004:3) defined e-payment as one in which value is transferred electronically or digitally between two entities as compensation or consideration for the receipt of goods or services. The e-payment system simply put is the electronic system of payment.

Despite the Provisions of the Financial Regulations Part 1, (1503) (1) which stipulates that all public servants shall have their salaries paid through named banks on completion of Treasury Form (4), which encourages e-payment transaction, it is obvious that such provision is handicapped to empower the organizations to carry out a centralized payroll system. To address this challenge, Nigeria government

through the CBN has issued policy directive on e-payment. The government has provided regulations and gone as far as providing the necessary infrastructure whenever it is lacking. Guidelines were issued to banks and other individuals to innovate and support electronic payment system. Some of the Information and Computer Technological based banking services available in the country include the personal computer banking, telephone banking, internet, electronic card (Credit card), the Automated Teller Machine (ATM) among others. Adoption of IPPIS by the Federal Government further demonstrates the government resolve to promote e-payment in Nigeria.

2.2 Theoretical Review

Quite a number of theories of socio-economic considerations were borrowed to form sound foundation to substantiate IPPIS adoption and implementation. Therefore, this paper identified four theories. These are:-

2.2.1 Agency Theory

Principal-agent theory argues that the public (as principals) on whose behalf politicians and bureaucrats (as agents) are supposed to govern, is unable to hold the latter accountable because of insufficient information (Information asymmetry) the incompleteness of the contracts of employment, and the problems of monitoring behavior (Walsh, 1995; Lane 1995). The public sector under-performs because state officials pursue their own narrow self-interests rather than the public interest. It is difficult to extract accountability and good performance from public servants (agents) because of the monopoly characteristics of public services, imperfect information about the services, and about the abilities and interest of public employees, and the huge transaction costs that would be involved in efforts to write and monitor complete contracts. One solution to the problems of the public sector is to expose the public services to greater competition. The result of the above drivers for change is that the role and institutional character of the state have been increasing pressure to be more market-oriented and management-oriented, with emphasis on doing more with less. Traditional model of organization and delivery of public services, based on the principles of bureaucratic hierarchy, planning, centralization, direct control and self-sufficiency is being replaced by a “New Public Management” (NPM) model.

2.2.2 New Public Management (NPM)

NPM is a management philosophy used by governments to reform the public sector (Fa raj in a kin (2019). New Public Management is a broad and complex term used to describe the wave of public sector reforms throughout the world since the 1980's. The NPM-reform believes that government activities should be more market-oriented because more market-oriented public sector will lead to greater cost-efficiency for governments, without having negative side effects on other objectives and considerations.

2.2.3 Stakeholder Theory

Stakeholder theory emphasizes the importance of the corporate responsiveness to stakeholder interests. (Ifeyinwa J.N. 2018) It assumed that adoption of IPPIS by the Federal Government is as a result of the pressure from stakeholders/citizens majorly against concerns (Agbatogun, T.O. (2019). It suggested that the government will respond to the concerns and expectations of powerful stakeholders/citizens and some of the response will be in the form of strategic opinions. Stakeholders' theory provides rich insights into the factors that motivate government in relation to the adoption and implementation of Treasury Single Account (Garbade KD, John CP, Paul J.S (2004).

2.2.4 Public Finance Management Theory

This theory assumed that all aspects of financial resources mobilization and expenditure should be well managed in government for the benefits of the citizenry. It includes resources mobilization, prioritization of programmes, the budgetary process, efficient management of resources and exercising control to guard against threats. IPPIS was primarily adopted to guard against misapplication of public funds (Effiong, S.A, Lorenzo, OB, Godspower OU, Raphael, IN, Etop. JG, Iroushu RB, 2017).

2.3 Theoretical Framework

All four theories discussed in section 2.2 above are directly related to this study and are in one way or the other, directly relevant to the discussion of IPPIS concept. To wit, the principal-agent theory exposes the relationship between the public and politicians/bureaucrats, where the public sector under-performs because state officials pursue their own narrow self-interest rather than the public interests. This principle runs against the New Public Management Philosophy intended by governments to reform the public sector.

Equally, the stakeholder theory appears opposed to the Principal-agent theory and argues that the adoption of IPPIS by the Federal Government is as a result of the pressure from the stakeholders/citizens majorly against corruption espoused by the principal agent theory. On its part, the public finance management theory, assumed that all aspects of financial resources mobilization and expenditure should be well managed in government for the benefits of the citizenry. IPPIS was primarily adopted to guard against misapplication of public funds. All these four theories are helpful in understanding the IPPIS concept and are powerful in guiding this research.

2.4 Empirical Reviews

2.4.1 Ibanichuka (2019) et al examined the relationship between Integrated Personnel and Payroll Information System (IPPIS) and management of public sector funds. Primary data were used which were obtained with the aid of questionnaire administered to 100 respondents. The study employed the maximum likelihood estimation (MLE) techniques to analyze the data and the parameters were estimated using STATA compute package. The result from the analysis reveal that the implementation of IPPIS programme has a significant effect on payroll fraud of Recurrent Expenditure of the Government in the Nigeria Civil Service but IPPIS does not help government in planning and budgeting. The study recommends that Government ensures that whenever an employee resigns, or has been terminated, or demised, that their records are properly updated.

2.4.2 Ibanichuka and Sawyer (2019) investigated empirically the relationship between Integrated Payroll System and government recurrent expenditure in Nigeria. Data were collected through primary and secondary sources. The secondary data were 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 findings revealed that there exists a positive and strong relationship between Integrated Payroll System and Personnel Cost and overhead cost. The study concludes that there exists a significant relationship between Integrated Personnel and Payroll System and Government Recurrent Expenditures, and recommends that all civil servants should be paid through bank and not by cash to prevent double hiring. Payroll presentation for all state civil servants should be centralized in the state treasury. Individual staff records should be centrally and safely kept with relevant accounting packages.

2.4.3 Micah and Moses (2018) examined if the introduction of integrated personnel and payroll information system (IPPIS) could eradicate ghost workers from the payroll in Nigeria's public service. The historical research method was adopted. Based on the findings, it was concluded 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. However, there are some challenges: There are technologies barriers. Most of the IPPIS staff have not been exposed to oracle training. Major MDAs are yet to connect to platform over a virtual private network. Thus, it is recommended that MDAs at all levels should key into the IPPIS platform in line with the Federal Government public sector reform agenda to minimize payroll fraud in Nigeria.

2.4.4 Idris, Adaja and Audu (2018) studied the effect of IPPIS implementation on “ghost worker” syndrome at the local government level; the study used primary and secondary data with survey design. The study found a positive relationship between ghost worker syndrome and employee productivity. It is argued that ghost worker syndrome lead to over-bloated wage bill over the economic capacity of the local government, this they believe have led to the irregular payment of salary and low productivity but with the introduction of IPPIS, the ghost worker syndrome will be addressed. This, they believe will lead to regular salary payment and employee motivation and ultimately employee's productivity. This may succeed if those who have benefitted from the ghost worker syndrome are punished and corruption is checked.

2.4.5 Idris Haruna, Adaja Joseph, & Audu Joel Samson (2018) studied integrated personnel payroll information system (IPPIS) panacea for ghost workers syndrome in Nigerian public service. The researcher elicited data from primary and secondary sources. The data were analysed using the simple parentage, frequency tables, mean score and spearman rank order correlation technique. The paper concluded that ghost workers syndrome is highly imminent in the public service and therefore recommended that the integrated personnel payroll and information system (IPPS) should be adopted in the public service to ensure a virile economy through enhanced productivity.

2.4.6 Asina'u and Ibrahim (2019) studied the role of public service reforms in promoting public accountability in Nigeria between 1999–2009 using a content analysis. The study revealed among others that integrated personnel and payroll information system (IPPIS) is a reform instrument adopted by the Nigerian Government to ensure public accountability within public service. The study recommended that the three tiers of government should provide the enabling legislations, policies, reforms as well as strictly comply with the measures and policies for public accountability in the reforms for the attainment of public probity in governance.

METHODOLOGY

3.1 Research Method/Design

This paper adopts the descriptive quantitative research design relying on primary source of data collected first hand from original sources, and secondary data collected on a second basis through the use of text books, seminar papers, journals, newspapers, internet, and magazines from public and specialized libraries. The jurisdiction for this research design is based on the fact that it allows the “investigator start with the observation of dependent variables, and then, study the independent variables in retrospect, for their possible relationship to have any effect on the dependent variables” (Chukwuemeka, 2006: 19).

The study used a population of 1,265 covering four Federal MDAs in Enugu and Offices of Accountants-

General of Anambra, Ebonyi and Enugu States. Then using Taro Yameni Formula a sample size of 304 was determined to whom copies of the questionnaire validated and found reliable were distributed.

The researcher used spots assistants to distribute and ensure maximum cooperation of respondents who returned the completed questionnaire within one week. Analysis was done using percentages, frequencies and the critical values of the chi-square distribution with degree of freedom.

PRESENTATION OF DATA

RESEARCH QUESTION	ATTRIBUTE	NO. OF RESPONDENTS	PERCENTAGE
Q.1 To what extent is there a relationship between IPPIS and transparency in Govt. payroll administration in Nigerian Civil Service?	Very High	42	14
	High	95	33
	Undecided	32	11
	Low	79	27
	Very Low	43	15
		291	100
Q.2 To what extent are the effects of IPPIS felt on savings in personnel Cost/Recurrent Expenditure in Nigerian Civil Servant?	Very High	36	12
	High	147	51
	Undecided	53	18
	Low	29	10
	Very Low	26	9
		291	100
Q.3 Can proper implementation of IPPIS eliminate payroll fraud in Nigerian Civil Service?	Strongly Agree	55	19
	Agree	167	57
	Undecided	23	8
	Disagree	20	7
	Strongly Disagree	26	9
		291	100
Q.4 To what extent have states in the Federation keyed into the IPPIS system?	Very High	0	0
	High	0	0
	Undecided	21	8
	Low	135	46
	Very Low	135	46
		291	100

• Summary of Findings, Conclusion and Recommendations

4.1 Findings

Whereas 47% of respondents agreed that the relationship between IPPS and transparency in Government payroll system was high in the Nigeria Civil Service a close 42.1% of the respondents believed that the relationship was to a low extent. This closeness in the various perspectives should be interpreted to represent

the understanding of the respondents of the realism of the impact of factual personal records on the eventual results of applying IPPIS using the available personnel records in producing the payroll. However, by applying the test of hypothesis, since the chi-square value (34.09) is less than the critical value (26.296), the decision is that we reject the null hypothesis and accept the alternate hypothesis which states that there is a high level of relationship between IPPIS and transparency in Government payroll administration in Nigerian Civil Service.

This study found out that the effects of IPPIS on Recurrent Expenditure/Personnel Cost was highly felt because a lot of a ghost workers were fished out as IPPIS was being applied and millions of naira saved thereby reducing the personnel cost particularly and the recurrent Expenditure generally. By applying the chi-square, it was discovered that the chi-square value of 63.59 is more than the critical value of 26.296 and as such the null hypothesis was rejected. Therefore, the alternate hypothesis which states that the effects of IPPIS is highly felt in savings on Recurrent Expenditure/Personnel Cost in Nigerian Civil Service.

In respect of whether proper implementation of IPPIS can eliminate payroll fraud in the Nigeria Civil Service, this research concluded that by the proper implementation of IPPIS, payroll fraud in the Nigeria Civil Service could be eliminated. A test of hypothesis showed that the calculated chi-square of 47.71 was greater than the determined critical value of 36.296. Therefore, the decision rule requires the rejection of the null hypotheses and the acceptance of the alternate hypothesis which states that proper implementation of IPPIS can eliminate payroll fraud in the Nigeria Civil Service.

A total of 270 respondents out of 291 representing an overwhelming 92% were of the view that states in the Federation have keyed in the IPPIS to a very low/low extent. In fact only six states out of 36 have done so. Since the chi-square (11.95) is less than the critical value 26.296) we accept the null hypothesis that states that State Civil Services in Nigeria have not keyed into IPPIS to a high extent.

4.2 Conclusion

The researcher concluded that the introduction of IPPIS in the Nigerian Civil Service was a well-intended policy by which the Federal Government wanted to eliminate ghost workers in a highly corrupt system. However, IPPIS is grossly affected by the poor personnel records which have been influenced by “interests” that falsify the records to their advantage or gain. Therefore, the parlance “garbage in garbage out” comes to play here. That is, the wrong personnel information fed into the computer by the operators is what the computer produces, and this directly affects the personnel cost adversely inflicting heavy financial losses to the government. This calls for future measures to consolidate on the gains so far made by IPPIS in fishing out a greater number of ghost workers in the Nigerian Civil Service.

4.3 Recommendations

Because of the impact of factual personnel records on transparency in government payroll system, the practice of IPPIS in the Civil Service should seriously aim at improving personnel records. This can only be achieved by regular interface and collaboration between the Administration Department, Finance Department and the IPPIS Department of each MDA in comparison of the Nominal Roll with the Payroll. This will ensure that non-existent workers are flushed out, before they are garbaged into the central payroll system of the Office of the Accountant-General. Also, the Auditor-General should ensure monitoring of the

staff nominal rolls and payroll systems of all MDAs to be satisfied that they conform with staff records available to his Office in respect of entry and exit of staff.

Since there is proof that there exists a significant relationship between IPPIS and Government Recurrent Expenditure/Personnel Cost, the researcher recommends that all Civil Servants should continue to be paid through the bank and not by cash to prevent double hiring. Also, government should strengthen the internal control mechanism of IPPIS so as to continually detect and block any loopholes that will give room for fraud. There should be regular audit and inspection of the programme so as to ensure strict compliance with laid down rules and regulations.

Although some level of success has been achieved by the application of IPPIS in the Civil Service, and a lot of ghost workers expunged with consequential savings in the personnel cost, government should budget enough money and make funds available for training and retraining of both Civil Servants that will be handling the programme and the stakeholders to the programme. Government should also provide fund for purchasing of new machines updating and replacement of systems and electronics infrastructures needed for the community and sustenance of the scheme. Workers should endeavour to report on time any case of death, resignation of staff and study leave without pay, etc.

We now know that few states have keyed into the IPPIS programme. This is not enough. It is therefore, recommended that the IPPIS programme should not only be introduced in all States of the Federation, but in all three tiers of government in Nigeria. This will minimize payroll fraud and ensure a virile economy through enhanced productivity. This done, IPPIS will, to a great extent, reduce the incentive, capacity and opportunity of fraudulent individuals to perpetrate payroll fraud at all levels. Payroll presentation for all States Civil Servants should be centralized in the State treasury.

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