

Effect of Integrated Personnel and Payroll Information System (IPPIS) on Personnel Cost Reduction in Federal Ministries in South-East Nigeria.

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ABSTRACT

The study evaluated the effect of Integrated Personnel and Payroll Information System (IPPIS) on personnel cost reduction in Federal Ministries in South-East Nigeria. The specific objectives were to: ascertain the influence of IPPIS payroll and remuneration records on performance and determine the influence of IPPIS retirement records on personnel cost reduction in Federal Ministries in South-East Nigeria. A total population of Eight hundred and thirty six (836) was used. The primary data in the study was gathered from questionnaire issued to the employees of the selected ministries in South-East Nigeria. The secondary data was performance of the Federal ministries (personnel cost reduction) which was generated from the office of the Accountant General of the Federation, covering the period 2012 to 2017. To determine the sample size of 697, the study used Freund and William's statistic formula. Five hundred and eight (508) staff returned the questionnaire and accurately filled. Data was presented and analyzed by mean score and standard deviation using Sprint Likert Scale. The hypotheses were analyzed using Z – test statistic tool. The findings indicated that IPPIS payroll and remuneration records had significant influence on performance (personnel cost reduction); IPPIS retirement records had significant influence on performance (personnel cost reduction) of Federal Ministries in South-East Nigeria. The study concluded that IPPIS payroll and remuneration records and retirement records, and payroll audit records had significant influence on performance (personnel cost reduction) of the federal ministries. The study recommended among others that the Office of the Accountant General of the Federation (OAGF), through IPPIS office should ensure the maintenance monthly payroll cycle.

Keywords: Effect, IPPIS, cost reduction, Nigeria

INTRODUCTION

The Integrated Personnel and Payroll Information System (IPPIS) came into operation in 2007, as an IT-enabled facility put in place to establish a reliable and comprehensive database for the public service, facilitate manpower planning, eliminate payroll fraud, facilitate easy storage, update and retrieval of personnel records for administrative pension process and staff remuneration payment with minimal wastages and leakages [1]. The fact remains that, the personnel costs are now centralized, it is now easier for the OAGF to monitor fund [2]. It was observed that IPPIS through its biometrics capturing have provided quicker, easier access to accurate payroll information, means better management reports for improved decision-making on cost and planning. Today, personnel managers are well equipped with comprehensive human resource data pulled from the IPPIS office. It is easier to track career progression, develop nationwide workforce plan, succession plan and build individual capacities based on needs. Personnel/ payroll database integration automates many of the functions of payroll; saving time and ensuring correct accounting and prompt payment of salaries. Henceforth, the study was motivated by the need to know the extent Integrated Payroll and Personnel Information System has influenced the performance of the federal ministries in Nigerian using South East as our focal point.

Statement of the Problem

Before the introduction of IPPIS, Nigerian Federal Ministries suffered from associated problems of planning and budgeting resulting from the old system of manual payroll and personnel information management. The manual payroll and personnel information system, allowed the inclusion of non-existing employee (ghost workers) in the payroll of federal ministries, multiple payment of employee emolument, personnel records fraud (inclusion of non-existing retirees and collection of multiple person allowances and grant unity), credential falsification as well as falsification of retirement age and date of first appointment. Due to, Integrated Payroll and Personnel Information System (IPPIS) was initiated as a reformative approach, with IT facilities to address personnel records and payroll administration problems of the federal ministries. Thus, after over a decade of successful implementation of the programme, the researcher deemed it appropriate to

ascertain whether IPPIS has actually influenced the performance of the federal ministries with emphasis on personnel cost reduction in Federal Ministries in South-East Nigeria.

Objectives of the Study

The broad objective of the study was to examine the Effect of Integrated Personnel and Payroll Information System (IPPIS) on personnel cost reduction in Federal Ministries in South-East Nigeria. The specific objectives were to:

- i. Ascertain the influence of IPPIS payroll and remuneration records on performance of Federal Ministries in South-East Nigeria.
- ii. Determine the influence of IPPIS retirement records on personnel cost reduction in Federal Ministries in South-East Nigeria.

Research Questions

The following research questions were formulated to guide the study:

- To what extent does IPPIS payroll and remuneration records influenced personnel cost reduction in Federal Ministries in South-East Nigeria?
- To what degree does IPPIS retirement records influence personnel cost reduction in Federal Ministries in South-East Nigeria?

Statement of Hypotheses

Hypothesis Three

HO: IPPIS payroll and remuneration records have no significant influence on personnel cost reduction in Federal Ministries in South-East Nigeria.

Hypothesis Four

HO: IPPIS retirement records have no significant influence on personnel cost reduction in Federal Ministries in South-East Nigeria.

Significance of the Study

Theoretically, this study hopes to fill the existing gap in literature on the subject. Moreover, the findings of this work will provide additional rich sources of information to existing literature on payroll fraud and ghost workers syndrome in Federal Civil Service. Students of Administrative and management sciences shall find this study some valuable reference materials that will help further studies in the field. This study will contribute to the expansion of the frontiers of knowledge in personnel management in Nigeria.

Scope of the Study

The scope of the study will be restricted to examination of the Effect of IPPIS on personnel cost reduction in six (6) Federal ministries used for the first pilot implementation of IPPIS.

Geographically, this study will cover federal ministries in South East, Nigeria. The research was limited to assess the extent IPPIS has influenced on personnel cost reduction of the federal ministries in the South-East because most studies on IPPIS centered on the public and civil service without providing adequate discussion on the topic. This study wished to study an aspect of the civil service, (Federal Ministries) so to provide an indebt study. Equally, the study decided to concentrate on the South-East because only few studies conducted on IPPIS studied the South-East Nigeria.

REVIEW OF RELATED LITERATURE

Conceptual Review

Payroll and Remuneration Records

The basic principles of human resource management are the development goals of an organization and for these goals to be met. [3], observed that, workers must be treated with incentives in order to be motivated to produce the required results that will benefit the organizations they are working with. According to [4], remuneration is the total monetary earnings of an employee. It therefore consists of any hourly wages or daily pay, weekly or monthly payments, payment by results and other financial incentives received at the regular intervals, weekly or monthly. It is important to note that salaries and wages offer a greater scope for cost reduction than practically any other items of expenditure, thus management must therefore continually endeavor to improve labour effectiveness and so reduce labour cost. Since employee is a real factor in cost control every system of remuneration should be designed so as to encourage every employee to do his or her best [5]. IPPIS Remuneration Records Unit does monthly payroll, Provides total data for prompt payment of monthly salaries ,calculates staff monthly allowances , calculates monthly deductions from staff salaries (eg taxes),data of monthly adjustment of staff salaries, and preparation of monthly pay slip. These are measurement construct for measuring IIPIS remuneration records.

Retirement Records

Retirement is a specified time in an employee's employment life, which signifies the detachment from primary activity in business, industry or active service as full time employee. This is necessary due to the fact that as a worker become older his Marginal Physical Productivity of Labour (MPPL) will decline. At this point, retaining such a worker in employment will amount to running the organization at a loss. Retirement is the withdrawal or giving up of office or work [6], and [7]. IPPIS retirement records unit provides total data of employee retirement records, total monthly deductions and remittance of employee pension fund, total data for

processing, storing, and retrieval of employee retirement, and total automotive updated of personnel data of employees. These are the measurement variables for retirement records.

Personnel Cost Reduction

Personnel cost reduction is the difference between the budgeted and actual personnel cost of the Nigerian federal ministries. According to [8], Personnel costs are defined as the total remuneration, in cash or in kind, payable by an employer to an employee in return for work done by the latter during the reference period. Personnel cost is the cost associated with personnel compensation and fringe benefits of employees (i.e., those classified as FTEs which includes both full-time and salaried/hourly employees) contributing to each respective process. Personnel cost should include all of the following costs. Employee Compensation includes salaries and wages, bonuses, overtime and benefits; and fringe benefits include contributions made towards the employees' government retirement fund, workers compensation, insurance plans, savings plans, pension funds/retirement plans, and stock purchase plans. This should also include special allowances, such as relocation expenses and car allowances [8].

Payroll and Remuneration Records and Personnel Cost Reduction

The basic principles of human resource management are the development goals of an organization and for these goals to be met. [3], observed that, workers must be treated with incentives in order to be motivated to produce the required results that will benefit the organizations they are working with. According to [4], remuneration is the total monetary earnings of an employee. It therefore consists of any hourly wages or daily pay, weekly or monthly payments, payment by results and other financial incentives received at the regular intervals, weekly or monthly. It is important to note that salaries and wages offer a greater scope for cost reduction than practically any other items of expenditure, thus management must therefore continually endeavor to improve labour effectiveness and so reduce labour cost. Since employee is a real factor in cost control every system of remuneration should be designed so as to encourage every employee to do his or her best [5]. The issues of computing and payment of employee's monthly emolument is pivotal in the accounting system of every organization. The term emolument here implies the aggregate amount of money paid to somebody for work performed. Hence, this can represent salaries and wages, allowance and other financial benefits payable to an employee for services rendered. The computation and payment of monthly emolument, no doubt, involves a lot of procedures/processes which may not be easily tackled using manual accounting system. Computer systems can manipulate large amounts of information and generate a wide range of information products. This brings to the force the use of computerized accounting system in computing employee's monthly emolument.

Retirement Records and Personnel Cost Reduction.

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Theoretical Review

This study on the impact of Integrated Personnel and Payroll Information System (IPPIS) on the Performance of Nigerian Federal Ministries, in the South East.

The Equity Theory

The Equity Theory as pioneered by John Stacy Adams in 1963 deals with the perceptions employees (people) have about how they are being treated as compared with others. In other words it is based on the assumption that people in organizations want to be treated fairly, According to the theory equity is the belief that we are treated fairly in relation to others and inequity as the belief that we are being treated unfairly in relation to others [14]. Thus, to be dealt with equitably is to be treated fairly in comparison with another group of people (a reference group) or other people. Adams is of the view that workers\ employees are motivated to seek equity in the rewards they receive in the workplace based on their performance. Put differently, an employee compares the ratio of his inputs into the organization vis-à-vis the outcomes he gets there from with the perceived inputs/outcomes of another colleague of his. If his perception is that he has not been fairly compensated in comparison with this colleague he gets demotivated and he will do whatever is in his powers to “balance the equation”. As such it is work performance that will be negatively affected by way of indolence, absenteeism and even outright resignation. On the other hand if the employee’s feeling is that he receives just reward for his efforts compared to his other co-worker, he is motivated to do more.

Empirical Studies

Empirical studies in prose form according to the objectives of the study

Influence of IPPIS Remuneration Records on Personnel Costs

[15], study was on A Qualitative Study on the Impact of a Good Remuneration Package to Public Servants on the Enhancement of the Delivery of Public Services. The government of any country such as Guyana has a fundamental right in providing public services and goods to its people. The title for this study was: “A qualitative study on the impact of a good remuneration package to public servants on the enhancement of the delivery of public services.” They were many objectives but the main one was “To determine if a good remuneration package to public servants will lead to the enhancement in the delivery of services to the public.” Great attention has been paid to remuneration package and its impact on the delivery of services within the public service of many countries, e.g. Guyana. Problems experienced were many, for example employees’ benefits were not sufficiently competitive to retain well experienced staff members. Therefore, in order to bring clarity to the problems, the researcher developed and answered five research questions. The study was qualitative in nature. The secondary data was collected from many sources and the researched countries public services were Guyana, Trinidad and Tobago, The General Caribbean, etc. The major findings discovered were that in almost all public service in the world there were massive public sector reform to tackle work performance and delivery of services. The researcher interprets and concludes that there is a strong relationship between public servants receiving a good remuneration package and its enhancement in the delivery of the public service to the people. However, governments should not totally depend on remuneration package but look at other means. [16], carried out their study on Balanced Scorecard and Employee Productivity of Civil Servants in Rivers State, Nigeria. The study examined the relationship between balanced scorecard and employee productivity of civil servants in Rivers state. The aim of the study is to determine the extent to which Balanced scorecard relates with employee productivity in Civil service in Rivers state. The study was designed as a cross-sectional survey and structural questionnaires were administered of which 78 managers and employees in the surveyed civil service agencies took part in the survey to obtain the needed data. The primary data were analyzed using descriptive analysis; simple statistics and Spearman rank Correlation Coefficient with the aid of Statistical Package for Social Sciences (SPSS). The paper revealed that customer and stake holder’s perspective in the balanced scorecard has positive and significant influence on value added and Work Engagement while Internal process perspective in the balanced scorecard, is positively and significantly correlated to Value added and Work engagement in the civil service. The study concludes that though the balanced scorecard offers a lot of potential for effecting strategic planning, monitoring and evaluation, it’s not widely used in the civil service in rivers state, but when wholly used, will be an effective tool for measuring employee productivity, reducing job dissatisfaction, de-motivation and loss of self-esteem by civil servants. The study recommends improved understanding of the balanced scorecard across all government agencies and employees in the civil service, it encouraged full support of the executive and management of civil service in rivers state on the implementation of balanced scorecard, the need for more education and training on balanced scorecard, provision of adequate Information technology support and adequate personnel responsible for implementation of the balanced scorecard. It also recommends that Civil service agencies and government at all levels that seek to measure the productivity of their employees and are keen to improving the level of service to the public should adopt the balanced scorecard as it is a very effective tool in measuring employee productivity as it will reduce the disruptive poor services experienced due to inadequate performance appraisal systems in civil service in rivers state. [17], conducted a study on Analysis of Fraud Detection and Prevention Strategies in the Nigerian Public Sector. The research work is designed to analyze the incidence of fraud in the Nigeria public sector and the means of achieving a successful management of such fraud. To achieve this objective some research questions were raised, hypothesis were formulated and related literature to the study were reviewed. The population of the study consisted of thirty (30) ministries in Nigeria from which sample size was drawn to twenty eight (28) ministries using Yaro Yamané’s formula. Three hundred and ninety two (392) copies of the questionnaire were distributed and three hundred and fifty

(350) were filed and retrieved. Data collected were presented in Tables and analyzed using the means score, while analysis of variance (ANOVA) was used in testing the hypotheses with the aid of SPSS17.0. It was found that, there is positive and significant relationship between management policies and Nigeria public sector fraud, fraud prevention and detection methods have influence on Nigeria public sector fraud, there is no strong internal control system in the Nigeria public sector and management integrity has influence on fraud prevention in the Nigeria public sector. The research recommends that, there is need for developing strong management policies, public sector should take advantage of modern accounting and auditing software to enhance efficient and smooth detection of fraud, there need to build up strong internal control system in the public sector and management integrity should be enforced.

Influence of IPPIS Retirement Records on Personnel Costs

[18], conducted a survey study on Assessment of the contributory pension scheme in the Nigeria Armed Forces. He found out that the administrative and management lapses that characterized the Pay-As-you-Go-scheme would be absent in the Contributory Pension Scheme. He further discovered that long delay in payment, perennial lack of funds and corruption that characterized the pay-as-you-go system will be eliminated in the contributory pension scheme. The researcher agreed with [18] on his finding but was not comfortable the way he stated his findings without stating how the contributory pension scheme will eliminate corruption in Nigerians pension system. [18], recommended that Government and National Pension Commission should ensure effective monitoring, supervision and enforcement of the provisions of the pension Reform Act 2004. Generally [18] study failed to tell us how contributory pension scheme has impacted on the effectiveness or ineffectiveness of Nigerian military. He contradicted himself when he stated that the Nigerian military has very low morale owing to deductions from their salary and they constituted a threat to Nigeria's democracy. This study failed to tell us how to handle the problem of low morale among the military which is caused by deductions in their salary. [19], carried out a research on Evaluation of Compliance with the Stipulations of the Contributory Pension Scheme: A case study of Quasi Government Institutions in Nigeria. He adopted a survey study and used 117 University duly licensed to operate in Nigeria as at 2012. The study therefore has the objective of finding out if employers are complying with the requirements of the reform. The study discovered that universities are operating within the stipulated 7.5%. He recommended that universities with percentages that are normally different from 7.5% will require to correct this anomaly especially when operating below 7.5% the Act 2004 clearly and unambiguously defines. The researcher here is afraid that [19] failed to collect any data from the right population. The choice of studying only the university management of the selected universities was totally wrong. They failed to source information or interview the regulating body (PENCOM) and the employees to compare their responses with that of university management. In their study they told us that Nigerian universities are operating within the stipulated 7.5%. This is far from the truth, recent studies have revealed that majority of private and state owned universities have not even started implementing the contributory pension scheme. The researcher believed that the lacuna in their study arise from the wrong selection of the population of the study which the researcher himself will try to fill in this study. [20], carried out a study on "An Assessment of the Contributory Pension Scheme on Employee Retirement of Quoted Firms in Nigeria." The study adopted Ex-post facto research design. The population of the study was 284 firms quoted in the Nigerian stock exchange and 10 quoted firms were selected as sample size. The Data were obtained from the annual accounts and reports of the 10 firms quoted that made up the sample size. The study concluded that even though the contributory pension scheme has positive impact on employee retirement benefits of quoted firms in Nigeria, variation in application still exists among them. He recommended effective monitoring, supervision and enforcement of the provisions of the Pension Reform Act 2004. [20], in his study wrongly excluded the employees of the quoted firm from his study concentrating only on the annual accounts and reports of the 10 quoted firms that made up the sample size. His study failed to state the time frame for the study while this researcher still wondered whether he studied or made use of the annual reports of the 10 firms since their inception.

Summary of Review

Literature review covered the conceptual, theoretical, empirical reviews, and gap in literature. The conceptual review covered review on the concept of Integrated Personnel and Payroll Information System (IPPIS), objectives of integration payroll and personnel information system (IPPIS), IPPIS Stakeholders or Collaborators and their Duties, IPPIS Records Operating Systems. Concept of Federal Ministries, Functions of the Selected Federal Ministries. Concept of performance, performance of the Federal Ministries (Personnel Cost Reduction) and conceptual framework. Theoretical Review covered equity theory, new public management (NPM) theory and relevance of the New Public Management Theory to the study. Empirical Review of Related Literature was presented in both tabular form as well in line with the objectives of the study and research questions and finally gap in literature.

Gap in Literature

From the literature reviewed, it is pertinent to note that most researches centred on the effectiveness of IPPIS in addressing ghost workers' syndrome, emphasis was laid on the use of IPPIS to reduce and checkmate payroll fraud, wage administration and administration and civil service productivity, effect of IPPIS on Federal government recurrent expenditure, effect on manpower planning, on development, of civil service, in

Lagos state, corruption in civil service; a study of payroll fraud, labour turnover and productivity and employees in federal agencies in Southwest, Nigeria; Use of TSA, IPPIS, and IFMS application and implementation; its effect on fraud management; impact of wages and salaries on civil service productivity; effectiveness of IPPIS in addressing ghost worker’s syndrome in Nigerian Public sector. From the knowledge of the researcher, no known work has delved into the influence of IPPIS on performance of federal ministries. Most of the studies delved mainly on the impact of Integrated Personnel and Payroll Information System (IPPIS) and manpower planning, IPPIS and payroll fraud, personnel cost etc. Thus, all are aspects of Human resource management and planning. There is need to ascertain from Federal ministries staff how IPPIS has influenced their performance. Moreover, few studies has been carried out in the South East of Nigeria but none has attempted to examine the influence of IPPIS of Ministry performance. There are Federal Ministries located in all the States of the Federation, Each of these ministries report to Federal Civil Service Abuja and they have been captured into the IPPIS payment system. It is important that the study carry out a survey of these set of federal ministries in order to find out the influence of IPPIS on their work performance.

METHODOLOGY

The research design used in the study is the cross-sectional survey approach. The study was conducted in the selected federal Ministries in South- East Nigeria and IPPIS office Abuja. The areas of study in the federal ministries include: Education, Information and national orientation, Finance; Works, power & Housing; Agriculture, Justice with a total population of Eight hundred and thirty six (836). The primary data in the study was gathered from questionnaire issued to the employees of the selected ministries in South-East Nigeria. The secondary data was performance of the Federal ministries (personnel cost reduction) which was generated from the office of the Accountant General of the Federation, covering the period 2012 to 2017. To determine the sample size of 697, the researcher used Freund and William's statistic formula. Five hundred and eight (508) staff returned the questionnaire and accurately filled. That gave 73 percent response rate. The validity of the instrument was tested using content analysis and the result was good. The reliability was tested using the Pearson correlation coefficient (r). It gave a reliability co-efficient of 0.760 which was also good. Data was presented and analyzed by mean score (3.0 and above agreed while below 3.0 disagreed) and standard deviation using Sprint Likert Scale. The hypotheses were analyzed using Z – test statistic tool.

PRESENTATION, ANALYSES AND INTERPRETATION OF DATA

The chapter presents and analyzes the data collected for the study. The presentation and interpretation of data were based on the questionnaire administrated to the staff of the selected in public sectors of Southeast, Nigeria. A total of six hundred and ninety eight (697) copies of the questionnaire were distributed to the respondents from which five hundred and eight (508) copies were returned while one hundred and eighty nine copies (189) were not | returned.

Data Presentation
Table 1: Distribution and Return of the Questionnaire

Public sectors	No. Distributed	No. Returned	Percent	No. not Returned	percent
Education	85	62	9	23	3
Information	145	100	14	45	6
Finance	103	76	11	27	4
Works	134	92	13	42	5
Agriculture	126	101	15	25	4
Justice	71	52	8	19	3
IPPIS Staff	33	25	4	8	1
Total	697	508	74	189	26

Source: Field Survey, 2023

Table 4.1 shows that six hundred and ninety seven (697), seventy four were distributed. Five hundred and eight (508) representing seventy four percent (74%) of the distributed copies of the questionnaires were returned and used while one hundred and eighty nine (189),twenty six percent (26%) were not returned and were not used.

Data Analysis

Table 2: Influence of IPPIS payroll and remuneration records on performance (personnel cost reduction) of the Federal Ministries in South-East Nigeria?

		5 SA	4 A	3 N	2 DA	1 SD	$\sum fX$	\bar{X}	Std.D	Decision
Page 7.	IPPIS payroll and remuneration records enhanced easy and convenient remuneration of employee in your ministry.	1405	632	69	66	13	2185	4.30	1.000	Agree
		281	158	23	33	13	508			
		55	31	5	7	2	100%			
2.	IPPIS Centralized staff remuneration payment reduces personnel cost of your ministry.	900	720	156	132	30	1938	3.81	1.215	Agree
		180	180	52	66	30	508			
		35	35	10	14	6	100%			
3.	. IPPIS accurate calculation of staff monthly salaries and allowances reduces leakages in the personnel remuneration payment in your ministry	710	940	105	110	41	1906	3.75	1.204	Agree
		142	235	35	55	41	508			
		28	46	7	11	8	100%			
4.	IPPIS accurate calculation of monthly deductions from staff salaries (eg taxes) reduces personnel cost in your ministry.	200	1224	135	142	46		3.44	1.109	Agree
		40	306	45	71	46	508			
		8	60	9	14	9	100%			
5.	IPPIS payroll cycle reduces leakages in the personnel remuneration payment in your ministry	1010	556	183	70	71	1890	3.72	1.406	Agree
		202	139	61	35	71	508			
		40	27	12	7	14	100%			
Total grand mean and standard deviation								3.80	5.930	

Source: Field Survey, 2023

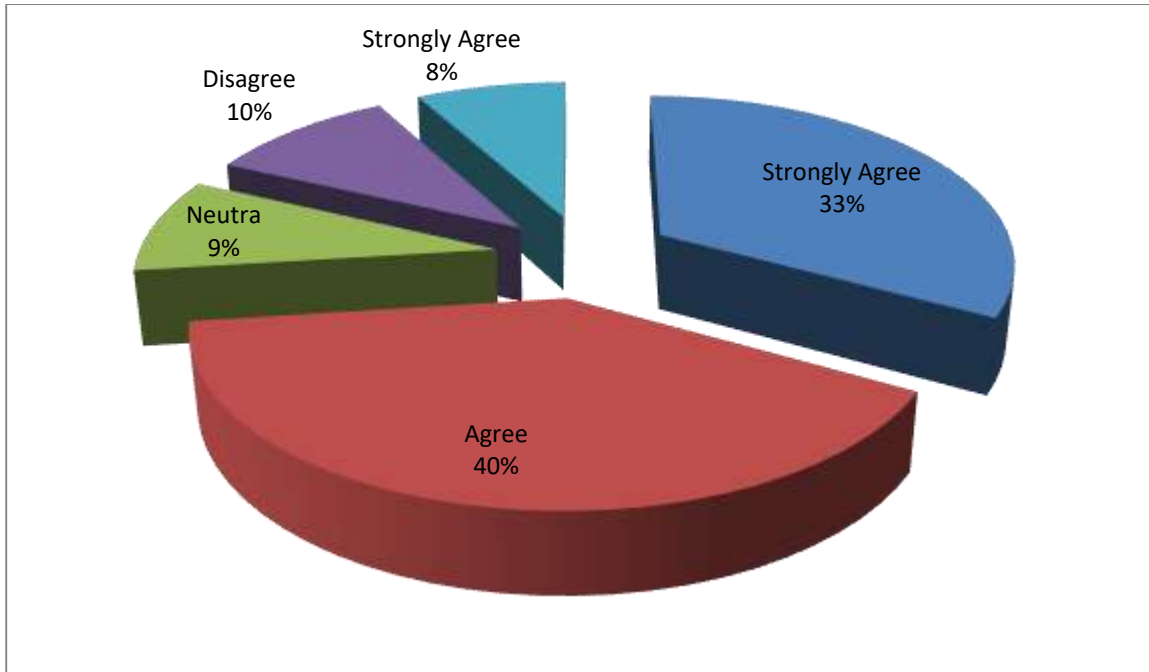


Figure 1:influence of IPPIS payroll and remuneration records on performance (personnel cost reduction) of federal ministries in south East Nigeria

Table 2, agreed that IPPIS payroll and remuneration records enhanced easy and convenient remuneration of employee in your ministry with mean score of 4.30 and standard deviation of 1.000. IPPIS Centralised staff remuneration payment reduces personnel cost of your ministry with mean score of 3.81 and standard deviation of 1.215. IPPIS accurate calculation of staff monthly salaries and allowances reduces leakages in the personnel remuneration payment in your ministry with mean score of 3.75 and standard deviation of 1.204. IPPIS accurate calculation of monthly deductions from staff salaries (eg taxes) reduces personnel cost in your ministry with mean score of 3.44 and standard deviation of 1.109 and IPPIS payroll cycle reduces leakages in the personnel remuneration payment in your ministry with mean score of 3.72 and standard deviation of 1.406. Finally, it was agreed that IPPIS Payroll and remuneration records influence performance (personnel cost reduction) of Federal Ministries in South-East Nigeria to great extent with grand mean score of 3.80 and total standard deviation of 5.930.

Table 3: Responses to research question Four: Influence of IPPIS retirement records on performance of (personnel cost reduction) of Federal Ministries in South-East Nigeria

		5	4	3	2	1	$\sum fX$	\bar{X}	Std.D	Decision
		SA	A	N	DA	SD				
Page 9	1. IPPIS provision of reliable and comprehensive data for processing employee retirement reduces inclusion of names of fatuitous names in the pension list	975	532	183	146	46	1882	3.70	1.345	Agree
		195	133	61	73	46	508			
		38	26	12	14	9	100%			
	2. IPPIS exclusion of fatuitous names in the pension list reduces personnel cost of your ministry.	470	960	174	160	36	1800	3.54	1.167	Agree
		94	240	58	80	36	508			
		19	47	11	16	7	100%			
	3. IPPIS provision of reliable facilities for storing, processing, and retrieval of retirement records reduces escalation of personnel cost in your ministry	100	1084	192	208	49	1633	3.21	1.113	Agree
		20	271	64	104	49				
		4	53	13	20	10	508			
							100%			
	4. IPPIS maintaining physical verification exercise of pensioners reduces pension fraud in your ministry.	815	572	240	102	71	1800	3.54	1.390	Agree
		163	143	80	51	71	508			
		32	28	16	10	14	100%			
	5. IPPIS enhanced automotive updating of personnel data for staff retirement leads to reduction in pension fraud in your ministry.	1140	252	273	184	34	1883	3.71	1.368	Agree
		228	63	91	92	34	508			
		45	12	18	18	7	100%			
Total grand mean and standard deviation								3.54	6.380	

Source: Field Survey, 2023

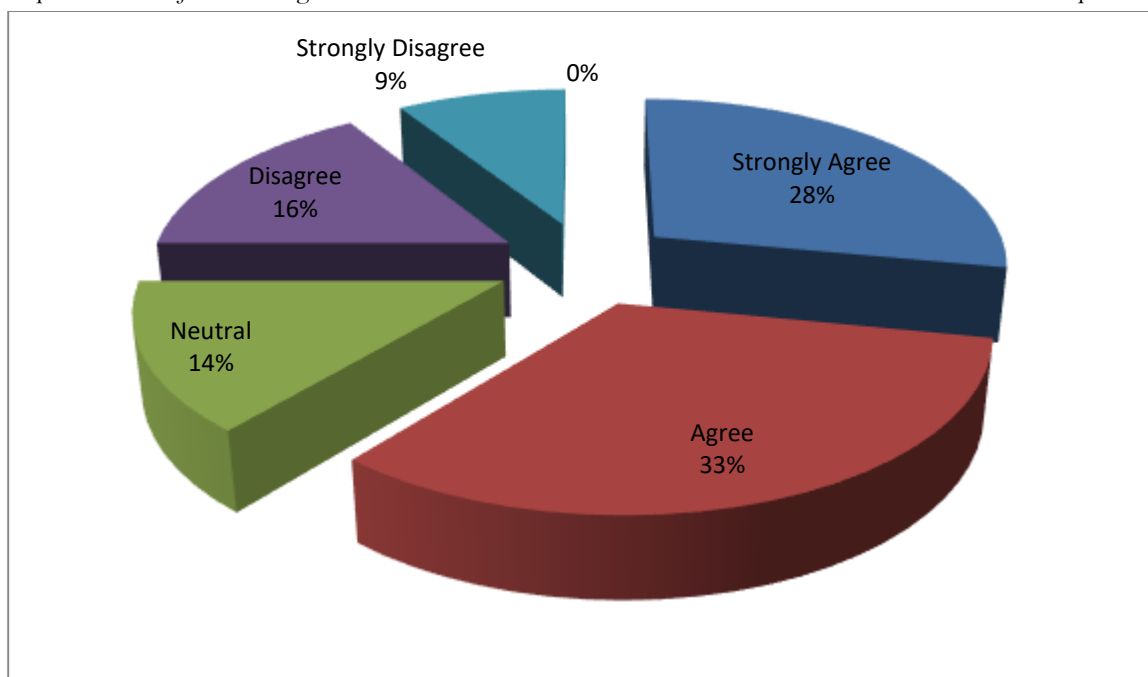


Figure 2: Influence of IPPIS retirement records on performance of (personnel cost reduction)

Table 3, agreed that IPPIS provision of reliable and comprehensive data for processing employee retirement reduces inclusion of names of fatuitous names in the pension list, With mean score of 3.70 and standard deviation of 1.345. IPPIS exclusion of fatuitous names in the pension list reduces personnel cost of your ministry with mean score of 3.54 and standard deviation of 1.167. IPPIS provision of reliable facilities for storing, processing, and retrieval of retirement records reduces escalation of personnel cost in your ministry. with mean score of 3.21 and standard deviation of 1.113; IPPIS maintaining physical verification exercise of pensioners reduces pension fraud in your ministry with mean score of 3.54 and standard deviation of 1.390 and IPPIS enhanced automotive updating of personnel data for staff retirement leads to reduction in pension fraud in your ministry with mean score of 3.71 and standard deviation of 1.368. Finally, it was agreed that IPPIS retirement records influence personnel cost reduction of Federal Ministries in South-East Nigeria with grand mean score of 3.54 and total standard deviation of 6.380.

Test of the Hypotheses

Hypothesis One

HO:IPPISpayroll and remuneration records have no significant influence on personnel cost reduction in Federal Ministries in South-East Nigeria.

H1:IPPISpayroll and remuneration records have significant influence on personnel cost reduction in Federal Ministries in South-East Nigeria.

Table 4 Contingency table of cumulative responses of Research Question Three

Options	χ	F	$F\chi$	$\bar{\chi} - \chi = \chi_1$	$F(\chi_1)^2$	$\Sigma f(\chi_1)^2$
Strongly agree	5	845	4225	-1.194	845 x (-1.194) ²	1204.662
Agree	4	1018	4072	.194	1018 x (.194) ²	38.313
Neutral	3	216	648	.806	216 x (.806) ²	14.032
Disagree	2	260	520	1.806	260 x (1.806) ²	848.025
Strongly Disagree	1	201	201	2.806	201 x (2.806) ²	1582.601
	15	2540	9666			3687.633

Source: Field Survey, 2023

Mean score $\chi = \frac{F\chi}{N} = \frac{9666}{2540} = 3.806$

Variance = (S²) = $\frac{\Sigma f(\chi_1)^2}{N-1} = \frac{3687.633}{2539} = 1.452$

Standard deviation = $\sqrt{S^2} = \sqrt{1.452} = 1.194$

Level of confidence = 0.05

Critical value = 1.96

Statistic Tool used: Z-test

Table 5 Descriptive statistic on IPPIS payroll and remuneration records influence on personnel cost reduction in Federal Ministries in South-East Nigeria.

	N	Mean	Std. Deviation	Minimum	Maximum
	508	3.806	1.194	1	5

Table 6: Z – test on the IPPIS payroll and remuneration records influence on personnel cost reduction in Federal Ministries in South-East Nigeria.

		IPPIS payroll and remuneration records has no significant influence on personnel cost reduction in Federal Ministries in South-East Nigeria
N		508
Normal Parameters	Mean	3.806
	Std Deviation	1.194
Most Extreme	Absolute	.288
Most Extreme	Positive	.288
Differences	Negative	.213
Kolmogorov-Smirnon Z		15.208
Asymp. Sig.(2-tailed)		.000

- a. Test distribution is Normal
- b. Calculated from data

Decision Rule

If the calculated Z-value is greater than the critical Z-value (i.e. $Z_{cal} > Z_{critical}$), reject the null hypothesis and accept the alternative hypothesis accordingly.

RESULTS

With Kolmogorov-Smirnon Z – value of 15.208 and on Asymp. Significance of 0.000, the responses from the respondents as display in the table is normally distributed. This affirms that the assertion of the most of the respondents that IPPIS payroll and remuneration records had significant influence on personnel cost reduction in Federal Ministries in South-East Nigeria.

Decision

Furthermore, comparing the calculated Z- value of 15.208 against the critical Z- value of 1.96 (2-tailed test at 95% level of confidence) the null hypothesis were rejected. Thus the alternative hypothesis was accepted which states that IPPIS payroll and remuneration records had significant influence on personnel cost reduction in Federal Ministries in South-East Nigeria.

Test of the Hypothesis Two

HO₂: IPPIS Retirement records have no significant influence on personnel cost reduction in Federal Ministries in South-East Nigeria.

H1₂: Retirement records have significant influence on personnel cost reduction in Federal Ministries in South-East Nigeria.

Table 7: Contingency table of cumulative responses of Research Question Two

Options	χ	F	F χ	$\bar{\chi} - \chi = \chi_1$	F(χ_1) ²	$\Sigma f(\chi_1)^2$
Strongly agree	5	700	3500	-1.194	700 x (-1.194) ²	997.945
Agree	4	850	3400	.194	508 x (.194) ²	19.119
Neutral	3	354	1062	.806	354x (-.806) ²	229.971
Disagree	2	400	800	1.806	400 x (1.806) ²	1304.654
Strongly Disagree	1	236	236	2.806	236 x (2.806) ²	1858.178
	15	2540	8998			4409.867

Source: Field survey 2023

$$\text{Mean score } \chi = \frac{F\chi}{N} = \frac{8998}{2540} = 3.543$$

$$\text{Variance } (S^2) = \frac{\Sigma f(\chi_1)^2}{N-1} = \frac{4409.867}{2539} = 1.737$$

$$\text{Standard deviation } = \sqrt{S^2} = \sqrt{1.737} = 1.318$$

$$\text{Level of confidence } = 0.05$$

Statistic Tool used: Z-test

Table 8: Descriptive statistics

	N	Mean	Std. Deviation	Minimum	Maximum
	508	3.543	1.318	1	5

Table 9: Z – test on the IPPIS retirement records influence on personnel cost reduction in Federal Ministries in South-East Nigeria.

		IPPIS retirement records has no significant influence on personnel cost reduction in Federal Ministries in South-East Nigeria
N		508
Normal Parameters	Mean	3.543
	Std Deviation	1.318
Most Extreme	Absolute	.288
Most Extreme	Positive	.288
Differences	Negative	.213
Kolmogorov-Smirnon Z		14.418
Asymp. Sig.(2-tailed)		.000

- a. Test distribution is Normal
- b. Calculated from data

Decision Rule

If the calculated Z-value is greater than the critical Z-value (i.e $Z_{cal} > Z_{critical}$), reject the null hypothesis and accept the alternative hypothesis accordingly.

RESULTS

With Kolmogorov-Smirnon Z – value of 14.418 and on Asymp. Significance of 0.000, the responses from the respondents as display in the table is normally distributed. This affirms that the assertion of the most of the respondents that IPPIS retirement records had significant influence on personnel cost reduction in Federal Ministries in South-East Nigeria.

Decision

Furthermore, comparing the calculated Z- value of 14.418 against the critical Z- value of ± 1.96 (2-tailed test at 95% level of confidence) the null hypothesis was rejected. Thus the alternative hypothesis was accepted which states that IPPIS retirement records had significant influence on personnel cost reduction in Federal Ministries in South-East Nigeria.

Discussion of the Findings

Influence of IPPIS Payroll and Remuneration Records on Personnel Cost in Federal Ministries

The findings of the study affirmed that IPPIS payroll and remuneration records had significant influence on Personnel cost reduction in Federal Ministries in South East. This was shown on the calculated z-value of 15.208 against the critical z-value of ± 1.96 (2-tailed test at 95% level of confidence). The database integrity constraints built with ICT based payroll and remuneration records of IPPIS made it impossible to manipulate this records by unauthorized users. IPPIS payroll and remuneration records ensure easy and convenient remuneration of civil servants in Federal Ministries with minimum leakages and wastages. The fraudulent practices inherent in the old form of handling remuneration records have been eliminated by IPPIS. This have grossly reduced the personnel cost of Federal Ministries in South East Nigeria. The connivance tendencies of both personnel and payroll units to manipulate remuneration records of their ministries which cause over bloated personnel cost has been hindered by IPPIS. The findings further showed that due to the reduction in personnel cost, employees of Federal Ministries now receive their salaries without delays. This was affirmed

by the majority of the respondents who supported the claim that IPPIS ensure prompt payment of salaries of employees of Federal Ministries in South East. Furthermore, the findings show that the majority of the respondents affirmed that IPPIS calculates and pay various allowances of the employees of the Federal Ministries without delay. The study observed that IPPIS also reduced the persistent delay and/or denial of allowances accrue to employees or personnel of Federal Ministries by payroll units of their respective ministries.

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Result of the analysis carried out showed the computed $r = 0.74$ to be greater than the table value of .195, thus, the null hypothesis is rejected. Therefore, the study affirmed that there was significant relationship between IPPIS retirement records and personnel cost of Federal Ministries in South-East Nigeria as reported in the probability value of ($r = .74, p < .05$). The outcome of this study was in line with the study of [21] on “the impact of contributory pension scheme on workers’ savings and investment in Nigeria using Anambra State as a case study.” [21], findings are: that majority of the respondents prefer to save outside any pension scheme, most respondents are not aware of their employers own contribution to their contributory pension scheme. Their study concluded that among other things that the Nigerian government should create more awareness and enlightenment campaign on the workers contributory pension scheme geared towards retirement. In a related study, [22], perception of university employees on the impact of contributory pension scheme on employee’s welfare. The statistical analysis results revealed that the new pension scheme gives the employees the choice as to how their pension funds are managed and gives them the assurance about the security of their retirement benefits. The result of the analysis also revealed that there was no significant relationship between awareness of new pension scheme and the welfare of employees of federal universities in Nigeria. With the introduction of IPPIS, it was easy for pension administrators to ascertain staff that are due for retirement and adequately prepare for them. It should be noted that IPPIS personnel records contain among other things, age of employees and year of first appointment into the civil service. These two components are vital in the determination of retirement year of civil servants. With adequate record maintenance, rigorous staff verification exercises are not needed to identify those that are due for retirement. Also, personnel and payroll records kept by IPPIS are always handy in the computation of staff gratuities and subsequent pension plan. Pension administrators are easily availed with information necessary in appropriate retirement planning for civil servants. On the other hand, IPPIS retirement records has helped to reduce to the barest minimum incidences of age falsifications, manual file alterations, removal of vital documents such as birth certificate, first school leaving certificate or letter of first appointment from the file of civil servants in Federal Ministries in South East.

CONCLUSION, CONTRIBUTION TO KNOWLEDGE AND RECOMMENDATIONS

Summary of Findings

After appropriate analysis and interpretation of diverse data gathered in the course of the research, useful findings were made. The findings of the research revealed that

1. IPPIS payroll and remuneration records had significant influence on performance (personnel cost reduction) of Federal Ministries in South-East Nigeria.
2. IPPIS retirement records had significant influence on performance (personnel cost reduction) of Federal Ministries in South-East Nigeria.

CONCLUSION

Based on the above findings, the following conclusions were made. The study concluded that IPPIS payroll and remuneration records and retirement records, and payroll audit records had significant influence on performance (personnel cost reduction) of the federal ministries. The IPPIS through its biometrics capturing have provided quicker, easier access to accurate payroll information, means better management reports for improved decision-making on cost and planning. As a corollary therefore, payroll and personnel managers are now well equipped with comprehensive payroll and human resource data pulled from the IPPIS office. It is easier to track career progression, develop nationwide workforce plan, succession plan and build individual capacities based on needs. Bearing the enormous achievements of IPPIS as Federal Government Reform Programme for the purpose of centralized payment of salaries of all civil servants in the employment of the Federal Government, it is very pathetic that many federal government agencies and departments are yet to key into the system. As a result the federal government cannot still have the accurate and reliable about the size of its workforce years after the introduction of IPPIS.

Recommendations

As a panacea to the above findings and conclusions, the research made the following recommendations.

1. The of Office of the Accountant General of the Federation (OAGF), through IPPIS office should ensure the maintenance monthly payroll cycle.
2. The of Office of the Accountant General of the Federation (OAGF), through IPPIS office prompt processing of retirement records as at when due.

Contribution to Knowledge

From the knowledge of the study, no known work has delved into the influence of IPPIS on performance of federal ministries as an entity or as a federal body. This study presented results based on all aspects of the IPPIS functions to the ministries rather than an aspect or piecemeal component of their services. The researcher used IPPIS operational framework to present all the aspects of IPPIS and its effect on performance of Federal Ministries in the area of Personnel Cost reduction. Most of the studies delved mainly on the impact of Integrated Personnel and Payroll Information System (IPPIS) and manpower planning, IPPIS and payroll fraud, etc. Thus, all are aspects of Human resource management and planning. There is need to ascertain from Federal ministries staff how IPPIS has influenced their performance. Previous studies conducted on IPPIS were not able to decompose IPPIS operations into its units, Meanwhile this study studied IPPIS from its operating units or systems, personnel records unit, Planning and budgeting records unit, remuneration records unit, retirement records unit, payroll records unit and payroll audit records unit. This enabled the study to have a comprehensive assessment of the influence of IPPIS on the performance of the federal ministries under review. Moreover, studies on IPPIS have been carried out in the South East of Nigeria but none has attempted to examine the influence of IPPIS on performance Federal Ministries. The study, was therefore, motivated by the need to fill these gaps in influence of Integrated Personnel and Payroll Information System (IPPIS) on the performance of Federal Ministries (Personnel Cost Reduction) in South-East Nigeria. This is the high point of contribution of the study.

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