



Implementation of the Integrated Personnel and Payroll Information System (IPPIS) And Its Role in Tackling Payroll Fraud in Nigerian Public Service

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ABSTRACT

This study examined the implementation of the Integrated Personnel and Payroll Information System (IPPIS) and its role in tackling payroll fraud within the Nigerian public service. The problem stemmed from the persistent incidence of ghost workers and fraudulent salary payments that plagued the manual payroll system, resulting in massive financial losses for the government. The study adopted System Theory as its theoretical framework, which emphasizes the interdependence of all parts of an administrative structure and the need for efficient coordination. A descriptive design was employed, and the study was qualitative in nature, relying on secondary data and relevant literature to explore the subject matter. Findings revealed that IPPIS significantly contributed to the reduction of payroll fraud by centralizing and digitizing personnel and payroll information, thereby eliminating ghost workers and improving transparency and accountability. It was also found that despite these gains, the system faced major impediments, including non-compliance by some Ministries, Departments, and Agencies (MDAs), weak ICT infrastructure, poor internet connectivity, inadequate training, and institutional resistance to change. The study concluded that while IPPIS has achieved measurable success in curbing payroll fraud and enhancing efficiency, its full potential has not been realized due to systemic challenges and lack of uniform implementation across all public institutions. Based on the objectives of the study, it was recommended that the government should strengthen enforcement mechanisms to ensure full compliance of all MDAs with IPPIS and invest in ICT infrastructure to support seamless system operations. Additionally, regular capacity-building programs should be conducted to equip personnel

with the necessary skills for effective system use and sustainability.

Keywords: Integrated Personnel and Payroll Information System (IPPIS), Payroll Fraud, Ghost Workers, Public Service, Nigeria

I. Background to the Study

The Nigerian public service has long faced systemic inefficiencies, particularly in personnel and payroll management. Among these challenges, payroll fraud—commonly known as the “ghost workers syndrome”—has been especially damaging. This phenomenon involves the inclusion of fictitious employees on the government payroll, leading to the misappropriation of public funds and significant revenue loss. Beyond financial implications, payroll fraud undermines accountability, transparency, and public trust in governance.

In recognition of these challenges, the Federal Government of Nigeria introduced the Integrated Personnel and Payroll Information System (IPPIS) in 2007 as part of broader efforts to reform the public payroll system and curb corruption. IPPIS was designed as a centralized, automated platform for managing personnel records and payroll processes with core objectives including the timely and accurate payment of salaries, elimination of ghost workers, enhancement of personnel record management, and reduction of governance costs.

Payroll fraud remains a serious menace to Nigeria’s public financial management system and, if not addressed promptly, threatens to further deplete already strained public revenues. In response, the government has implemented several measures, with the introduction of IPPIS being a key strategy (Obara, Nangih & Agba, 2021). This



system represents a shift from the traditional manual and paper-based payroll processes, which were riddled with corruption, inefficiency, and inaccuracies in personnel records (Enakirerhi & Temile, 2017). According to Sunday, Oro, Ogar, Imong, Jacob, and Rim (2017), IPPIS was conceived to provide a reliable and comprehensive database for the public service. It aims to address the ghost worker problem, facilitate human resource planning, eliminate manual record-keeping and payroll fraud, and enable easy storage, updating, and retrieval of personnel records for administrative and pension purposes. Furthermore, IPPIS is designed to ensure convenient and efficient salary administration with minimal waste and leakage. The introduction of this system has contributed significantly to the consistent payment of employee salaries in Nigeria (Agboola, 2018).

Despite its promising objectives, the implementation of IPPIS has yielded mixed outcomes. While notable improvements in payroll transparency and cost savings have been recorded, several obstacles remain. These include institutional resistance, technical inefficiencies, challenges with data integration, and compliance gaps among some government agencies. Such challenges are particularly evident in states like Akwa Ibom, where public service payroll constitutes a major government expenditure and concerns about IPPIS's full effectiveness in combating payroll fraud continue to persist.

II. Statement of the Problem

Payroll fraud, particularly the ghost workers syndrome, has been a major concern in the Nigerian public service, resulting in the loss of billions of naira annually. Despite various anti-corruption campaigns and reform efforts, the manipulation of personnel records and the inclusion of fictitious names on payrolls have continued to drain public resources and weaken the integrity of government institutions. To address this persistent problem, the Federal Government introduced the Integrated Personnel and Payroll Information System (IPPIS) as part of broader public financial management reforms. The system was expected to centralize and digitize the management of personnel and payroll data, eliminate ghost workers, and promote transparency and accountability in salary payments. However, more than a decade after its introduction, reports of payroll fraud still surface, and some government agencies and institutions have resisted full integration into the system.

In Akwa Ibom State, although IPPIS has been adopted in various public institutions, concerns

remain about the system's effectiveness, implementation challenges, and actual impact on payroll fraud prevention. Questions have emerged regarding data accuracy, the adequacy of technical infrastructure, institutional compliance, and the capacity of IPPIS to deliver on its stated objectives within the state's civil service.

The main objective of this study is to examine the implementation of the Integrated Personnel and Payroll Information System (IPPIS) and its role in tackling payroll fraud in the Nigerian public service. Specifically, the study seeks to:

- a) Determine the impact of IPPIS on the reduction of payroll fraud, particularly the elimination of ghost workers in the public service.
- b) Identify the impediments to the effective implementation of IPPIS in the reduction of fraud in the Nigerian Public Service

Conceptual Review

Concept of Integrated Payroll and Personnel Information System (IPPIS)

The Integrated Payroll and Personnel Information System (IPPIS) is a centralized digital platform developed to automate and streamline the management of public service personnel and payroll data. It was introduced by the Federal Government of Nigeria in 2007 as part of an effort to improve the efficiency, accuracy, and transparency of salary administration within government ministries, departments, and agencies (Obara, Nangih & Agba, 2021). By integrating personnel records with payroll functions, IPPIS aims to reduce the reliance on manual processes, which are often prone to errors, delays, and corrupt practices.

As an ICT-based computerized Human Resource and Accounting Management Information System, IPPIS serves as a comprehensive tool that manages all payroll-related activities, including calculating employees' monthly basic pay, bonuses, arrears, national housing fund contributions, and pension deductions (IPPIS, OAGF, 2019). According to Nwaodu et al. (2014), the introduction of IPPIS marked a significant reform in Nigeria's Federal Civil Service, contributing to better service delivery by providing a reliable and integrated platform for personnel and payroll management.

Furthermore, IPPIS is an enterprise-wide solution designed to encompass the entire lifecycle of human resource management—from recruitment, through service delivery, to separation and pension processing (Kinyeki, 2015). It leverages modern information and communication technologies to



enable the government to manage its human resources more efficiently, reduce administrative bottlenecks, and increase payroll transparency. Ultimately, the system seeks to eliminate ghost workers, curb payroll fraud, and enhance fiscal discipline in the public sector.

According to the Office of the Accountant General of the Federation (2020), the key objectives of the Integrated Personnel and Payroll Information System (IPPIS) include:

1. Facilitating human resource planning by providing accurate and timely information to support decision-making processes.
2. Providing a reliable platform for precise budgeting of annual recurrent expenditure related to staff emoluments.
3. Monitoring the monthly payment of staff salaries against the Federal Government's annual budget to minimize wastage and financial leakages.
4. Enabling easy storage, updating, and retrieval of personnel records for administrative purposes and pension processing.
5. Ensuring database integrity by preventing unauthorized manipulation of data once entered.
6. Eliminating payroll fraud, including multiple payments to a single employee or payments to non-existent employees (ghost workers).
7. Accurately ascertaining the actual personnel emoluments of Federal Government employees, among other objectives.

Concept of Fraud

Fraud refers to any intentional act of deception, concealment, or misrepresentation aimed at securing an unfair or unlawful gain. It is characterized by deliberate wrongdoing that results in harm or loss to individuals or organizations. In the context of payroll and personnel management, fraud commonly manifests as the manipulation or falsification of employee records, unauthorized payments, or schemes involving ghost workers, all of which lead to substantial financial losses for the affected organization or government (Agboola, 2018). Larson (2018) defines fraud as an intentionally deceptive act designed to provide the perpetrator with unlawful gain or access to resources, or to deny rightful access to another party. This often involves false representation of facts—either through withholding critical information or providing false statements—to

deceive victims and gain benefits that would not have been granted otherwise. Fraud undermines organizational integrity, disrupts accountability, and poses significant challenges to governance and public trust, especially in public sector institutions.

Concept of Ghost Workers

Ghost workers are fictitious or non-existent employees fraudulently included on an organization's payroll, receiving salaries and benefits without providing any actual service. This form of payroll fraud is widespread in many developing countries and poses a serious threat to public sector financial management. The presence of ghost workers inflates payroll costs, drains scarce public resources, and undermines the efficiency of human resource management systems (Sunday et al., 2017).

Ghost workers are typically individuals whose names and personal details are retained on payroll registers even though they no longer work for the organization. Salaries paid to these "employees" are often collected by fraudsters who manipulate the payroll system for personal gain (Lekubu, 2013). In some instances, payroll clerks or other insiders deliberately add fictitious or separated employees to the payroll, forge signatures, and collect salaries on their behalf (Izedonmi & Ibadin, 2012). Such fraudulent practices necessitate robust verification and authentication mechanisms, which systems like IPPIS aim to provide, to ensure that only legitimate employees receive remuneration.

Empirical Review

Enakirerhi and Temile (2017) critically explored the challenges and benefits of IPPIS implementation in Nigeria. Their descriptive study highlighted major benefits such as accurate personnel data, elimination of corrupt practices, and improved budgeting and forecasting. However, challenges like skills transfer issues, inadequate infrastructure, technological barriers, stakeholder resistance, and lack of political will threaten these benefits. Haruna et al. (2015) studied IPPIS as a solution to the ghost workers' syndrome in Nigerian public service. Using survey design with a sample of 393 staff from Kogi State Local Government Commission, they applied statistical tools including Spearman rank correlation. Their findings showed a high prevalence of ghost workers and strongly recommended IPPIS adoption to promote productivity and economic vitality.

Abdulsalam et al. (2020) investigated the impact of IPPIS on transparency in government payroll administration within the Nigerian civil



service. Using a descriptive cross-sectional survey design, data were collected via questionnaires from 100 Treasury staff working at the Office of the Accountant General of the Federation, Federal Pay Offices in Sokoto and Birnin Kebbi. Employing descriptive and inferential statistics analyzed through SPSS Version 21, the study revealed a significant moderate positive relationship between IPPIS, transparency, and accountability. Consequently, the null hypothesis—which stated no significant relationship between IPPIS and transparency in payroll administration—was rejected. The authors recommend strengthening internal controls of IPPIS to detect and close loopholes, routine audits, and strict compliance with financial regulations and civil service rules.

Oguzierem and Sofiri (2017) researched ghost worker fraud in the primary and secondary education sectors in Bayelsa State. They argued that ghost workers and payroll fraud have persisted due to the complex nature of public service payrolls. Their study, using an ex post-facto design and secondary data, found that unauthorized employment remains a major issue, inflating wage bills and diverting funds from local development projects. They recommended that employment matters should be centralized under the Local Government Service Commission, regulated by strict guidelines issued by the Governor.

Effiong et al. (2017) examined the impact of Treasury Single Account (TSA), IPPIS, and Integrated Financial Management Information System (IFMIS) on fraud management in Nigeria's public sector. Grounded in Meta Theory Model, Circumvention Innovation Theory, and Public Finance Management Theory, their descriptive study used questionnaires and linear regression to analyze data from various ministries. They concluded that TSA, IPPIS, and IFMIS positively and significantly relate to fraud management and public sector performance. They recommended full IPPIS implementation and technological training for public officers.

Idris, Adaja, and Audu (2015) also investigated IPPIS as a remedy for ghost worker syndrome in Nigerian public service. Using both primary and secondary data analyzed through percentages, frequency tables, and Spearman rank correlation, they found rampant ghost worker issues. They concluded that proper IPPIS adoption would enhance productivity and contribute to a robust economy. Farajimakin and Anichebe (2017) studied the effect of IPPIS on employee welfare in Nigerian Federal Ministries using a survey and descriptive design. Employing binary logistic regression, they

found a statistically significant but weak positive relationship between IPPIS implementation and employee welfare.

Leyira and Temple (2018) used historical research to examine whether IPPIS could eradicate ghost workers in Nigeria's public sector. Their findings suggest that IPPIS implementation has substantially reduced the opportunity and incentive for payroll fraud across all government levels. Ibanichuka and Sawyer (2019) investigated the relationship between integrated payroll systems and government recurrent expenditure in Nigeria. Collecting primary data through a validated questionnaire (reliability coefficient 0.90) and secondary data from Bayelsa State Government reports, they applied descriptive statistics and ordinary least squares regression via SPSS 21. Their study revealed a strong positive relationship between integrated payroll systems and personnel/overhead costs, concluding a significant link between payroll integration and government recurrent expenditure.

Theoretical Framework

System Theory, pioneered by Ludwig von Bertalanffy in the 1940s and 1950s, is a multidisciplinary conceptual framework that explains how complex entities operate through interrelated and interdependent components functioning as a whole. According to this theory, any system—whether biological, mechanical, social, or organizational—can be understood by examining the interactions and relationships between its parts rather than in isolation. It emphasizes that systems consist of inputs, processes, outputs, feedback loops, and an environment with which they continuously interact.

In an organizational context, System Theory posits that an organization is not merely a collection of departments or individuals but a unified whole with dynamic interactions that contribute to achieving collective objectives. Inputs such as resources, information, and personnel enter the system, undergo transformation processes, and produce outputs like services or products. Feedback mechanisms allow the system to self-regulate by monitoring outcomes and making necessary adjustments to maintain equilibrium and improve performance. Moreover, the theory acknowledges the influence of the external environment on system functioning, encouraging adaptability and responsiveness to external changes.

This theory provides a comprehensive lens for analyzing organizational structures, information flows, and operational efficiencies, especially in



complex settings like public administration, where multiple actors and processes must coordinate to deliver services effectively.

The application of System Theory to this study offers valuable insights into understanding the Integrated Personnel and Payroll Information System (IPPIS) as an organizational subsystem within the Nigerian public service framework. IPPIS is designed to integrate human resource management and payroll functions by linking employee data, salary processing, and financial control mechanisms in a unified system. Viewing IPPIS through the lens of System Theory highlights its role as a critical subsystem that receives inputs (employee records, payroll data), processes these inputs through automated and controlled mechanisms, and produces outputs such as accurate salary payments, budget reports, and compliance records. The feedback loops embedded in IPPIS facilitate continuous monitoring and evaluation of payroll activities, enabling timely detection of irregularities like ghost workers or multiple payments, thereby reducing fraud and enhancing accountability.

Furthermore, the theory's emphasis on interaction between subsystems and the external environment underscores the importance of integrating IPPIS with other government financial management systems and adapting to policy changes, technological advancements, and stakeholder needs. This systemic perspective helps explain how the effectiveness of IPPIS depends not only on its internal processes but also on the quality of data inputs, staff training, infrastructure, and regulatory support.

By applying System Theory, this study can better analyze how improvements or challenges within IPPIS influence broader public sector performance, transparency, and fiscal discipline. It also supports the understanding that successful implementation of IPPIS requires coordinated efforts across multiple government agencies, highlighting the interconnectedness and complexity of public financial management systems.

The Effort of IPPIS towards Eradication of Ghost Workers in Nigeria Public Service

Prior to the introduction and implementation of IPPIS, several challenges characterized the public sector environment, making accountability and transparency difficult to assess in public finances (Kinyeku, 2015). Ekakirerho and Temile (2017) outlined that IPPIS provides accurate and reliable personnel information, reduces and eliminates corrupt sharp practices in public offices,

as well as facilitates modern scientific and accurate government budgeting and forecasting. One of the menaces prior to the emergence of IPPIS and still evident in many other government parastatals is the "ghost worker" syndrome. This problem, usually committed by senior government officials to accumulate and receive salaries and other benefits for non-existing employees, has continually inflated personnel costs beyond the actual (Ekakirerho & Temile, 2017). The pilot test of IPPIS in February 2006 showed a positive shift in the ministries studied. Going live in April 2007, the seven ministries involved demonstrated that IPPIS would provide a paradigm shift in government accountability (Mede, 2016).

For example, the federal government discovered 23,846 non-existent employees from its payroll, according to former Festus Akanbi, a special adviser to Finance Minister Kemi Adeosun. Consequently, the salary bill for February 2016 reduced by ₦2.293 billion (about €10.5 million and \$11.5 million) compared to December 2015 when the BVN audit process commenced. The ministry announced that it would undertake periodic checks and utilize computer-assisted audit techniques. It also worked with the financial crimes agency and the National Pension Commission to identify irregularities, aiming to recover salaries and pension contributions related to ghost workers in the service (Punch, 2016).

Since its inception, IPPIS has uncovered 18,315 ghost personnel in the Universal Basic Education (UBE) sector in Nigeria. Evidence from the Rivers State Universal Basic Education Board in July 2011 reported an annual loss of ₦2.4 billion to 1,477 ghost workers. Similarly, the National Identity Management Commission uncovered 4,000 ghost workers in December 2011. The Niger State government discovered in its 25 local government areas not fewer than 20,000 ghost workers. The list continues with numerous discoveries of ghost workers and excessive payments in various MDAs (Olken & Pande, 2012). In December 2011, Garba Tagwai, the Niger State Commissioner for Local Government Affairs, noted that "No fewer than 20,000 ghost workers have been detected on the payroll of the 25 Local Government Areas of Niger State." Former Ekiti State Governor Dr. Kayode Fayemi, during his first tenure, also observed ghost workers; prior to his administration, Ekiti State lost over ₦3 billion annually to ghost workers out of a projected annual budget of ₦80 billion (Letswa & Egwuem, 2013).

In 2001, former Accountant General of the Federation, Chief Joseph Naiyeju, reported the



discovery of 40,000 ghost workers following a manpower verification exercise. Similarly, 6,000 ghost workers were detected after a staff audit during Mallam Nasir El Rufai's tenure as Minister of the Federal Capital Territory in 2006. The FCT government was losing about \$8 million annually due to ghost workers on its payroll. The Bureau of Public Service Reforms (BPSR), under El Rufai as Chairman, signed a World Bank-sponsored \$4.9 million contract with the Nigerian-based System Specs Consortium in October 2006 for the provision of a more coherent Integrated Personnel and Payroll Information System (IPPIS) (Aderounmu, 2017). In May 2009, the House of Representatives Committee on Customs and Excise discovered that about 50% of the 20,000 workforce in the Nigeria Customs Service were ghost workers. 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 IPPIS implementation. Curiously, the former Chairman of the Nigeria Pension Reform Task Team, Ahaji Abdulsheed Maina, disclosed in February 2012 that after a nationwide biometric verification of pensioners, his team detected 71,133 fake pensioners and uncovered N151 billion fraud in pension offices across the country. Inexplicably, despite documentary evidence, especially from banks, none of the identified beneficiaries of the ghost worker scam has ever been prosecuted or compelled to return stolen funds or forfeit assets derived therefrom (Micah & Moses, 2018).

After integrating the payroll of the Nigeria Police Force into IPPIS, the Federal Government discovered 80,115 ghost officers on the force's payroll (Aderounmu, 2017). According to Ibanichuka (2019), before integration, police payroll figures stood at 371,800; however, an audit revealed the actual number was 291,685, with a gross salary of about ₦22.3 billion. Despite stiff opposition, including protests by policemen in Abuja and Lagos, NPF was eventually enrolled into IPPIS, revealing padding of the monthly emolument register with 78,315 ghost personnel (Lekubu, 2013). Effong et al. (2017) observed that IPPIS has proven to be a significant mechanism through which ghost workers and corruption in the public sector can be drastically reduced. Ibanichuka (2019) assessed that IPPIS success can be consolidated by adopting it at all levels of government, especially local governments, to further address ghost worker issues.

The quality of government payroll administration has vastly improved, and an

increasing number of MDAs are moving away from manual payroll systems. MDAs now possess necessary information for personnel cost planning. IPPIS has reduced corruption by virtually eliminating ghost-worker syndrome where applied, thereby lowering governance costs. Since its launch in 2007 until December 2014, IPPIS saved the government ₦185 billion (about US\$1 billion), representing the difference between the money government would have released based on estimated nominal rolls and the amount actually paid through IPPIS. A breakdown shows ₦416 million saved in its first month and ₦12 billion at the end of its three-year pilot phase. The scheme now covers 359 MDAs, enrolling 237,917 staff, and discovering 60,450 ghost workers, while reducing red tape involved in payroll administration (Ibanichuka, 2019). Olumuyiwa (2019) shows that IPPIS policy has improved consistent salary payments. Reports indicate that from 2007 to 2019, IPPIS implementation across MDAs, NPF, and paramilitary agencies saved the government over ₦600 billion (Ibanichuka, 2019).

Despite these gains, recent cases of fraud in Nigerian public service continue to emerge, highlighting the ongoing need for IPPIS and similar reforms. In 2020, the Nigerian Customs Service uncovered fraud worth over ₦100 billion, with investigations revealing widespread payroll manipulation involving ghost workers and inflated personnel costs (Vanguard, 2020). Similarly, the Federal Road Safety Corps (FRSC) recently reported that a payroll audit uncovered over 3,500 ghost workers, representing a significant financial leak in their operations (ThisDay, 2021). In 2022, the Nigerian National Petroleum Corporation (NNPC) disclosed the presence of hundreds of ghost workers on their payroll during a biometric verification exercise, resulting in the suspension of numerous officials involved (Guardian, 2022).

Moreover, the 2023 Auditor-General's report revealed that several MDAs, including the Ministry of Health and Ministry of Education, still exhibited payroll irregularities linked to ghost workers and fictitious allowances, amounting to estimated losses of over ₦50 billion annually (Auditor-General, 2023). These recent discoveries underline the persistent challenges within the public service and reaffirm the critical role of IPPIS in providing an integrated, transparent payroll management system that limits fraud and wastage.

The tangible beneficial impacts of IPPIS are well established and validate the necessity of such reforms (Aderounmu, 2017). These include:



- a) Improved governance with timely and reliable reports, adding transparency to public finance management. For example, the statutory financial statement for the year ended 31 December 2018 was forwarded to the Auditor-General of the Federation, consistent with constitutional provisions.
- b) Reduction in the cost of governance by minimizing manual processes.
- c) Gradual elimination of massive financial losses caused by payroll fraud and ghost workers. Savings have been redirected to enhance overhead and capital expenditures in MDAs.
- d) Greater confidence in the accuracy and reliability of government financial data, encouraging foreign and private sector investments.

Consequently, IPPIS has broadened employment opportunities, reduced corruption, cut personnel costs, enhanced operational efficiency, and boosted confidence in payroll management and budgeting. It has improved management reporting and public trust, offering prospects for better infrastructure, a conducive work environment, and enhanced job security (Ibanichuka, 2019).

Impediments to the Effective Implementation of IPPIS in Reducing Fraud in the Nigerian Public Service

While the Integrated Personnel and Payroll Information System (IPPIS) has demonstrated significant potential in combating payroll fraud and eliminating ghost workers in the Nigerian public service, its effective implementation faces several impediments. These challenges hinder the full realization of IPPIS's intended benefits and limit its efficiency in fraud reduction.

- i. **Incomplete or Inaccurate Employee Data:** One major impediment is the issue of incomplete or inaccurate personnel records being fed into the IPPIS database. For IPPIS to function effectively, it requires comprehensive, accurate, and regularly updated employee data. However, many Ministries, Departments, and Agencies (MDAs) in Nigeria still lack proper record-keeping systems. For example, Chima and Folorunsho (2020) note that the effectiveness of IPPIS is compromised when employee records are incomplete or outdated, leading to difficulties in verifying legitimate staff. This creates loopholes for fraudulent

entries, as ghost workers may still be listed due to poor data management.

- ii. **Resistance from Stakeholders and Political Interference:** Resistance from some public officials and employees has also been a significant barrier. Some MDAs resist the full adoption of IPPIS because it limits their control over payroll disbursement, which has traditionally allowed manipulation. Political interference exacerbates this challenge, where influential officials protect ghost workers or engage in unauthorized employment for personal or political gain. Enakirerhi and Temile (2017) highlighted that such resistance delays full implementation and weakens the system's ability to identify and remove ghost workers. For instance, in Bayelsa State, local government areas have faced persistent payroll fraud due to unauthorized employment practices and resistance to centralized payroll controls such as IPPIS (Oguzierem and Sofiri, 2017). This example illustrates how decentralization of employment controls creates opportunities for payroll fraud that IPPIS aims to eliminate.
- iii. **Technological and Infrastructure Deficiencies:** Nigeria's public service faces infrastructural challenges that limit IPPIS implementation. These include unreliable internet connectivity, inadequate computer hardware, and lack of stable power supply, especially in rural or remote areas. According to Enakirerhi and Temile (2017), technological barriers hinder the smooth transmission and verification of payroll data, resulting in delays and occasional errors in payment processing. Instances of delayed salary payments caused by these infrastructure issues have been reported across various MDAs, including Federal Pay Offices in Sokoto and Birnin Kebbi, which negatively affect employees' trust in the system and may encourage alternative, informal payment methods prone to fraud (Abdulsalam et al., 2020). Additionally, the Office of the Accountant General of the Federation (2020) reported challenges with data integrity and system manipulation attempts by unauthorized users, underscoring the need for enhanced cybersecurity measures to protect the integrity of payroll data.



- iv. **Insufficient Training and Capacity Building:** IPPIS operators and personnel within MDAs often lack adequate training to operate the system effectively. Without continuous capacity building, staff may be unable to manage the system optimally or identify anomalies indicative of fraud. Effiong et al. (2017) emphasize that technological training is crucial to ensure that staff can leverage IPPIS tools fully to detect ghost workers and prevent payroll fraud. In some cases, inadequate knowledge of the system has resulted in errors or delays, which have inadvertently allowed fraudulent practices to continue unchecked.

While IPPIS holds great promise in reducing payroll fraud and eliminating ghost workers in Nigeria's public service, its effectiveness is curtailed by several impediments. These include inaccurate personnel data, stakeholder resistance, infrastructural and technological deficiencies, lack of sufficient training, incomplete integration, and limited coverage across all government levels. Addressing these challenges through robust data management, stakeholder engagement, improved infrastructure, ongoing capacity building, and full system integration is critical to maximizing IPPIS's impact on fraud reduction in Nigeria.

III. Methodology

This study adopts a descriptive thematic design, which involves systematically identifying, analyzing, and reporting patterns or themes within existing literature and documented data. The approach allows for an in-depth understanding of the subject matter by organizing and interpreting relevant information around key themes related to the Integrated Personnel and Payroll Information System (IPPIS) and its impact on payroll fraud reduction. Data for the study were generated exclusively through secondary sources, including scholarly articles, government reports, official publications, and previous empirical studies. This method enabled the collection of comprehensive and reliable information pertinent to the implementation challenges and effectiveness of IPPIS in the Nigerian public service.

IV. Discussion of Findings

The findings of this study reveal a significant evolution in personnel management within the Nigerian Public Service. Historically, the public service relied on a manual personnel management system, which functioned adequately

when government payrolls were relatively small. However, with the increasing number of employees over time, the manual system became inadequate to handle the volume of data entries required to maintain accurate and up-to-date records. This system's inherent weaknesses created opportunities for fraudulent activities, notably the insertion of fictitious or "ghost" workers, which led to substantial financial losses in salaries and other entitlements. This persistent challenge necessitated the introduction of the Integrated Payroll and Personnel Information System (IPPIS) in 2006, aimed primarily at eradicating ghost workers and improving overall efficiency and transparency in the public sector. These findings corroborate the work of Samson (2018), who noted that public sector reforms in Nigeria were largely driven by the need to combat ghost workers and enhance operational efficiency.

The study further highlights that IPPIS has played a pivotal role in improving payroll management by providing a centralized, electronic platform that enhances transparency and accountability. Literature from Chima and Folorunsho (2020) and Abdulsalam et al. (2020) affirms that IPPIS has significantly deterred fraudulent payroll practices by restricting unauthorized access and manipulation of payroll records. By ensuring that only verified employees are recorded on the payroll, IPPIS effectively curtails multiple or fictitious salary payments, thus addressing the ghost worker menace.

Moreover, the implementation of IPPIS has led to remarkable fiscal savings for the Nigerian government. Between 2017 and 2019, more than N361 billion was reportedly saved due to improved personnel cost management (Office of the Accountant General, 2020). This outcome aligns with Effiong et al. (2017), who emphasized that IPPIS, along with other financial reforms, has positively influenced fraud reduction and enhanced public sector performance. This study also underlines the concrete successes of IPPIS in identifying and removing ghost workers from the government payroll. Since its inception, IPPIS has uncovered numerous ghost workers across various federal government agencies, significantly reducing corruption, personnel costs, and improving administrative efficiency. These findings are consistent with Victor (2016), who found that IPPIS has substantially mitigated ghost worker syndrome, reduced personnel expenditure, and fostered transparency within the Nigerian Public Service.

However, the study also brings to light several challenges undermining the full potential of



IPPIS. Key impediments include the non-compliance of some Ministries, Departments, and Agencies (MDAs) in joining the system, difficulties in accessing IPPIS-related information, lack of a reliable and comprehensive public service database, resistance to change, institutional inertia, and inadequate commitment from certain MDAs. Additional problems cited include role conflicts among stakeholders, delays in employee enrollment, skills transfer issues, poor supporting infrastructure, technological barriers to inter-MDA data transfers, and a general lack of political will for accelerated implementation. These observations are supported by Ojo (2017), who identified similar factors as significant obstacles to effective IPPIS deployment within the Nigerian civil service.

Further technical constraints such as insufficient infrastructure and poor internet connectivity—particularly in rural and underserved regions—have led to delays in salary payments, eroding employee trust in the system (Abdulsalam et al., 2020). Resistance from some stakeholders, possibly due to concerns over losing influence over local payroll processes, was also noted by Oguzierem and Sofiri (2017) as a critical challenge, especially in states like Bayelsa where unauthorized employment practices persist. Issues concerning data integrity and system security have been raised, with attempts at unauthorized data manipulation highlighting the urgent need for enhanced cybersecurity measures (Office of the Accountant General, 2020). These vulnerabilities threaten the reliability of IPPIS and underscore the necessity for ongoing training and monitoring of system operators to safeguard payroll integrity.

In summary, the findings affirm that IPPIS is a highly effective tool in reducing payroll fraud and eliminating ghost workers within Nigeria's public service. Nonetheless, its success is contingent upon addressing infrastructural deficits, fostering broader stakeholder acceptance, and reinforcing internal controls. Sustained government commitment to improving technological capacity and ensuring strict adherence to operational standards will be essential to fully harness the benefits of IPPIS and promote transparency, efficiency, and accountability in the Nigerian public service.

V. Conclusion and Recommendations

This study has demonstrated that the Integrated Personnel and Payroll Information System (IPPIS) plays a vital role in reducing payroll fraud and eliminating ghost workers within the Nigerian public service. By centralizing payroll

management and enhancing transparency, IPPIS has helped to curb unauthorized salary payments, promote accountability, and generate significant savings in personnel costs. However, the effectiveness of IPPIS is hindered by challenges such as inadequate infrastructure, resistance from stakeholders, data integrity issues, and limited capacity among system operators. These impediments weaken the full potential of the system and pose ongoing risks to payroll accuracy and employee trust. Therefore, while IPPIS remains a powerful tool in combating payroll fraud, its success is contingent upon addressing these operational and technical barriers comprehensively.

Based on the findings of this study, the following recommendations are made to enhance the implementation and effectiveness of IPPIS in reducing payroll fraud in Nigeria:

- a) To strengthen the impact of IPPIS on reducing payroll fraud and eliminating ghost workers, the government should ensure full integration of IPPIS across all public service levels, coupled with regular biometric verification and continuous staff training to maintain accurate payroll records and prevent re-emergence of ghost workers.
- b) To address impediments hindering effective IPPIS implementation, it is essential to enhance political commitment, upgrade ICT infrastructure, and establish stronger legal frameworks that enforce accountability and facilitate swift prosecution of payroll fraud, while managing resistance through stakeholder engagement and transparency.

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