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An Appraisal of Ffectiveness of Integrated Payroll and Personnel Information System (IPPIS) in Elimminating Ghost Workers in Nigerian Public Service

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Abstract

The study, An Appraisal of Effectiveness of Integrated Payroll and Personnel Information System (IPPIS) In Eliminating Ghost Workers in Nigerian Public Service. The ghost worker's syndrome has been worrisome situation across all tiers of government and has led to government spending billions of naira accounting for the money being syphoned through payment of non-existing employees. Therefore, this study examines the effects of ghost workers' syndrome and how the instrumentality of integrated payroll and personnel information system (IPPIS) could address the menace in the public service. Its specific objectives were to determine the impacts of ghost workers' fraud on irregular payment of salaries in the Nigerian public service, to understand the effectiveness of integrated payroll and personnel information system (IPPIS) in eliminating ghost workers in Nigerian public service. The data were analyzed using frequency counts and percentages, and Data generated from both Primary and Secondary Sources. The study adopted New Public Management Theory as its Theoretical Framework. The findings show that there is a

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significant relationship between ghost workers, fraud and irregular payment of salaries in Nigeria public service. The recommendations are to use biometric technology, the use of BVN and also punishing the perpetrators of the act. This study intends to provide explanation to the effectiveness of Bank Verification Number (BVN) in detecting and eliminating ghost workers in the Nigerian public service by appraising the Integrated Payroll and Personnel Information System (IPPIS).

Keywords: Personnel, Ghost Workers, Payroll, Information System, IPPIS, BVN

INTRODUCTION

The ghost workers syndrome has been worrisome situation across all tiers of government in Nigeria. As a result of the phenomenon the government has lost billions of Naira on non-existing employees on payroll register. This form of corruption has contributed significantly to Nigeria ranking 154 out of 180 countries that were assessed in the 2021 global corruption perception index (Daudu 2022).

Before the technological advancements in human resource management, manual methods and tools, which over time have proven to be prone to errors were considered expedient for the management of personnel in any workforce. However, as the world evolved, better ways of efficiently and effectively managing human resources both in the public and private sector emerged. One of those ways of managing the human resources of an organization is the use of electronic human resources management system.

e-HRM can help to reduce personnel costs, as they would ensure the true number of employees are captured in the framework of the payroll. Such are key in transforming the efficiency and speed of personnel and human resource management and can provide better levels of privacy of data and more secure means of protecting that data. More importantly, where these tools are deployed effectively, they can be used to minimize corruption, Haruna et.al (2015)

Corruption in Nigeria appears to be pervasive and takes many forms. From massive contract fraud to petty bribery, to straight-up embezzlement, complicated money laundry schemes, pocketing the salaries of non-existing workers, and steering plum jobs from relatives and friend. Likewise, some government officials enjoy perks so excessive that they

are widely seen as a form of legalized corruption. The civil service at the national and sub-national level has been overwhelmed by the phenomenon of "ghost workers". Over years, an outrageous number of cases have been recorded, with states like Kaduna topping the list in the Northwest, recording 13,000 ghost workers in its civil service in 2016 recorded the second-highest number of ghost workers, with a total of 7269 dead or retired people still collecting salaries from the state treasury. Unarguably, government at all levels in Nigeria is the biggest employer of labor. However, this huge workforce is riddled with a lot of challenges amongst which are the problem of ghost workers. According to Oguzierem and Sofiri (2017), ghost workers and payroll fraud refers to all processes of employee impersonations that have salary cost implication on the concerned government. It includes all illegal, unauthorized, unqualified, fictitious and non-existing staff that makes salary claims from the government coffers. This implies that underage, overage, backdated employments, inherited employments, unqualified staff and unauthorized staffs even though they report for work daily; are categorized as part of ghost workers and payroll fraud in the public service. In most instances, these fraudulent public officeholders forge the necessary documents and authorizations to add an employee on the payroll Haruna et.al (2015)

McCallum and Tyler (2001), in Oguzierem and Sofiri (2017) asserted that part from traditional ghost workers which are fictitious and non-existing employees added to the payroll-by-payroll managers, there are also the non-apparent ghost workers. These categories of ghost workers'are real staff in the public sector who receives fictitious pay through payroll irregularities. They include staff who receive unearned salaries through false means, for instance, staff who have multiple jobs in the civil service, receives dual or many salaries using pseudo names, employees who earn levels of pay or allowances greater than their rank, employees on temporary absence or leave of absence but who continued to earn full salary, and employees on transfer or retirement but whose names are in the payroll. The ghost workers syndrome is not limited to the salary payroll but also to pension payroll as many of the ghost workers enumerated above naturally graduate to the pension scheme while others are added by managers of the pension payroll. The problem was so severe that the pension schemes of the parastatals of the government spend huge resources in trying to fish out the culprits and in some cases collapsed under the weight.

IPPIS is a product of the government initiated to turnaround the dwindling performance of the public and civil service. In 1999 after the Nigeria's return to democratic rule, the

Federal Government carried out a Public Service Reform (PSR) study and the result was the development of the National Strategy for Public Service Reform (NSPSR) in 2003. IPPIS was conceptualized in October 2006 by the Federal Government as one of its reform programs, 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. It was also envisaged that the System will be implemented according to best practices obtainable in other parts of the world where Information Communication Technology (ICT) is used to improve management reporting. The Pilot Phase implementation financed by the World Bank commenced in February 2006 at

the Bureau of Public Service Reforms (BPSR) upon the approval of the Federal Executive Council (FEC). While the project went live in April 2007 with seven (7) Pilot MDAs, its management was transferred to the Office of the Accountant General of the Federation (OAGF) in October 2008. The Pilot MDAs in which IPPIS was officially tested on are: Federal Ministry of Education; Federal Ministry of Transportation (Works arm); Federal Ministry of Finance; Budget Office of the Federation; Federal Ministry of Information; Ministry of Foreign Affairs; and National Planning Commission. 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 (55,000) 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: Federal Ministry of Transport; Federal Ministry of Health; Federal Ministry of Agriculture and Water Resources; Federal Ministry of Aviation; Federal Ministry of Petroleum Resources; Federal Civil Service Commission; Federal Ministry of Works (Housing & Urban Development); Federal Ministry of Information (Communication); Office of the Accountant-General of the Federation; Office of the Head of Civil Service of the Federation; Office of the Secretary to the Government of the Federation. Having seen the benefits of the Scheme especially in the area of savings 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).

Ghost workers are huge drain on the resources of the country as hundreds of billions of Naira is spent paying salaries and pensions entitlements to non-existing workers and in many cases to individuals who have no reason for collecting such pay other than the fact that they knew somebody who could easily add their name to the payroll. For example, according to Punch Newspaper the Federal Ministry of Finance recently revealed that almost 24,000 ghost workers were discovered in the payroll of the Federal civil services which saved the Government in excess of N2billion Naira in salaries in 2016. This is in addition to the over 60,000 ghost workers weeded out of the Federal Government payroll in 2014. Many reasons have been adduced for the menace of ghost workers in Nigeria and other developing countries of the world. Olken and Pande (2012) argue that fraud as a result of the ghost workers syndrome is mainly due to inadequate research/information on the phenomena. The problem has become quite pronounced and noticeable considering the present economic realities in the country. With falling prices in crude oil, the major source of income of the country, the government has been known to borrow to pay salaries of workers many of whom are ghosts. Whatever the causes of the problem, the point remains that it cannot be allowed to continue. In order to find a lasting solution to the problem, the federal and state governments have over the years instituted several policies many of which have failed to yield the desired result. For example, the governments at all levels over the years have embarked on employee verification processes including bio-data capturing, head counts at work desks bank/worker ID verifications all of which have yielded varying degrees of success but has failed to bring about a lasting solution.

In an effort to curb this, the government in 2006 introduced the Integrated Payroll and Personnel Information System (IPPIS) to provide a reliable and comprehensive database for the public service to facilitate manpower planning, eliminate record and payroll fraud, facilitate easy storage, update and retrieve personnel records for administrative and pension processes, and facilitate convenient staff remuneration payment with minimal waste and leakage. The project which began a phased and gradual implementation in 2007 has recorded a lot of success and is seemingly promising to achieve more in the nearest future. For example, since its inception the magnitude of ghost workers discovered in the federal

government payroll have never been recorded in the history of Nigeria. Therefore, the aim of this study is to evaluate the integrated payroll and personnel information system IPPIS and ghost workers syndrome in Nigeria's public service.

METHODS

The study adopted survey and documentary methods for data collections. Data generated from both Primary and Secondary Sources were analyzed using frequency counts and percentages. The study utilized questionnaire in generating data and was presented in tables for clarity and easy comprehension. Hence, the population of the study consists of the entire federal public service workers in Enugu State. Stratified Systematic sampling, which is a type of probability sampling method in which sample members from a larger population are selected according to a random starting point but with a fixed, periodic interval, was used the sampling technique used. The study used a sample size of 100 population.

Theoretical Framework

The study adopted New Public Management Theory as its Theoretical Framework. In public policy, New Public Management (NPM) refers to the method of change by which administrative reforms are enacted over the time in order to create a policy change in the Nigeria public service. This was the theoretical framework of bureaucratic reforms developed by Hood (1991) to be seen as the bureaucracy is accountable to the political masters but it seems that their accountability is not clarified and explicit; it is entirely up to the political hierarchy to interpret the accountability in a manner that is most convenient to them. From sociological perspective, corruption is a form of social deviance, in some cases of criminal deviance, the result of failure or lack of will to respect the norms of social interaction. Agboola (2016) agreed that New Public Management asset of administrative practices as a consulting fad and a body of theory that interprets recent development in public administration. Scholars like Olowu, Dunleavy, Hood, Smith etc. argued persuasively that scholars should pay more attention to NPM as a theory than as a fad. New public management is part and parcel of the massive intrusion of free-market values into public space, which threatens to drive out political values altogether. Nwabueze (2002) sees corruption as a result of structural defects and cultural impediments which encourage social actors to so believe partly by deflating the potency of institutional checks against

negative behaviors. Corruption thus involves the ghost workers, falsification of certificates, employees with double dealing in working in different places, which also causes unemployment for fresh graduates, frauds in the public sector using different names with forging certificates etc.

Similarly, there is a lack of accountability and transparency of the bureaucrat to the citizen who get the services from the bureaucrats. Whenever bureaucratic control becomes all-encompassing it also creates an obsession with power. Detailed bureaucratic control over individuals and markets led to the fall of communist regimes in the former Eastern bloc in the early 1990s (Hood, 1991).

Technology Acceptance Model (TAM) was also utilized since it is an information system theory that models how users accept and uses of technology. Kinyeki (2015) asserted that TAM has been proposed in the context of payroll systems with an inclusion of the effects of trust and perceived risk on system used. The theory was developed through a review and consolidation of the constructs of models that earlier researchers had employed to explain information systems usage and perceived ease-of-use. ATM has been used in ICT adoption and use research as a fundamental theoretical framework and it also has been combined with other theories and models. Both attitude and subjective norm were found to be necessary determinants of electorate intentions to adopt and use ICTs and thus adoption of Integrated Personnel and Payroll Database (IPPD).

Conceptual Analysis

Integrated Payroll and personnel Information System (IPPIS) is a "computerized biometric designed to enhance the effectiveness and efficiency in the storage of personnel records and administration of monthly payroll in such a way that it will provide confidence in employee emolument cost and budgeting" (El – Rufai, 2011). Aganga (2011) described IPPIS as a biometric system whereby the government captured all the staff data and salaries are directly

paid into their bank account. The introduction of IPPIS was part of the Federal Government

effort to reduce the level of recurrent expenditures in particular, personnel cost which represent more than fifty (50%) percent of the recurrent expenditure. According to Aganga (2011), the nominal payroll of the Federal Government before the implementation of IPPIS had been 112,000 employees but the Government was able to remove a total of

43,000 'ghost workers' form the payroll of its Ministry, Departments and Agencies (MDAs) within one year. He said that the implementation of IPPIS in 36 MDAs had been separated into three phases, noting that the first phase which covered seven (7) MDAs, saved the country over ₦12 billion. The savings represent the difference between releases to the MDAs based on their nominal payroll submissions before enrollment into the IPPIS and actual salaries paid through IPPIS after the exercise.

Dankwambo (2010) stated that the concept of IPPIS is based on governments public sector reform initiatives component of government integrated financial management information system (GIFMIS); and that it is meant to focus mainly at ensuring effectiveness and efficiency in the storage of personnel records and administration of monthly payroll. He stated that workers on IPPIS now received salaries on or before 20th of each month wherever their information are located on line, in addition the system is capable to ensure payment of salaries at any day of the month as well as generate payment in respect of all third-party beneficiaries. Okonjo (2013) affirmed that IPPIS is part of the initiatives put in place to safeguard probity and accountability in the management of government properties. It promotes efficient personnel cost planning and on the based on which personnel cost budgeting will be verified so as to determine the actual numbers rather than estimates.

Ghost Worker Fraud

Larson (2016) defined fraud as an act that is intentionally deceptive and is designed to provide the perpetrator with an unlawful gain or access to resources or to deny a right to a victim. Fraud involves the false representation of facts, whether by intentionally withholding important information or providing false statements to another party for the specific purpose of gaining something that may not have been provided without the deception.

Payroll fraud as it relates to ghost workers is arguably the biggest and most persistent type of fraud in Nigeria costing the government hundreds of billions of Nigeria every year in lost revenue to the fraudsters. Like we stated earlier, ghost workers and payroll fraud refer to the entire processes of employee impersonations that have salary cost implication on the government. It includes all illegal, unauthorized, unqualified, fictitious and non-existing staff that makes salary claims from the government coffers. The foregoing implies that underage, overage, backdated employments, inherited employments, unqualified staff and

unauthorized staffs even though they report for work daily; are categorized as part of ghost workers and payroll fraud in the public service. In some instances, these fraudulent public officeholders forge the necessary documents and authorizations to add an employee on the payroll.

Ghost workers are therefore non-existent employees whose names and other particulars are kept on the organization's payroll and salaries paid to them but received by others (most likely the fraud) who had the name included or left in the register. Ghost workers may be kept on the payroll if payroll managers delay in removing the names of individuals who are no longer staff of the organization from the payroll (Lekubu, 2013). In some cases, payroll clerks may include names of fictitious or separated employees on the payroll, forge their signatures, and collect the salaries on their behalf (Izedonmi and Ibadin, 2012).

Ghost workers inserted in the payroll through collusion are usually difficult to detect as a result of the fact that those who ought to be responsible for stopping the ghost names from entering the payroll are themselves part of the crime. Internal control weaknesses in government agencies also create the environment for such crimes to fester (Wells, 2002). The creation of ghost workers may also occur in an organization if a single person is responsible for processing personnel and payroll transactions from the beginning to the end. Such individuals may create or maintain ghost workers on the payroll without the names being detected. Due to the large number of employees in the public sector, head count exercises are usually conducted by governments to identify the ghost workers and remove them from the staff roll [10]. But these exercises hardly yield the required results again because of collusion by insiders.

The then Nigerian minister of finance in February,2011 revealed that the pilot implementation of the integrated personnel and payroll information system (IPPIS) in sixteen ministries, departments and agencies (MDAs) saved the nation over N12 billion between 2007 and 2010. This pilot implementation was necessitated considering the fact that government wage bill had constituted a huge chuck of recurrent expenditure at 58 percent of the annual budget. More so, Dr. Ngozi Okonjo Iweala the Minister of Finance observed in 2014 that as part of measure aimed at cushioning the effect of drilling oil revenue accruing to the government resulting to30 percent full in the price of oil in international market, the government saved 160 billion naira by weeding out 60,000ghost workers from the payroll. This is also excluding the 46,821 ghost workers

identified in 215 ministries, department and agencies in 2013. Hence, the consistent staff screening in government ministries departments, agencies both at the federal states and local governments is the manifestation of the level of ghost workers syndrome in the public service. The Nigerian unemployment rate increased to 23.9 percent in 2011 from 21.0 percent in 2010, and averaged 14.6 from 2006. And in 2014 80 percent of Nigerians were unemployed. More so, this affects the socio-economic fortunes of the citizens and the rate of corruption is obviously the causes of this trend compare to other nations such as China with 4.1 percent rate of unemployment, united kingdom with 5.5 percent unemployment rate and united states of America with 5.5 percent unemployment rate yet with low level of corruption (National Bureau of Statistics, 2015). For examplethe staff audit exercise conducted in federal capital territory in 2013 revealed that out of 26,017 on the payroll, 6000 were fictitious. Hence the audit exercise further exposed the extent of monumental corruption, theft and financial irregularities that could be agreed if the electronic payroll system is fully implemented in the public service. Despite the provision of the financial regulations of 200 part 1,(1503) (i) which stipulates that all public servants shall have their salaries and allowances paid through a named banks on completion of Treasurer form (4), it is obvious that such provision is handicapped to

empower the organizations to carry out a centralized payroll system. Thoug Letswla and Egwemi (2013) noted that corruption did not begin today but ancientcivilizations and traces of widespread illegality and corruption. Anwar (2006).

The Origin of the Integrated Personnel and Payroll Information System (IPPIS)

IPPIS is a product of the government initiated to turnaround the dwindling performance of the public and civil service. In 1999 after the Nigeria's return to democratic rule, the Federal Government carried out a Public Service Reform (PSR) study and the result was the development of the National Strategy for Public Service Reform (NSPSR) in 2003. IPPIS was conceptualized in October 2006 by the Federal Government as one of its reform programs, 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. It was also envisaged that the System will be implemented according to best practices obtainable in other parts of the world where Information Communication Technology (ICT) is used to improve management reporting.

The Pilot Phase implementation financed by the World Bank commenced in February 2006 at

the Bureau of Public Service Reforms (BPSR) upon the approval of the Federal Executive Council (FEC). While the project went live in April 2007 with seven (7) Pilot MDAs, its management was transferred to the Office of the Accountant General of the Federation (OAGF) in October 2008. The Pilot MDAs in which IPPIS was officially tested on are: Federal Ministry of Education; Federal Ministry of Transportation (Works arm); Federal Ministry of Finance; Budget Office of the Federation; Federal Ministry of Information; Ministry of Foreign Affairs; and National Planning Commission. 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 (55,000) 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: Federal Ministry of Transport; Federal Ministry of Health; Federal Ministry of Agriculture and Water Resources; Federal Ministry of Aviation; Federal Ministry of Petroleum Resources; Federal Civil Service Commission; Federal Ministry of Works (Housing & Urban Development); Federal Ministry of Information (Communication); Office of the Accountant-General of the Federation; Office of the Head of Civil Service of the Federation; Office of the Secretary to the Government of the Federation. Having seen the benefits of the Scheme especially in the area of savings 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)'

Integrated Payroll and Personnel Information System (IPPIS) and Ghost Workers in Nigeria

The Accountant General of the Federation said Federal government of Nigeria saves N20billion monthly through IPPIS (Enakirerhi and Temile, 2017). Accordingly, from April 2007 when the scheme commenced, 459 MDAs that were enrolled with a total number of 310,453 staff and over N120 billion cumulatively saved as a result of the difference between the amount Government would have released to the MDAs based on appropriation and actual amount released and paid through IPPIS. The massive financial losses occasioned by payroll fraud through the use of ghost workers are gradually being discovered and eliminated by reason of the introduction of IPPIS. Enormous savings have been made which is been used to enhance overhead and capital releases to the MDAs (Haruna I, Joseph A, Samson AJ, 2015).

The Nigerian Public service is reportedly heavily burdened with a ghost population, who not only unexpectedly write job applications and present themselves for interviews, but who also open bank accounts and collect salaries, despite their human shortcomings! Curiously, the CBN's "know your customers" directive to banks was obviously no deterrent to the establishment of bank accounts for such ghosts.

In May 2009, the House of Representative Committees on Customs and Excise also discovered that about 50% of the 20,000 workforce in the Nigeria Customs Service were ghost worker. Former Finance Minister, Mr. Olusegun Aganga, in July 2011, reported that the federal government had removed a total of 43,000 ghost workers from the old payroll of 112,000 employees in several MDAs, between 2010 and 2011, through the implementation of the IPPIS. Curiously, the Chairman of the Nigeria Pension Reform Task team, Ahaji Abdulrasheed Maina disclosed in February 2012, that on completion of a successful nationwide biometric verification of pensioners, his team detected 71,133 fake pensioners. Furthermore, N151bn fraud was also uncovered in Pension offices across the country. Inexplicably, despite the available documentary evidence, especially from banks, none of the identified beneficiaries of the ghost worker scam has ever been prosecuted and convicted or indeed, constrained to return either all the stolen funds or forfeit all assets or property derived therefrom. Inexplicably, over 3years, thereafter, these invisible blood sucking demons still oppressively flourish and haunt us, as the following, more recent media reports confirm. Fed Government probes 11,000 ghost workers (King DK. 2016).

According to Finance Minister, KemiAdeosun, "The Federal Government is investigating additional 11,000 workers to know if they are ghost workers; however, about 23,000 such workers were uncovered recently, saving the government N2.29 billion monthly." EFCC probes clues in payment of N1b to ghost workers (King DK. 2016). "Detectives are probing fresh clues on the alleged diversion of public funds to pay 23,000 ghost workers. Slush accounts, The Economic and Financial Crimes Commission (EFCC) was shocked to discover that most of the slush accounts used for the pay fraud have either irregular Bank Verification Number (BVN) or no BVN at all. Also, the Minister has asked the Director General of Pension Commission, MsChineloAmazu, to appear before a probe panel, on how Pension Funds Administrators (PFAs) allegedly generated fake PFA numbers for ghost workers. EFCC detects 37,395 ghost workers in federal civil service, says (Adongoi T, Victor EA., 2016). The EFCC chairman said in Abuja, that it had detected 37,395 ghost workers on the payroll of the federal civil service. He also noted that with regard to procurement frauds, there has been a sharp rise in the number of petitions coming to the commission relating to violations of the Public Procurement Act 2007.

Federal government uncovers 5,000 more ghost workers, says (Adongoi T, Victor EA. 2016) Prof. Osibanjo, who spoke at a church programme in Ogere, Ogun State, said the government uncovered additional 5,000 ghost workers in the civil service. The discovery brought the number of ghost workers uncovered to 40,000 under the Single Treasury Account (TSA)." FG removes 50,000 ghost workers from payroll (Adongoi T, Victor EA. 2016). The Senior Special Assistant to the President on Media and Publicity, Garba Shehu reported that Through a notable initiative, by the Efficiency Unit of the Federal Ministry of Finance, the government has embarked on the continuous auditing of the salaries and wages of government departments; as a result, about N13bn will be saved from the existing monthly salary bill of N151bn as from February 2016. In addition, N1.1bn would also be saved from the existing monthly pension bill of N15.5bn." Instructively, from the foregoing, the federal, states and 774 local governments nationwide may sadly, have harbored more ghost workers than flesh and blood employees on their payroll. Nonetheless, despite the elimination of thousands of ghost workers from the respective payrolls, the recurrent expenditure budgets of government have continued to steadily increase rather than reduce; worse still, both federal and some state and local governments also owe a backlog of several months" salaries which they now seek to fund with high priced loans.

The Federal Government on Monday the 10th of June, 2013 said it had so far identified 46,821 ghost workers in 215 of its ministries, departments and agencies where it had introduced the Integrated Payroll and Personal Information System – IPPIS. The IPPIS is a new innovation of the government that is meant to enhance efficient personnel cost planning and budgeting based on actual verified numbers and not estimates. In her address, the Minister of Finance, Dr.Ngozi Okonjo-Iweala, confirmed the development while presenting at the 2013 Ministerial Platform in Abuja. Furthermore, Okonjo-Iweala said, as of January this year, the IPPIS had 153,019 members of staff of 215 MDAs. Most noteworthy is that work is currently ongoing to bring in the other 321 MDAs into the system. In addition, this was part of the reform measures aimed at ensuring transparency and accountability in the management of government resources. The minister said, "The Integrated Payroll and Personal Information System enhances the efficiency of personnel cost planning and budgeting, as personnel cost will be based on actual verified numbers and not estimates. As of January 2013, two hundred and fifteen MDAs (153,019 staff) are on the IPPIS and savings on payroll cost to date is N118.9bn while work is ongoing to bring in other 321). After integrating the payroll of the Nigeria Police Force into the Integrated Payroll and Personnel Information System (IPPIS), the Federal Government of Nigeria has discovered 80,115 ghost MDAs not yet on the IPPIS. In regards, identifying about 46,821 ghost workers." (Jing Z. A 2013officers on the forces' payroll. According to a Premium Times report, before the integration, members of the Nigeria Police Force on the payroll stood at 371,800. But a subsequent audit from the Office of the Accountant-General of the Federation, showed it to be actually 291,685 with a gross salary of about ₦22.3 billion. According to Presidency sources, after overcoming stiff opposition including sponsored protests by policemen in Abuja and Lagos, NPF was eventually enrolled into the Integrated Payroll and Personnel Information System (IPPIS) which revealed that officials of the force have padded the monthly emolument register with 78,315 ghost personnel (Jing Z. A 2013).

RESULTS

Socio-Demographic Characteristics of Respondents

Presentation of Results

A total number of 100 questionnaires were returned and used for analysis. The results are presented as follows:

Table 1: Frequency Distribution of Respondents' Personal Profile

Personal Data	Frequency (N=100)	Percentage
Gender		
Male	50	50.0%
Female	50	50.0%
Qualification		
OND	30	30.0%
HND/BSC	20	20.0%
PHD/PGD/MSc	40	40.0%
OTHERS	10	10.0%

Source: Researcher's Result from Survey (2024)

Table 3: Question C. How effective is Integrated Payroll and Personnel Information System (IPPIS) in eliminating ghost workers in the Nigerian Public Service?

Key:SA Strongly Agree, A Agree, D Disagree, SD Strongly Disagree,

S/N	Objective One	SA	A	D	SD	Mean	Remark
1.	IPPIS 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.	50	39	5	6	3.3	Agreed
2.	The IPPIS have been able to Clean payroll data devoid of ghost workers, based on biometric capture of personnel	55	26	8	11	3.3	Agreed
3.	The IPPIS and government integrated financial management and information system have been able to underpin enhancing accountability and transparency in the management of government resources.	42	40	9	9	3.2	Agreed
	Cluster					**3.3**	**Agreed**

Source: Researcher's Result from Survey (2024)

Research Question

How effective is Integrated Payroll and Personnel Information System (IPPIS) in eliminating ghost workers in the Nigerian Public Service?

In table 3, from item 1, it is revealed that a larger percent of the respondents 89% agreed that IPPIS 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, while 11% of the respondents disagreed to it. This means that IPPIS has been effective over time.

In item 2, it is discovered that a larger percent of the respondents 81% agreed that the IPPIS have been able to clean payroll data devoid of ghost workers, based on biometric capture of personnel, while 19% disagreed.

From item 3, it is discovered that 82% of the respondents agreed that the IPPIS and government integrated financial management and information system have been able to underpin enhancing accountability and transparency in the management of government resources while 18% disagreed.

This shows that there is a bit positive improvement on accountability and transparency in the management of government resources.

The findings from this research revealed that Integrated Payroll and Personnel Information System (IPPIS) is to a great extent effective in eliminating ghost workers in the Nigerian Public Service.

Testing Hypotheses

H1: There is a significant relationship between ghost workers fraud and irregular payment of salaries and allowances in the Nigerian Public Service

Hypothesis 1

H0: There is no significant relationship between ghost workers fraud and irregular payment of salaries and allowances in the Nigerian Public Service

H1: There is a significant relationship between ghost workers fraud and irregular payment of salaries and allowances in the Nigerian Public Service

Level of significance: 0.05

Decision rule: reject the null hypothesis H_0 if the p value is less than the level of significance. Accept the null hypothesis if otherwise.

Correlations

		There is a significant relationship between ghost workers fraud and irregular payment of salaries and allowances in the Nigerian Public Service	There is no significant relationship between ghost workers fraud and irregular payment of salaries and allowances in the Nigerian Public Service
There is a significant relationship between ghost workers fraud and irregular payment of salaries and allowances in the Nigerian Public Service	Pearson Correlation	1	.834**
	Sig. (2-tailed)		.000
	N	100	100
There is no significant relationship between ghost workers fraud and irregular payment of salaries and allowances in the Nigerian Public Service	Pearson Correlation	.834**	1
	Sig. (2-tailed)	.000	
	N	100	100

**. Correlation is significant at the 0.01 level (2-tailed).

Result: The result of the Pearson Product Moment Correlation shows that there is a statistically significant relationship between ghost workers fraud and irregular payment of salaries and allowances in the Nigerian Public Service. (i.e. $p < 0.00$ at 0.05 significance level). It also indicates that the relationship between ghost workers fraud and irregular payment of salaries and allowances in the Nigerian Public Service is positive (i.e. when ghost workers fraud increases, irregular payment of salaries and allowances in the Nigerian Public Service increases too). In conclusion, the result of the analysis indicates that the strength or magnitude of relationship between ghost workers fraud and irregular payment of salaries and allowances in the Nigerian Public Service is very strong ($r = 0.834$). The result implies that ghost workers fraud increases irregular payment of salaries and allowances in the Nigerian Public Service by 83.4 per cent.

Hypothesis

H0: There is no significant difference between ghost workers fraud and poor service delivery in the Nigerian Public Service

Level of significance: 0.05

Decision rule: reject the null hypothesis H_0 if the p value is less than the level of significance. Accept the null hypothesis if otherwise.

Test Statistics

	There is a significant difference between ghost workers fraud and poor service delivery in the Nigerian Public Service
Chi-Square	77.040[a]
Df	3
Asymp. Sig.	.000

a. 0 cells (0.0%) have expected frequencies less than 5. The minimum expected cell frequency is 25.0.

The p-value 0.000 is < than 0.05 (level of significance). Therefore, the NULL hypothesis is rejected while the alternate, that there is a statistically significant difference between ghost workers fraud and poor service delivery in the Nigerian Public Service is accepted.

This entails that an increase in ghost workers fraud leads to poor service delivery in the Nigerian Public Service. Both work hand in hand.

DISCUSSION

From the hypothesis, there is a significant relationship between ghost workers fraud and irregular payment of salaries and allowances in the Nigerian Public Service,

Findings of the study also revealed that the impacts of ghost workers fraud on irregular payment of salaries in the Nigerian Public Service include; Absent from work, Unseriousness among public servants, unproductivity.

Also, IPPIS 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.

The IPPIS have been able to Clean payroll data devoid of ghost workers, based on biometric capture of personnel,

The IPPIS and government integrated financial management and information system have been able to underpin enhancing accountability and transparency in the management of government resources. Salaries paid to ghost workers deprive governments of funds needed to provide services for citizens.

In as much as EFCC is mandated to combat financial and economic crimes and also to prevent, investigate and prosecute economic and financial crime perpetrators, they are still highly corrupt and can in no way fight corruption to a standstill.

The implementation and deployment of an electronic personnel and payroll management system such as the IPPIS will to a greater extent reduce the incentive, capacity and opportunity of fraudulent individuals to perpetrate payroll fraud by including names of ghost workers in the payroll of governments at all levels.

CONCLUSION

The study on the effectiveness of bank verification number (BVN) in detecting and eliminating ghost workers in the Nigerian Public Service by critically appraising the use of Integrated Payroll and Personnel Information System (IPPIS) will be restricted to some Federal government workers in Enugu State. A total of one hundred public servants were selected randomly from among the officers of the Nigeria Police Force and Corporate Affairs Commission in the state.

Data was collected from primary and secondary sources. Primary data was obtained through questionnaire and personal interviews with the respondents. Tables and simple percentage were used as technique of analyzing the research questions.

Recommendations

The following recommendations towards the eradication of ghost worker syndrome in Nigerian Public Service in Enugu State and Nigeria by extension:

1. Biometric Technology is a veritable tool for weeding payroll systems of ghost workers. It should therefore be incorporated in the automation processes of all civil servants with the use of BVN to help fasten the process.

2. The government should partner with the relevant offices such the Accountant General, Ministries of Finance, the office of the Auditor General to be proactive in the fight against corruption in all Ministries Department and Agencies of Govrnment.
3. Government should strengthen EFCC and ICPC and ensure that all persons found to be perpetrators of this evil should be made to face the law no matter how highly placed that person is, to serve as a deterrent to others who may intend to do same.
4. Workers salary should be paid promptly, this will make them to be well-motivated and will also discourage fraud tendency

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