



## **Business Administration and Business Economics**

### **Integrated Personnel And Payroll Information System (IPPIS) And Government Recurrent Expenditure In Nigeria**

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**Abstract:** Despite the financial policies on regulations and management of public funds to avoid over spending and mismanagement, government still express worries over the high cost of its employee emolument costs. These worries necessitated the introduction of the integrated personnel and payroll information system (IPPIS), a policy that is expected to help government, plan, manage and make effective budgeting regarding personnel costs from a central purse. In view of this challenge, this study conducted an investigation to examine the effect of integrated personnel and payroll information system on government recurrent expenditure in Nigeria. The study covered 101 Federal Ministries, Departments and Agencies (MDAs) located in Ondo State. The purposive sampling technique was used to select staff of these MDAs working in the Account and Finance, Internal Audit, Store, and Procurement Departments. This was done because these are the staff working directly on the IPPIS. A total of 300 copies of the questionnaire were distributed to these staff. The Cronbach alpha ( $\alpha$ ) test was used to test for the reliability and validity of the questionnaire. Data collected were analysed using descriptive statistics and the Structural Equation Modeling (SEM) was used to test the significance of the explanatory variable (personnel cost) and the dependent variables (government recurrent expenditure). The findings of the study revealed a significant positive relationship between personnel cost and government recurrent expenditure, with co-efficient of 4.634; P-value 0.004; t-statistic 2.892. The study concluded that the IPPIS policy has significant influence on government recurrent expenditure in Nigeria, as it relates to reducing personnel cost. The study therefore recommended that the policy be upheld and reposition for better performance as it is found to be effective in helping government achieve their intended goals.

**Keywords:** Integrated personnel and payroll information system (IPPIS); personnel cost; ghost workers; false wage claims; government recurrent expenditure

**JEL Classification:** A1

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## 1. Introduction

Prior to the introduction of Integrated Personnel and Payroll Information System (IPPIS), payment of monthly salaries of government workers was done manually devoid of the use of electronic device which makes payment difficult by the accountant of the various MDAs; auditors also find it difficult to carry out audit exercise due to lack of proper and insufficient record keeping. Accountants spend a lot of time and energy in keeping and computing manually the records of all staff and information regarding monthly salaries, bonuses, leaves, benefits, taxes deductions. All these engaged the time of an accountant to keep many files, filled with track documents for each and every staff (Adrian, 2010). Presently, the personnel costs of the MDAs that have been incorporated into IPPIS are no longer posted directly to their account; instead their personnel costs are now kept with the Central Bank of Nigeria, this has given great benefit to the government as it has reduced the personnel cost (Office of Accountant General of the Federation, 2013).

Omolehinwa and Naiyeju (2015) viewed IPPIS as a central computer-based payroll and management information system that may be used to eradicate payroll fraud in the public service. It aimed at the working out of the total number of workers and the total cost of emoluments at a glance. It is also stood at making sure that records integrity and reliability so that the employee's information is accurate and adequate. Leyira and Temple (2018) opined that IPPIS was birthed in Nigeria, to reduce ghost workers and update the records of all government personnel. In October 2006, the federal government considered IPPIS to deliver a consistent and detail record in the public service to aid manpower planning, eradicate record of payroll fraud, enable easy storage, bring up-to-date and recover personnel records for administrative and pension procedures, and enable suitable employee salaries payment with minimal waste and leakage.

The (IPPIS) project was implemented in 2007 and was formally commissioned in six ministries; Education, Foreign Affairs, Finance, Works, Information and Communications and the National Planning Commission. In 2009, the government expanded its scope to cover another nine MDAs which include Agriculture, Transport, Petroleum Resources, Aviation, Health, the Office of the Accountant General of the Federation, Office of the Head of the Civil Service of the Federation, Office of the Secretary to the Government of the Federation and the Federal Civil Service Commission in order to determine the relevance of the system and how efficient the system works. In the first month of implementation, the government saved ₦416million through the process of IPPIS. Presently, the government is also pursuing the full implementation of the human management component of IPPIS and the full connectivity of all human resource and finance offices to the system. The reliability of the government payroll administration has drastically enhanced and amassed number of MDAs is drawing away from manual payroll system. The

necessary information needed for planning personnel costs have been put in place by MDAs and key into the platform for better performance. The government has recorded a reduction in corruption as well as elimination of ghost worker syndrome in the public sector, this lead to the reduction in the cost of governance (Sunday, Oro, Ogar, Imong, Jacob & Rim, 2017).

The government has expressed worries overtime about the high cost of its employees, as the system in place before the implementation of the Integrated Personnel and Payroll Information System made it difficult to plan, manage and make effective budgeting (Otunla, 2013). The old system allowed for non-existing employees commonly known as ghost workers in the Civil Service, multiple payments of emoluments to an employee which also contributed to the high cost of personnel as a major cost of the recurrent expenditure (Lawanson & Babatunde, 2013). It is very important that recurrent expenditure especially personnel cost be monitored and cut down through appropriate government policy to avoid over spending of government revenue on payment of salaries and other allowances at the expense of other challenging sectors. Large proportions of previous studies examined IPPIS and government recurrent expenditure and there have been mixed result. Some are of the opinion that there is positive relationship while some studies have found negative relationship (Osisioma, Akenbor & Okafor, 2016); found that there is significant difference in government's recurrent expenditure following the introduction of IPPIS in 2007. (Efobi & Osabuhien, 2012) found government expenditure in Nigeria commands positively to fiscal decentralisation and political instability than economic growth and development. In contrast, (Modebe, Okafor, Onwumere & Imo, 2012; found that recurrent government expenditure had positive and non-significant impact on economic growth; capital expenditure had negative and non-significant impact on economic growth thus making it necessary for the need to increase and encourage private sector investment in Nigeria.

(Obara, Nangih, & Agba, 2017); found that there was significant correlation between the effectiveness of manual and computerised accounting payroll fraud in the Nigerian Public Sector. (Sunday, Oro, Ogar, Imong, Jacob & Rim, 2017); found that TSA, IPPIS, and IFMIS have positive and significant relationship with fraud and fraud management as well as the effect of the performances of Public Interest Entities. However, this study empirically combined the three major areas (personnel costs, false wage claims and ghost workers) that IPPIS primarily made effort to mitigate on and infer its effect of government recurrent expenditure. It appears not much published studies had been conducted on these categories of independent variables with respect to government recurrent expenditure in Nigeria. The dearth of empirical study on the impact of IPPIS on government recurrent expenditure in Nigeria gave motivation for this study.

In light of this inconclusiveness, the critical questions are, what is the effect of the personnel cost on government recurrent expenditure in Ondo State, Nigeria? Hypothesis was therefore raised to answer the questions.

## **2. Literature Review**

### **2.1. Concept Integrated Personnel and Payroll Information System (IPPIS)**

Integrated Personnel and Payroll 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’ from 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 20<sup>th</sup> 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.

## 2.2. Concept of Personnel Costs

Personnel cost is the total reward, in cash or in kind, incurred by an employer to an employee in return for the work done by the latter in a particular period of time. Agboola (2018) opined that Integrated Personnel and Payroll Information System (IPPIS) is a department within the office of the Accountant general of the federation which is responsible for the payment of salaries and wages directly to the government employee's bank account with appropriate deductions and remittances of 3<sup>rd</sup> party payments such as, Federal Inland Revenue Service, State Boards of Internal Revenue, National Health Insurance Scheme, Pension Fund Administrative, Cooperative Societies, National Housing Fund, Bank Loans and Associations Dues. According to the World Bank (2020), the purpose of IPPIS was to procure and implement and integrate solution that would improve the effectiveness and efficiency in transactional services, improve the confidence in payroll costs and budgeting and greatly enhance management reporting and information. A serious element was the capability to manage services of establishing payroll within the setting of public service output and limits of the government revenues, urgencies and budget.

Lawanson and Babatunde (2013) asserted that IPPIS was conceived by the Federal Government of Nigeria (FGN) to enhance the effectiveness and efficiency in the storage of personnel records and administration of monthly payroll in such a way as to enhance confidence of staff emolument costs and budgeting. The two main components of this tool are; (a) personnel records, including biographical data, with payroll and finger prints, (b) payroll processing. In addition to static bio-data to civil servants, the personnel schedule of IPPIS support the basic tracking task such as specially, promotion, employment, transfer (postings), and in service trainings. The payroll module supports such basic tasks variation capture, payroll and audit, and the generation of the slip at the MDAs. IPPIS represents a small component of a full-fledged e – government software platform based on its features on payroll processing and bio – data storage and retrieval and the Nigerian government has already reported some benefits from IPPIS. Adedeji (2015) opined that the aim of IPPIS is to ensure the elimination of wastages noticed in the administration of payroll in public service for efficient and effective delivery and elimination of payroll fraud led to the conceptualization of IPPIS. (Jasaphat & Imo, 2012). Idris, Adaja and Audu (2015) supported that IPPIS implementation would ensure economy development through the elimination of ghost workers which eventually lead to the saving of personnel cost.

Enakirehi and Temile (2017) noted that the aims of IPPIS are broad and encompasses, payroll fraud otherwise known as the syndrome of ghost workers, this challenge seems to override the other aims. However, the syndrome cannot be over emphasised as it has cost a lot of money which should have been used for other

developmental projects. The numerous amounts of ghost workers in the previous years are called for attention. Little wonder it seems that IPPIS aimed at eliminating ghost workers from the payroll system so as to reduce government recurrent expenditure. Presently, the emoluments of the MDAs that have been enrolled into IPPS are no longer posted directly into their account; instead, their personnel costs are now with the Central Bank of Nigeria (CBN) this is done with the intention to reduce government recurrent expenditure. The Office of Accountant General of the federation (OAGF) prepares for the payroll and generate mandate which will be sent to the CBN and the staff salaries of each individual will be posted directly from CBN into the employee's account. The office of the Accountant General of the Federation took over the responsibility of IPPIS since 2008 and for the fact that the employee emoluments are now consolidated, it is now easier for the OAGF to monitor fund that constitute Federal Government recurrent expenditure (Agboola, 2018).

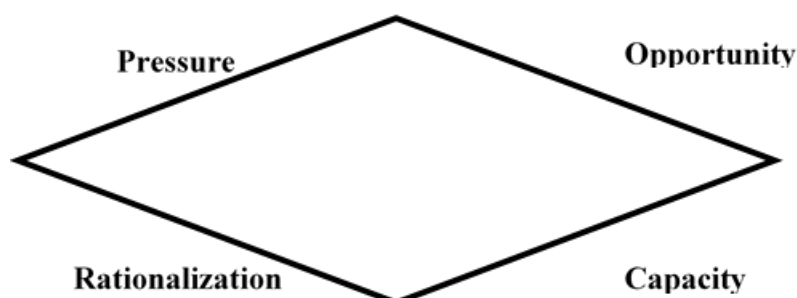
### **2.3. Concept of Government Recurrent Expenditures**

Recurrent Government Expenditure on goods and services is expenditure, which does not result in capital project development. Government recurrent expenditure is majorly attributable to wages, salaries and acquisition of goods and services and consumption of non-current expenditure (Josaphat & Imo, 2012). Ojo, Igberi and Anoke (2016) asserted that recurrent expenditures are expenses carried out by the government on the day – to – day activities, that is, general spending in services to maintain the existing facilities in the economy. These include spending on wages, and salaries maintenance of social services, rent and rate etc. Recurrent expenditures are generally, consumables year by year.

Abu and Abdullahi (2010) these are statutory expenditure that usually takes first charge on the revenue of government. They are payments for services which have been decided by section 48 of 1999 Federal Republic of Nigeria Constitution. These includes; the salaries and consolidated allowances of the following officers, President, Vice President, Chief Justice of Nigeria, Justice of the Supreme Court, President of the Court of Appeal, Justice of the Federal High Court in the Federal Territory, Grand Kadi and Kadi of the Sharia Court of Appeal of the Federal Capital Territory, President and Judge of the Customary Court of Appeal of the Federal Capital Territory, Inspector – General of Police, the Chairman and Members of the following Executives Bodies, namely; the code of conduct Bureau; the Federal Civil service Commission, the National Population Commission, the Revenue Mobilization Allocation and Fiscal Commission, the Nigeria Police Council, and the Public Complaints Commission, stipulates the consolidated Revenue Fund charges in respect of the states (Akpan, 2011).

## 2.4 Theoretical Review

A good number of theories like fraud diamond theory, Adolf Wagner's theory, and theory of Allocative efficiency among others were reviewed. The fraud diamond theory was presented by Wolf and Hermanson in December, 2004. It is viewed as an expanded version of the fraud triangle theory. In this theory, an element named capability has been added to the three initial fraud components of the fraud triangle theory. Wolf and Hermanson (2004) argued that although perceived pressure might coexist with an opportunity and a rationalization, it is unlikely for fraud to take place unless the fourth element (i.e. capability) is also present. In other words, the potential perpetrator must have the skill and ability to commit fraud.



**Figure 2.1. The Fraud Diamond**

*Source: Wolf, D., & Hermanson, D. R. (2004). The fraud diamond, considering four element of fraud. The CPA Journal, 74(12), 38-42.*

Wolf and Hermanson (2004) maintained that opportunity opens the doorway to fraud, and incentive (i.e. pressure) and rationalization lead a person toward the door. However, capability enables the person to recognize the open doorway as an opportunity and take advantage of it by walking through repeatedly. Also, capability is the situation of having the necessary traits and ability for the person to commit fraud. It is where the fraudster recognized the particular fraud opportunity and ability to turn it into reality. Position, intelligence, ego, coercion, deceit, and stress, are the supporting elements of capability (Wolf and Hermanson 2004). From the principle of Wolf and Hermanson, it implied that fraudsters possess the right capabilities. Implicitly, any would by offender have to possess the rightful talent and capacity to carry out the fraud. However, this study is hinged on fraud diamond theory. In the context of this study, fraud diamond theory is therefore relevant to this study in the sense that the objective of IPPIS is to eradicate ghost workers in the public service which amount to employee fraud. Adolf Wagner's theory is therefore relevant to this study in the sense that the over expenditure on recurrent expenditure may mar or made the Nigerian economy.

## 2.5. Empirical Review

Loizides and Vamvoukas (2004) examined government expenditure and economic growth, evidence from trivariate causality testing. The study seeks to examine if the relative size of the government measured as the share of total expenditure in GNP can be determined to Granger cause the rate of economic growth, or if the rate of economic growth can be determined to Granger cause the relative size of government. The study adopted a bivariate error correction model within a Granger causality framework, as well as adding unemployment and inflation (separately) as explanatory variables, creating a simple “trivariate” analysis for each of these two variables. The study revealed that the government size Granger causes economic growth in all countries of the sample in the short-run and in the long-run for Ireland and the UK and economic growth Granger causes increases in the relative size of government in Greece, and UK.

Modebe, Okafor, Onwumere and Imo (2012) examined the impact of recurrent and capital expenditure on Nigeria’s economic growth from 1987 - 2010. The study employed three variables multiple regression model while recurrent expenditure and capital expenditure were used as independent variables and gross domestic product growth rate as dependent variable. The study showed that recurrent government expenditure had positive and non-significant impact on economic growth; capital expenditure had negative and non-significant impact on economic growth thus making it necessary for the need to increase and encourage private sector investment in Nigeria.

Salawu and Odewole (2020) investigated the efficiency of public sector entities in the utilization of personnel cost releases to Ministries, Departments, and Agencies in the education sector in Nigeria. Population of the study comprised forty-five (45) Decision Making Units (DMUS) made up of federal universities, federal polytechnic and federal colleges of education within four (4) geo-political zones and Abuja. Purposive sampling method was employed in selecting twenty-five (25) DMUS. Secondary data were sourced from the Annual General Warrants from the office of the Accountant-General of the Federation and Audited financial statements of the public sector entities on personnel costs, capital grants and overhead cost releases to the DMUs. Data were analysed using Data Envelopment Analysis (DEA). The findings showed that the DMUs were not efficient in personnel cost utilization.

Idris, Ajaja and Audu (2015) studied the integrated personnel payroll and information system (IPPIS) panacea for ghost workers syndrome in Nigerian public service. The study found that ghost workers syndrome is highly imminent in the public service. Primary and secondary data were employed. Data were analysed using descriptive statistics and spearman rank order correlation technique to measure the hypotheses relationship among the variables. The study showed that ghost workers condition is extremely possible in the public service. They recommended



that the Integrated Personnel Payroll and Information System (IPPIS) should be implemented in the public service to ensure stable economy through enhance productivity.

Sunday, Oro, Ogar, Imong, Jacob and Rim (2017) investigated Treasury Single Account (TSA), Integrated Payroll and Personnel Information System (IPPIS), and Integrated Financial Management Information System (IFMIS), Application and Implementation Effects on Fraud Management in the Public Sector in Nigeria. The study employed a descriptive research design and questionnaire administered to respondents that are randomly selected for the study. The linear regression model was adopted in annexing the relationship between the independent and dependent variables. The study revealed that TSA, IPPIS, and IFMIS have positive and significant relationship with fraud and fraud management as well as the effect of the performances of Public Interest Entities.

Farajimakin and Anichebe (2019) examined the effect of integrated personnel payroll information system on employee welfare as evidenced from the Federal ministries in Nigeria. The study was based on survey and descriptive research design and the data were collected using questionnaire structured in binary format. Binary logistic regression analysis was employed. The study findings revealed that the implementation of IPPIS has weak positive relationship with employee welfare but it is statistically significant.

Osioma, Cletus and Okafor (2016) investigated the effect of Integrated Personnel and Payroll Information System (IPPIS) on Federal Government recurrent expenditure in Nigeria. The study employed the use of secondary source of data obtained from Budget Office of the Federation (BOF), Annual Report from the Office of the Accountant General of the Federation (OAGF) together with the audited financial statements and Central Bank of Nigeria (CBN) statistical bulletin. The relevant data were subjected to statistical analysis using the t-test statistics. The study found that there is a significant difference in government's recurrent expenditure following the introduction of IPPIS in 2007.

### **3. Methodology**

The survey research design was used in the study. The data was collected through the administration of questionnaire to the targeted respondents. The study used the purposive sampling technique. Data collected were analysed using descriptive statistics Structural Equation Modeling (SEM) technique was used to test the hypotheses and determine the interaction between the variables. The population of this study comprises of all the personnel in the 101 Federal Ministries, Departments and Agencies located in Ondo States as at 31<sup>st</sup> December, 2020. The sample size of the study consists of the 101 Federal MDAs in Ondo State. Multi-stage sampling

technique was used to select the sample size of the study. The census sampling technique was first used to select all the 101 Federal MDA situated in Ondo State to have a better coverage of the subject matter and have a robust result. The purposive sampling technique was thereafter used to purposively select only the departments relevant in the financial activities of the MDAs to form the respondents of the study. The departments include; Finance and Account, Internal Audit, Store and Procurement department. Seventy-Five (75) copies of questionnaire were allotted to each the four departments to make a total of 300 copies of questionnaire in all. The questionnaire was distributed to respondents purposively according to the extent at which their job description relates to the IPPIS to promote the reliability of the information provided.

### 3.1. Validity and Reliability of Research Instrument

The validity and reliability of the research instrument was done using the Cronbach Alpha test. The result shown in Table 3.1 revealed that questions asked in the questionnaire on each objective are significantly relevant to the intention of the study. The percentage of the reliability of personnel cost is 79.6%.

**Table 3.1. Reliability Test**

The Variable	Cronbach's Alpha	No of Items
Personnel cost	0.796	10

*Source: Author's computation (2021)*

### 3.2. Model Specification

In order to achieve the objective of this study, the study employed the data econometric technique to test the significance of various components of IPPIS variables on performance. The model is adapted from Ibanichuka and Sawyer (2019) examined integrated payroll system and government recurrent expenditure In Nigeria. The original models were stated as follows,

$$\text{GRE (IPS)} \quad (1)$$

Introducing mathematical form into the functional form as thus:

$$\text{GRE} = \alpha_0 + \beta_1 \text{IPS} \quad (2)$$

Consequently, adding error term into the mathematical to arrive at econometric model

$$\text{as thus: } \text{GRE} = \alpha_0 + \beta_1 \text{IPS} + \mu \quad (3)$$

Where: GRE = Government Recurrent Expenditure

IPS = Integrated Payroll System

$\beta_1$  = Regression slope  $\alpha_0$  = Constant  $\varepsilon$  = Error Term

This study modified the above models to replace IPS with IPPIS

$$\text{GRE} = f(\text{IPPIS}) \quad 3.1$$

Where IPPIS = Integrated Payroll and Personnel Information System

Decomposing IPPIS = PC

So that

$$\text{GRE} = \beta_0 + \beta_1 \text{PC} + \mu_t \quad (3.2)$$

Where,

GRE = Government Recurrent Expenditure

PC = Personnel Costs

$\mu_t$  = Error term

$\beta_0$  = intercept of the model

$\beta_1$  is the Co-efficient of the parameters.

Based on the literatures reviewed and theories, it is expected that the explanatory variables will have positive effect on government recurrent expenditure. The *a priori* expectation is stated thus,

*A priori* expectation,  $\beta_1 > 0$ .

### 3.3. Data Analysis Technique

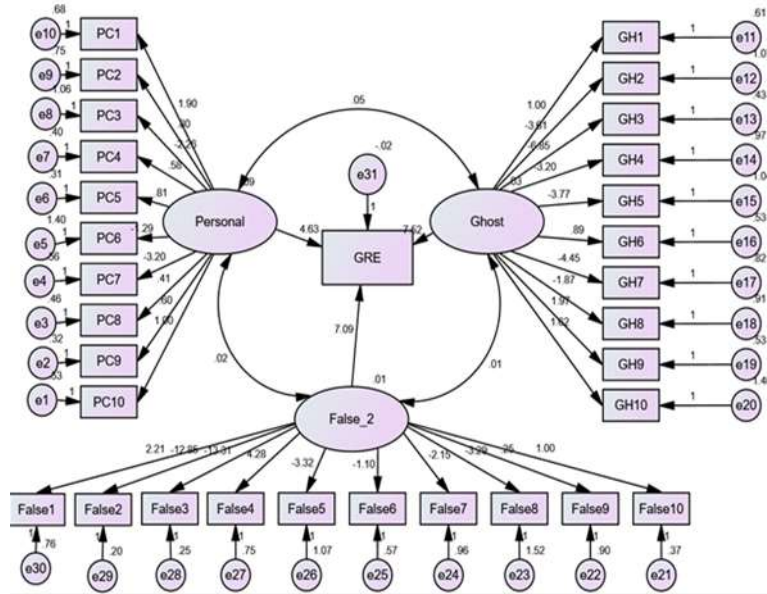
Data gathered were analyzed using descriptive and in order to achieve the objectives of the study data gathered were analyzed using descriptive and inferential statistics. The descriptive and inferential statistics showed the mean, median, standard deviation, minimum value, maximum values and structural equation modeling (SEM) technique. Structural equation modeling is capable of reducing the problem of omitted variables. It also possesses the quality of absorbing the correlation between the explanatory variables and error term. It addresses the problem of heteroscedasticity by automatically obtained biased corrected estimate. SEM explicitly modeled measurement error. To test for multicollinearity of the data collected. Cronbach's alpha ( $\alpha$ ) test for normality was also used to test the validity and reliability of the data.

## 4. Data Analysis and Discussion

### 4.1. Effect of Personnel Cost on Government Recurrent Expenditure in Nigeria

In order to achieve objective 1 which is identifying the personnel cost on government recurrent expenditure in Nigeria, Structural Equation modeling (SEM) was used to test the effect between observed and latent (unobserved) variable. In figure 4.1 below, personnel cost has a co-efficient value of 4.63 which is greater than 0.50%. Another latent variable identified in the study is personal cost, from the table, 10 observed variable were highlighted under this latent and it was discovered that the wage bill of government salaries and wages is excessively on the increase and the increase in wage bill is proportional to the employee statistics(0.599). More so, personnel cost of the government increase due to the cases of irregular payment of salaries(0.412). The study also discovered that IPPIS platform has reduced the personnel cost of the MDAs(-3.203). There is significant reduction in wage bill since introduction of IPPIS(-1.293), There are cases of employees taking multiple salaries in the sampled MDAs(0.814). The level of ghost workers will cause more financial loss to federal MDAs(0.582). The outcome of the analysis indicates that all the indicators contribute to personnel cost of the MDAs, while the result report that personnel cost aid the government recurrent expenditure of the FGN ( $t=2.892, p<0.05$ ). Personnel cost of the MDAs leads to the rise in government recurrent expenditure by 4.634. It exhibit strong effect on the rise in Nigeria government recurrent expenditure.

The findings in respect of the first objective are in line with theoretical expectation, as government recurrent expenditure in Nigeria showed a significant positive relationship with personnel costs. The result showed that the P-value of 0.004, with t-statistic of 2.892, was lesser than the 5% significant level. Hence, the result implies that rise in personnel cost of the MDAs will surely leads to rise government recurrent expenditure. The implication is that, an increase in Personnel Costs, leads to an increase in the cost incurred on government recurrent expenditure in Nigeria. This study support the submission of Sunday, *et al* (2017) who asserted that TSA, IPPIS, and IFMIS have positive significant relationship with fraud and fraud management as well as the effect of the performances on public interest entities.



**Figure 4.1. Critical Path Analysis to show the effect of integrated personnel and payroll information system (IPPIS) and government recurrent expenditure in Nigeria.**

Source: Author’s computation using Amos 24 (2021)

**Table 3. Parameter Estimate**

			Estimate	S.E.	C.R.	P	Label
PC10	<---	Personnel	1.000				
PC9	<---	Personnel	.599	.159	3.773	***	par_1
PC8	<---	Personnel	.412	.164	2.516	.012	par_2
PC7	<---	Personnel	-3.203	.545	-5.880	***	par_3
PC6	<---	Personnel	-1.293	.335	-3.855	***	par_4
PC5	<---	Personnel	.814	.181	4.494	***	par_5
PC4	<---	Personnel	.582	.169	3.444	***	par_6
PC3	<---	Personnel	-2.265	.432	-5.243	***	par_7
PC2	<---	Personnel	.795	.231	3.447	***	par_8
PC1	<---	Personnel	1.898	.357	5.311	***	par_9

Source: Author’s computation using Amos 24 (2021)

**5. Conclusion and Recommendation**

The specific objective which the study sought to achieve has indeed yielded the overall result which provides evidence to show the effect of integrated personnel and

payroll information system (IPPIS) and government recurrent expenditure in Nigeria. On the basis of the research findings, the study concluded that personnel cost exhibited a significant positive relationship with the government recurrent expenditure in Nigeria. This implies that personnel cost has constituted significantly to government recurrent expenditure in Nigeria.

Based on the findings and conclusions arrived at in this study, the following recommendations were made:

- i. Given the fact that personnel cost aid the rise in government recurrent expenditure, it is important for the government to establish a workforce planning process to regulate the extent of personnel cost incurred in a given year.
- ii. Effort should be geared toward value for money audit on all expenses submitted by employees.

## 6. Policy Implication of Findings

Analyzing the effect of IPPIS could have on government recurrent expenditure will help government in particular to reposition and upheld the policy. Also, the implementation of IPPIS in government financial policies on regulations and management of public funds will lead to better performance as it is found to be effective in helping government achieve their intended goals

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