EMPLOYEE FRAUD IN PUBLIC SECTORS OF PAKISTAN-A REVIEW OF GHOST WORKERS

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Abstract

The aim of this research is to identify the importance of the issue that why ghost workers continue to exist despite efforts to remove them and provide effective solutions to eliminate them. Its precise aim is to examine academic viewpoints on motivators of employee fraud, with a focus on the rising occurrence of ghost workers/employees in the public sectors of Pakistan. The design used for this research is qualitative and the study was conducted with direct interviews, documentation and observation of 34 participants with a discussion session of 10-15 minutes with each respondent. For survey, unstructured questionnaires were filled from the respondents for thematic and documentation. The keywords of each statement were highlighted and sub categorized to code the number of similar opinions. From data analysis, this research concludes that employees in public sectors of Pakistan do not appreciate honesty if their efforts and performance are not valued. Most of the employees are found as ghost workers due to lack of government's check and balance on employee activity which results into employee fraud and employee gets carefree about his job, the main reason behind ghost workers is the underlying corruption of internal staff. If the employers don't give salaries timely and rewards for exceptional performance then employees find other option under the table to manage their financial crisis.

Keywords: Employee fraud, Rationalization, Opportunity, Fraud triangle, Ghost Workers.

INTRODUCTION

The 21st century is all about utilizing the workforce at its best in order to reach the desired organizational output as it is the core idea of all the firms to bring the employees potential on the table for the organizations' maximized results. From the past decades, the prime focus of the organizations in concern with the workforce establishment. When organizations are flourishing, definitely there would be some loop holes in the workforce that need to be highlighted as soon as possible where fraud from the workforce side has been usually seen in the corporate world among which the ghost employees have damaged the organization's profit maximization which is a case of ultimate fraud with the organization as they earn thoroughly on organization's behalf but have not been working on their seats and are enrolled in the payroll list. Not only one single country is free from this organizational epidemic and most commonly the under-developed countries have encountered the employee fraud in terms of ghost workers and that might be an effect of fraud triangle that we are going to understand through this research. Both, organization and society face huge economical loss due to fraud that is itself a separate business prevailing between them (Free, 2015) where fraud by any measures is studied in psychological research work, law studies, criminology and contributes in existing literature of organizational dilemmas and ghost workers. According to (Sánchez-Aguayo, Urquiza-Aguiar, & Estrada-Jiménez, 2021), employee fraud and a ghost worker is not only a matter of concern for organization but also for its stakeholders, mainly customers. In a research (Shaikh & Nazir, 2020) mentioned the survey where they found 30% of the companies were engaged in employee fraud and 80% of the fraud was apprehended in the upper levels of the corporate including managerial staff, administrative departments, sales and in accounting activities.

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Committing fraud measures the level of internal weakness of an organization regarding regulations within the premises that depicts its deformities which motivate an employee to indulge in such harmful activities against his own organization disregard of fidelity for his workplace that is a source of his bread-earning capacity (Panigrahi, 2011). The study of fraudulent behavior is a dimension of psychological literature as it is a common human behaviour to misuse the freedom and opportunity of fulfilling one's need under respective circumstances, thus developing an understanding of psychological personality traits of employees may assist the organizations to regulate these activities attentively (Sayal & Singh, 2020). Ghost workers are fraudsters that are the real people who are not working on their positions but receiving their salaries regularly, this is a form of serious crime and theft and deliberately no owner or employer would ever like his firm to be haunted by these ghost workers thus keeping an eye on employee presence and their regular activities under the organizational boundaries should be the core focus of human resource department to ensure the protection of firm from scammers. Further, it is to be mentioned that ghost workers are not only those who are enrolled in the payroll but absent from the workplace, this is also done by creating or registering fake accounts of employees in the payroll in the names of people who don't even exist and the salaries are unknowingly transferred to the fraudsters accounts which is a huge sign of irregularity under any organization and this usually happens in government offices due to the lack of hierarchy. The main reason behind corruption and failure of any government is the existence of these fraudsters in official sectors who don't perform their services that creates a pathway to misbalanced society. In 2021 Pakistan's Sindh provincial government recorded that 40% of teachers in government schools are ghost employees which is the most harmful action against educational system of a society causing damages to students' education, approximately 7000 schools in Sindh are enlisted as ghost schools that exist only in official papers and have no physical evidence through which fraudsters are receiving regular salaries (Rizvi, 2021), also in 2019 Pakistan Railway revealed that thousands of ghost employees are registered in railway sector and this is possible due to bribery system as the fraudsters pay half of their salaries to the management who allows them to commit fraud and keep them registered in the regular payroll (Wyne, 2019). If we assume that fraud is societal dilemma than there must be some cause and effect theory behind its prevalence, which was studied by an American penologist and sociologist (Cressey, 1953) who suggested the three basic elements behind a person committing fraud that include pressure or need, rationalization and opportunity. This research is considered to elaborate the employee fraud in terms of ghost workers which will follow these three elements of fraud triangle and the researcher will be conducting a case study in public sectors to find out what are the most common causes of pressure that lead an employee to commit such heinous crime against a company or society.

Background of the Study

Fraud affects all businesses, large and small. "If your firm has a door, you can be sure anything stolen is going out," states a classic business proverb. In every firm, employees are involved in fraud by different measures says John (2010), and may range from simple acts like stealing an office pen to siphoning millions of dollars from the company. In the life span of every company, it is expected to get plagued by employee fraud at some point and it will surely occur even if there is a very slight lack of internal monitoring system, mentions Price Waterhouse Coopers' Forensic Services. The magnitude and extent of employee fraud is a pressing concern, given its significant influence on the financial performance of most firms impacted. According to (Akeem, Momoh, & Danlami, 2015), the occurrence of ghost workers is frequent among senior executives of a firm. Even if senior management does not physically commit the crime, he or she is very certainly implicated. The thought that fraud always starts at the top and, if not

stopped, spreads like cancer throughout the business. One of the most noticeable aspects of employee fraud is that it is almost always committed by the company owner's trust, (Kumar, Deshmukh, Liu, & Stecke, 2013) quoted that no employee has ever betrayed an employer without the existence of trust between them. Also, (Auvinen, 2012) discussed that employee fraud, in other words, is frequently committed by persons who carry out day-to-day tasks in an organization and are entrusted with a certain degree of confidence, rights, and privileges. In February 2016, when the Nigerian government implemented a payroll system i.e. IPPIS, 23,846 phantom employees were detected, saving up to $11.5 million (Adongoi & Victor, 2010) after the regulatory system of payroll, Nigerian government saved 185 billion naira that year (Awetef, et al., 2015). Aside from detecting and reducing ghost worker scams, it also makes storing and retrieving employee information easier and will save billions of dollars for the government and the general population (Agboola & Olumiyiwa, 2018) as red tape (Kassem, 2014) and corruption (Eze, 2009; Olken & Pande, 2012) is a matter of prior concern for both big and small businesses. Considering the hurdles in handling this fraud detection system, the biggest issue with electronic systems is the expense. The cost of procuring and operating equipment and the training of workers to adapt or upgrade to that system were all factors to consider. (Lou & Wang,2009). Even if the owners or employers implement strict check and balance or fraud measures, this does not ensure that fraud will be eradicated while (Donegan & Ganon, 2008) also argued that excellent or strong control systems would attract certain employees to commit fraud. Further (Wolfe & Hermanson, 2004) discussed analysis of the fraud triangle that a proportion of workers commit fraud only to show themselves or others that it can be done. Putting in place, a strict check and balance system of internal control might be the challenge they're looking for. Others may use the control system to justify their behavior when the chance arises, employees develop a thinking that employer is already expecting me to steal that's why the firm has such strict rules then they challenge the system and get engaged in deceiving activities against the firm. So sometimes, giving leverage to employees can build trust between employee and the employer but according to (Kumar, Deshmukh, Liu, & Stecke, 2013) fraudsters misuse trust and continue to ditch their employers, thus the human behaviour is a complex area to study and here comes the study of personality traits of employees before building a trust level with them. Moreover, (Wolfe & Hermanson, 2004) suggested that thinking like a thief is the greatest approach to capture a thief. That is to say, the employer or controller should be an expert in the company and understand how everything works so he can put himself in the shoes of fraudsters and analyze the conditions and opportunities that are letting the fraud to be done under the organizational premises either in terms of ghost workers, betraying or stealing. The employer needs to develop an understanding that "If I were an employee and wanted to cheat, how I would accomplish it?" .If the owner or employer does not have experience with the organization's environment, he might hire an external auditor to build the internal control systems because no design can be deemed as hundred percent secure, the company should have at least two internal control systems in place. Whatever level of faith you have in your staff, you should be aware that control mechanisms are in place to discover dishonest employees and keep honest personnel. So, whether it's a family firm or one run by strangers, systems of control (even though they're costly and don't ensure the removal of ghost employee schemes) are critical. Ghost workers are more common in large companies (Jane, 2010), they may also be found in small businesses (Agboola & Olumiyiwa, 2018).

The amount of money lost to employee fraud each year is greater than the amount of an organization could spend on internal management systems to eliminate this. Thus, while methods of control appear to be expensive, not having a system of governance is more costly because employee fraud exists in all organizations so this research is aimed to understand how they can prevent ghost workers by

analyzed the fraud triangle that depicts the cause and effect of fraud occurrence in terms of ghost workers.

Scope of the study

Following a Ghanaian government study in which 10,000 ghost names at workplace were identified, the question aroused here that if ghost workers names are captured so easily then what are the reasons that they keep prevailing in the sector (Adongoi & Victor, 2010). The scope of the study is identifying the importance of why ghost workers continue to exist despite efforts to remove them and provide effective solutions to eliminate them. Its precise aim is to examine academic viewpoints on problems of employee fraud, with a focus on the rising occurrence of ghost workers/employees.

Objectives of the Study

- To determine employee fraud involvement leading an employee to become a ghost worker.
- To analyze the fraud triangle theory in the context of ghost worker scheme.

Statement of the Problem

In a study, (Olken & Pande, 2012) reviewed that fraud is more than an immoral; this needs to be end up with the fraudster facing severe consequences. Besides being a criminal act, employee fraud and ghost workers destroy a company as well as economical standard of a state that reaches to a loss of 6% of a country's GDP according to (Janet, Mary, & Teresa, 2007). As a result, it's an issue that is worth-evaluating and figuring out how to be resolved. Despite the serious consequences of employee fraud discussed above, eliminating this economical issue has been proven difficult due to the several complex situations in an organization. Moreover, studies on ghost workers that have existed since first decade of 21st century (Joe, 2002). The Association of Certified Fraud Examiners, 2001; Oguzierem & Sori, 2017) show that the prevalence of ghost workers is still existing. Thus, it's essential to look at the long-term viability of ghost employees and feasible methods to reduce their occurrence in public sectors of Pakistan.

Research Questions

1- What leads an employee to commit fraud and become a ghost worker?
2- How does the fraud triangle theory fit in explaining ghost working pattern of an employee?

Significance of the Study

Due to limited time period, this research is a cross sectional study that carries the survey from the public sectors of Pakistan. This study is beneficial for both professionals and the students who are interested in learning to understand employee fraud involvement and it will provide contribution in the literature review .It will also be a guideline for Pakistani public sector ministers to give proper and regular training to employees and identify what are the factors behind developing fraud committing nature of their employees that results in a huge number of ghost workers at workplace.

LITERATURE REVIEW

Need and Employee Fraud

The father of fraud triangle (Cressey, 1953) studied that when a person or employee is going through some financial disturbance or has some family issues which he needs to fulfill in time so he develops a pressure to achieve his goal with shortcut and that pathway can be legal or illegal because for him it's a matter of his prior concerns. If the employer has not trained his employees well enough to share their mental problems with their leader so it depicts that the organization is lacking authentic and transformational leadership quality in the employer who could not reshape the critical thinking capacity of the followers. When the employees fail to share their financial problems or any other issue that is establishing the need to indulge in misrepresentation of the facts in front of their boss, then the employee will definitely compromise his integrity towards organizational output maximization. It will not affect his conscience if he becomes a ghost worker and continues another job for financial job while being absent on the seat and this only happens when there is a loop hole in organizations internal control system that do not have a strict check and balance of its employees presence on the position at workplace. To commit any crime, the three basic things that should be present include the prime criminal who is going to commit, presence of the target and lastly the absence of monitoring system to avoid hindrance in the crime commitment. Similarly, (Kranacher, Riley, & Wells, 2011) mentioned that financial need is the most common motivator for the offender to commit fraud; it can be bribery, embezzlement or ghost employment. When the corporate system is corrupt and does not values the employees honesty and appreciates deserving employees with expected incentives, then the employee has to commit the fraud and become a part of conspiracy to get along with the competition, either he has to misrepresent figures or has to join another firm to earn more without being present at the workplace but receiving salary without the employer being informed about the absenteeism. Once the loyalty from employee is lost, then employee engagement and interest at the workplace will be demolished and the need motivators will result in employee fraud if employee's personality traits are not polished by the employer due to negligence of control system in the organization. The motivators for fraud include financial and non-financial objectives as well, for instance showing better output figures to the boss than the actual output, delivering organizations internal information to others for bribe and being absent from workplace for personal reasons and greed to continue another job without fulfilling duties of first job (Albrecht, Turnbull, Zhang, & Skousen, 2010). The relationship between pressure or need and employee involvement in fraud has been studied by various research in literature contribution where the output of the fraud can either be financial or non-financial but it hurts the employer's trust (Rezaee, 2005) and challenges the organization's control system (Widianingsih, 2013). Moreover, also concluded that an employee's fraudulent behavior arises when an employee's financial need or personal life pressure needs to be reduced through cheating and breaking trust with the organization (Dellaportas, 2013). When an employee has a pressure of high wage earning, it positively correlates with employee fraud to get monetary benefits (Hernandez & Groot, 2007), thus the researcher understands that there is a positive relation between need arousal and employee's involvement in fraud.

Rationalization and Employee Fraud

As aforementioned, the term rationalization refers to have a right reason in one's mind to carry out a particular task. Whenever an employee performs something illegal and does fraud against his workplace he has some rational point to defend his act. Developing rational attitude and thinking that getting advantage though particular fraud is my right under unfavorable situation from the organization leads an

employee's increased fraudulent behavior thus it is the most influential element to employee fraud in the organizations according to previous contributions in the literature. In organizations, employee fraud has been found tolerable until or unless fraudulent employee has a rational answer to his illegal act and crime (Kula, Yilmaz, Kaynar, & Kaymaz, 2011). Further, in a study (Majid, Mohamed, Haron, Omar, & Jomitin, 2014) surveyed that most of the respondents agreed when they have suitable reason behind their unlawful act, they see it as a right thing to do so. In many organizations, the most common rational thinking is the statement that others are also doing the same thing, if nobody is taking measures or certain actions against others then I should be also allowed to conduct conspiracy and unlawful act behind organizational trust. This depicts that if one employee is not suffered with consequences than the subordinates will also follow his role of conduct which will eventually disturb the organizational environment and cause severe harm to organizational and stakeholders' interests (Cleff, Naderer, & Volkert, 2013). This is closely related to the existence of ghost worker schemes in public sector of Pakistan where there is no proper check and balance system of employees' absents from the seat for a longer period of time, and the payroll department is also taking bribe from ghost workers at a fix percentage of their salaries due to which there is a huge delay in official protocols and government processes as most of the employees are absent from the seat and busy in their own activities during working hours. The researcher has studied rationalization as the oxygen to fire that allows the heat to rise, in corporate culture when an honest person commits a fraud and gets caught, he tries to build a statement and prepares in his mind-set to justify his action with acceptable reasoning and sees himself a white-collar employee (Cressey, 1953), and once his fraudulent behavior's justification is accepted then this employee fraud will remain consistent because the employee will appreciate his fraudulent behavior for personal benefits without any criminality on his shoulders (Varma & Khan, 2016). The most common justifications in rational behavior towards employee fraud that employees usually use to justify their action as the right thing to do include that they were only borrowing from the company and they intend to return it soon, they also mention that they had worked for a very long time and they deserved extra money through fraud because company was not paying enough for their hard work (Akeem, Momoh, & Danlami, 2015), they justify their ghost worker scheme with the rationalization that there is no work at the workplace then why should I be present their daily but I perform my duty whenever my workplace needs me (Wyne, 2019), they justify their fraud through their policy of being honest for the firm and not feeling their integrity to be appreciated or they also mention that I had to fulfill my need motivator in terms of family needs so this act is justified to be done for extra money and be a responsible bread-earner for my family (Joe, 2002).

The stage of rationalizing one's fraudulent activity eliminates the sense of guilt and the employee defends his behavior successfully, justifies his fraud and keeps that fraudulent behavior in practice on regular basis, therefore the researcher has studied that literature has contributed a positive impact of rationalization on employee fraud in the organization.

Opportunity and Employee Fraud

To conduct a fraudulent activity, an employee would need a proper timing and loose end in the organization where he can perform the fraud without being caught by the upper level management. There are some opportunities that have been identified by the past researchers in review of literature; one of the opportunities includes family relations with the upper management (Haggard, Lim, & Kim, 2003). The nepotism at workplace slowly results employee fraud at some point of the organization, this usually occurs when upper management has family relations and personal benefits associated with the fraudulent

employee that allows the employee to rationalize his need to carry out the respective activity behind the back of organizational trust, when the upper management has family relations with any employee than ghost worker scheme may also take place as the employee will not seek any consequences of absence from workplace (Albrecht, Turnbull, Zhang, & Skousen, 2010). Secondly, another most common opportunity that encourages employee fraud is the absence of check and balance in the organization (Leahy & Marshall, 2004). Without proper strict rules, employees' performance will not be measured with key performance indicators and they have the opportunity to do unlawful activities in the organization without being questioned for any action that has harmed the organizational efficiency. Any organization that has monthly KPIs evaluation and appraisals on annual basis will lack opportunity for employee fraud that is usually followed in private corporate but in public sector due to lack of check and balance no performance measurement indictors, employees have the opportunity to fulfill their needs through unfavorable behavior against workplace code of conduct (Awetef, et al., 2015; Albrecht, Turnbull, Zhang, & Skousen, 2010). Third opportunity that has been studied in the literature as the motivator for fraudulent activities among employees is sick and poor financial system of the organization (Varma & Khan, 2016), when companies don't pay incentives and appreciations in terms of bonuses and salary increments to deserving employees, this opens up a pathway for the employees to seek for other shortcuts to get incentive that they deserve and get engaged in employee fraud with rational justification (Dellaportas, 2013; Albrecht, Turnbull, Zhang, & Skousen, 2010). Moreover, another opportunity resulting in employee fraud is the absence of separate entities, due to which the employer does not get informed who has done the crime and fraud from a particular department, taking advantage of this opportunity employees carry out their personal enrichment activities and never get caught because they have subordinates in the same entity and the suspect may be diverted towards other employees (John, 2011; Wolfe & Hermanson, 2004). Thus, the researcher has found that when an employee gets the opportunity, the fraud triangle is completed and employee fraud takes place which depicts a positive relationship between them.

Theoretical Framework
Since this research is based on employee fraud thus its main framework needs to cover the term "fraud triangle" that was proposed by (Cressey, 1953), suggesting that any employee who is involved in fraud possess three complementary components at workplace comprising need/incentive/pressure, rationalization and opportunity. These three elements together build the fraud triangle resulting in the formation of irregularities under the corporate management system. The researcher here is going to elaborate the common terminologies of this research and will also discuss how these elements result in making an employee a ghost worker.

The Fraud Triangle Theory
The fraud triangle has three corners, one comprises need of an employee, second represents rationalization/ attitude of an employee and the third appears as the opportunity for an employee to become fraudulent (Clinton, 2015). It highlights the criteria of fraud that enables an employee to feel the need to involve in this immoral and criminal act, his behavioral and thinking capacity regarding fraudulent activity and the occasion or opportunity that allows him to conduct the fraud. Primarily, it is an investigation template that facilitates the employer to find the root cause of fraud happening in the organization. The employer identifies the loop hole through which fraud occurrence was made possible, calculates why employee measured fraudulent activity beneficial or justified for him and then recognizes

the back-end cause that build the need arousal in his employee to ditch the organization or vice versa (Clinton, 2015; Sánchez-Aguayo, Urquiza-Aguiar, & EstradaJiménez, 2021; Burke & Sanney, 2018). The use of term "fraud" particularly refers to cheating, misappropriating, involving into illegal activity or criminal offense, disobliging and resulting in corruption with others (Srivastava, Mock, & Turner, 2009). Further , (Wells, 2004) fraud is explained as getting advantage of a power or position in order to gain personal benefits. It is also explained by as the misuse of organizational trust or allocations to an employee (Association of Certified Fraud Examiners, 2014) and falsification of information for individual benefits while ignoring the organization's loss (Gupta & Gupta, 2015). Fraud triangle initiates with the need to commit fraud and this happens when there is a lack of internal monitoring and control system of an organization and bad security measurements (Manurung & Hadian, 2013). This research is aimed to study the employee fraud triangle theory on ghost workers so the researcher is going to study each element of the fraud triangle contributing to involve an employee in cheating the organization with paid absenteeism.

Need

The concept of the need arousal to become a ghost worker is explained from the research work of (John, 2011) that is also mentioned in the study of (Penn, Emmanuel, & Alain, 2020). They have studied three categories of underlying needs of employees to commit fraud and become ghost workers, one category comprises employees who get involved into such fraudulent activities as a challenge to the organization because they think that no boss can capture them and these are the ghost workers who usually remain undercover and are unidentified by the organizations, while the other category includes employees who need to become ghost workers due to family issues or they commit fraud with the firm due to financial needs and these are the fraudsters that are usually caught by the organization because their fraud is unplanned and they do it quickly for financial issue (Dellaportas, 2013; Suyanto., 2009). In contrast, the third category comprises employees who need to prove their integrity to the boss that they are trust worthy and are a useful asset for the organization which stops them to become ghost workers (Aidafitri & Arta, 2014).When there is a need towards gaining the advantage by some fraudulent measures, the fraud triangle initiates while without need for fraudulent concerns, fraud triangle will not be established, thus need is the motivation for the activation of this process.

Rationalization

The stage of rationalization in fraud triangle is the phase when employee justifies his fraud as the right reason to do so (John, 2011; Penn, Emmanuel, & Alain, 2020). In every firm, there is always a moment when employee thinks that he deserved a better salary and now if the employer is not giving him a raise then he deserves to be involved in fraudulent activity to fulfill his needs. So, when the employee gets the right reason to commit fraud, it removes his feeling of regret and sorrow towards organizational trust-breaching. It's the responsibility of the organization to train the mindset of its employees to refrain them from developing such feelings to think fraudulent activity as the right option to get involved into.

Opportunity

Opportunity is the phase when the employee finds it feasible to commit fraud. In organizations, internal monitoring system is there to make sure that all employees continue their work with integrity without getting the access to involve in such activities (Free, 2015; John, 2011; Penn, Emmanuel, & Alain, 2020). When the employee have decided to go against the firm and stab into the system and has found the reason

to do so then its responsibility of the employer to restrain them from getting the opportunity to put their negative moral in action. Once the opportunity is affiliated to the fraudster, the fraud triangle is composed with three corners which included need, rationalization and opportunity (Lou & Wang, 2009).
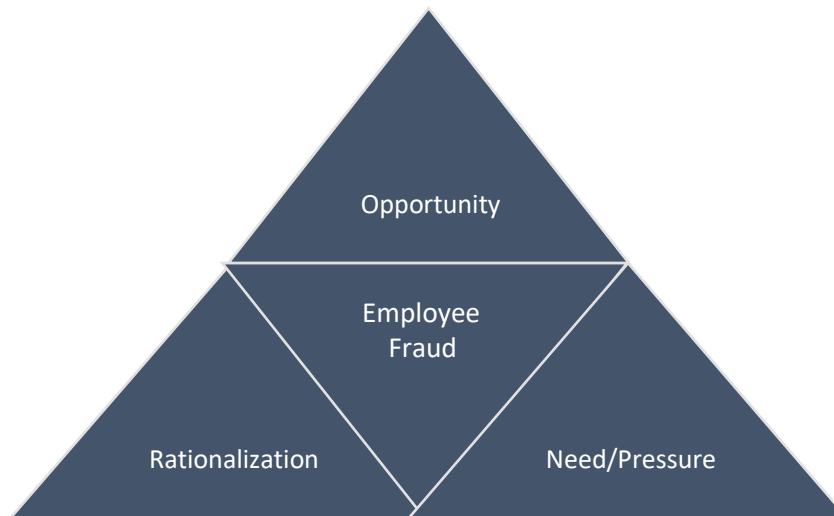

Figure 1: Conceptual Framework of Fraud Triangle

METHODOLOGY

Research Design

The design used for this research is qualitative and the study was conducted with direct interviews, documentation and observation of the participants. According to , qualitative research of any topic provides the researcher a situation which describes the entire phenomenon behind the rising questions of the research instead of describing the statistical relation between the variables (Glesne, 1999; Fraenkel & Wallen, 2003). To understand the story, qualitative study comprises the basic method of data collection that include interviews, documentation and observations, also triangulation is applied to connect the variables through past theories from the literature . When all these techniques and methods are composed together while surveying the participants or respondents, the researcher gets a more preferable understanding and analysis of the study to elaborate the research answers descriptively. This research ensures cross validity checks due to different data analysis techniques which according to (Patton, 1990), is less exposed to errors than the study that is analyzed with a certain and particular technique for instance a close end likert scaled questionnaire, as for the extending the information with other data collection methods is not necessary to conduct study but it is preferred to get a broader perspective of the respondents on the topic (Stake, 1995). This research is designed to collect the information through unstructured responses and natural reviews from the respondents to summarize the most likely and common visions among them regarding each question. The researcher interviewed them one on one to observe and document each analyzed situation carefully.

Data Collection

As mentioned in the research design that the primary data collected for this research is through unstructured survey questionnaires, short interviews and observation of their behavior at the time

of response collection while secondary data to conduct this research is obtained from past researches, books and scholarly articles. The research has studies each paper thoroughly and developed a better understanding on the respective description of employee fraud and ghost workers to analyze the primary data in a more enhanced pattern. The participants contributed in two-staged interview where the first part comprised unstructured survey questionnaire for documentation while the other part comprised a short interview with the researcher for observation purposes and each session included 10-15 minutes of discussion. The participants were selected from different public sectors of Pakistan because ghost workers are usually spotted in this sector rather than the private sector. The data and their opinions were than analyzed minutely to spot similarities and differences in their perspectives.

Interviews
Interviews are the most desired method for data collection in a qualitative study because they validate the accuracy of the observations that the researcher has attained from the respondents (Fraenkel & Wallen, 2003). The data collection through unstructured questions for the required topic included 14 questions where 6 types of questions were asked as suggested by (Patton, 1990). First four questions were asked to analyze the demographics of the respondents for a better understanding of their responses in the questionnaires. Two questions were asked to create a situation in the minds of participants and getting their response in particular circumstances to understand what they would have done if they had been through such situation. Two questions were asked to conclude their values and vision on the ghost worker schemes and employee fraud and how do they justify this criminal offense in public sectors. Two questions were added to stimulate their emotions and feelings regarding fraud, how do they feel if they have taken the opportunity to commit fraud and cheat their sector by being a ghost employee and earn salaries without serving the duties. Two questions were asked to analyze their knowledge about ghost workers or if they had been a ghost worker at any stage of their work life. And last two questions were used to analyze what they perceive about ghost worker schemes in public sectors, how the society is suffering from it and what solution do they recommend to their employers to prevent such awful crime.

Observations
After getting unstructured written interview from each respondent, the researcher had a 10-15 minute session with them to develop a clearer understanding of their opinions and cross validation check of their statements in the survey questionnaire with their behavior while discussing the topic with the researcher. The researcher had given the feasibility to each respondent to select time of their convenience so they can respond without any pressure of time shortage. The researcher jotted down their opinions while observations to confirm their suggested feedback with the research topic for further documentation and data analysis purposes.

Documentation
Any written form of information that includes opinions either shared directly with the researcher or on public platform for research analysis is a part of documentation in qualitative study (Fraenkel & Wallen, 2003). The researcher collected every interview and observation in documentation to confirm the accountability and reliability of the data to trust the opinions of the

respondents. All survey unstructured interview questionnaires were in written form and the experiences or statements while observations were documented and analyzed during categorization stage.

Variables

The researcher has developed a clearer understanding of the research topic and has identified that fraud triangle is to be analyzed for the study ghost workers, which narrates that the researcher has chosen ghost worker fraudulent activity as the dependent variable to be studied though understanding the fraud triangle presented by (Cressey, 1953). Also, the topic of this research is suggested by (Penn, Emmanuel, & Alain, 2020), the researcher has decided to fill the gap of the research in public sector of Pakistan and suggest some notes to reduce their ailment and stop it from harming the societal and economic benefits.

Inclusion Criteria

This research is a cross sectional study, and the participants who had a minimum experience of 5 years in public sector were included to be part of this research. Only those respondents were included in data analysis that had a better understanding of employee fraud at workplace and had experienced ghost worker employees at some point.

Sample

There are a huge number of employees in public sector, and due to very limited time and resources available to the researcher only 40 respondents were selected with personal references and links to get their time convenience for the researcher.

Sampling Technique

Since public sector employees are not easily available to everyone and are difficult to spot a systematic number of government employees in such short period of time, so the researcher found a maximum number of 40 respondents through random sampling technique in one month for this cross- sectional study and had a thorough concentration on each opinion for validate documentation. Moreover, among these 40 respondents, 6 had no experience of ghost worker scheme so they were eliminated in the exclusion criteria to conduct the study and the remaining 34 respondents were found fit for the data analysis.

Data Analysis

Researchers got unstructured questionnaires filled from the respondents. The keywords of each statement were highlighted and sub categorized to code the number of similar opinions. Through data analysis, the researcher has found the answers of the research that what are the possible reasons for an employee to become ghost worker? What makes them vulnerable to get involved into employee fraud? And how this criminal offense can come to an end?
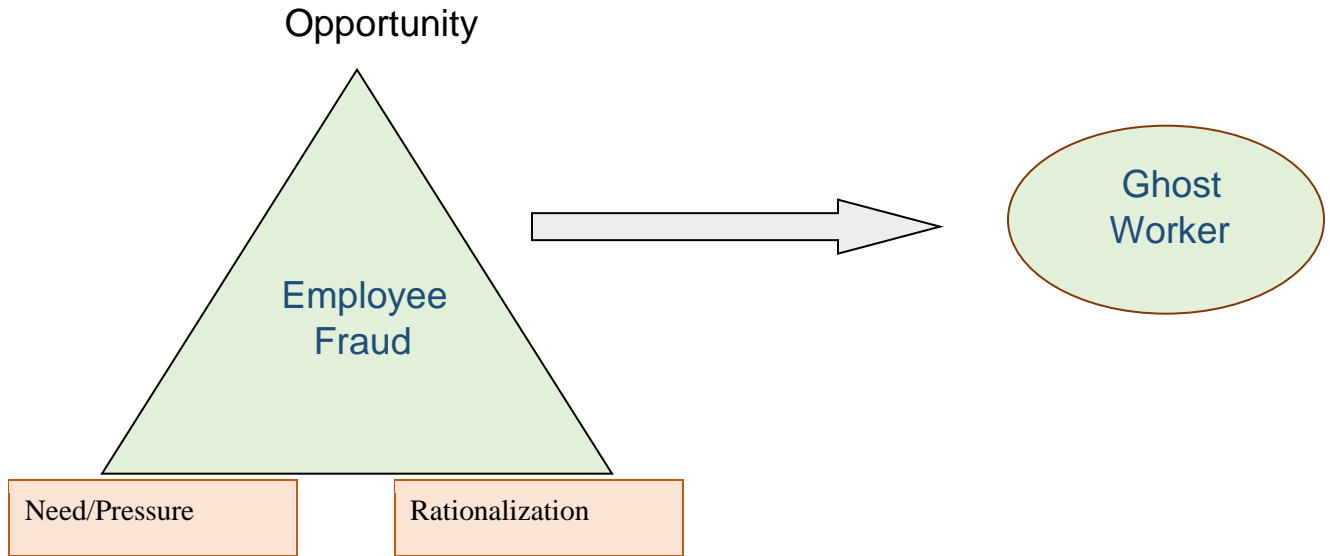
Opportunity

Figure 2: Research Model

RESULTS AND DISCUSSION

Table 1:
Thematic of data collection

Theme	Grouping of Common Statements	F
	Q1:I will accept offer	
	• If my offers are not valued.	14
	• If I need extra money	11
	• If the system challenges me	9
Perspective	Q2: I would not like to work	
	• If my subordinate is relaxing and receiving the same salary as me	21
	• I would do the same	
		13

	Q3:	
	• It is fine to act as a ghost worker if there is no check and balance then why I should be worried about my job.	19
	• It is not fine because honesty is the best policy, but if I have some right reasons I would grab the opportunity to do so.	
		15
Need		
	Q4: If and honest employee commits fraud due to lesser incentives paid to him, it is his right to look for other option.	34
	Q5:	
	• If I don't have any work to do, I would become a ghost worker without informing my employer.	18
	• If I have some task to perform than I would not prefer cheating over my duty.	16
Rationalization	**Q6:**	
	• I will not be satisfied after cheating but for me honesty is useless if other subordinates are also getting paid as ghost workers.	20
	• I will be satisfied after cheating if my company is not entertaining justice and equality between me and ghost workers.	14
	Q7:	
	• I had been a ghost worker because I had personal relation with the employer	25
Opportunity	• I bribed my upper manager for keeping me in the payroll list.	9

Q8:		
• Usually ghost workers are committing this fraud due to lack of control system	10	
• Ghost workers get equally paid as other employees due to their personal relations with bosses.	24	
Q9:		
• I would recommend that ghost worker schemes should be terminated fully and not even a single person should remain involved in this fraud.	18	
• If it is not terminated from roots, than I would not recommend honest employees to keep working regularly if others are getting paid at home without any performance measurements.	16	
Elimination	Q10:	
	• Bosses should maintain equal aura with each employee to prevent employee fraud.	9
	• Bosses should collect complete information of their employees to prevent ghost workers.	11
	• Bosses should develop monthly reporting system for employees.	10
	• Salaries of public sector employees should not be credited to their accounts directly without their physical presence at the time of salary.	4

Table 2:
Demographics

Demographics	F	%	Demographics	F	%
Gender >			Public Sector >		
Male	23	67.64%	Textile	2	5.88%
Female	11	32.35%	Shipping	3	8.82%
			Railway	4	11.76%
Age >			Schools	5	14.70%
30 to 35 years	2	5.88%	Civil Aviation	3	8.82%
36 to 40 years	6	17.64%	NCOC	7	20.58%
41 to 45 years	10	29.41%	Hospitals	6	17.64%

46 and Above	16	47.05%	Telecommunication	4	11.76%

Experience >		
5 to 8 years	2	5.88%
9 to 11 years	8	23.52%
12 to 15 years	11	32.35%
16 years+	13	38.23%

*N=34

DISCUSSION

The survey was collected from employees of public sectors of Pakistan, where the study was conducted thoroughly with qualitative approach which establishes a sense of validation of responses through one on one interviews with the researcher and observations. From data collection the researcher carefully documented and grouped similar statements collected through unstructured questionnaires and summarized the analysis in thematic chapter of this research. A total of 40 respondents were selected by the researcher through close references and personal links among which 6 respondents' surveys were excluded because they lacked knowledge about ghost workers and employee fraud. From table 4.2, the researcher found the demographics of the respondents to analyze the mental approach of the participants. There were 23 males and 11 females in the survey among which 47% of participants were aged above 46 years,29% were between 41-45 years while 24% of participants were below 40 years.

The researcher also Sound that most of the participants had experience more than 12 years as most of the participants were mature and at middle age so they must have experienced ghost workers in their life at some point, while 10 participants had experience of public sector employment less than 11 years. Since, this research is conducted on public sector employees so participant were selected from different sectors, 2 participants belonged to textile, 3 from shipping sector, 4 from railway, 5 from public schools, 3 from civil aviation, 7 from NCOC, 6 from public hospital and 4 participants were selected from telecommunication sector of Pakistan.

Further, for unstructured interview, the researcher has formed questions under the spotlight of different scholarly articles and books to discuss the perspectives of sample about employee fraud in terms of ghost worker schemes in public sector. From table 4.1, the researcher has categorized the questionnaires in different questions with their separate themes in order to collect the opinions in groups. In Appendix A, the first two questions were asked on situational basis to find the opinion of employees on committing fraud at workplace.

Most of employees responded that it's the right thing to do while others responded that committing fraud is only justified if necessary. The participants believed in Q_1 on three perspectives that they would be involved in employee fraud if the employer is not appreciating their efforts, they need extra money or if the system is challenging their skills then they can think of being involved in some criminal offense like employee fraud at workplace. In response to Q_2, they were opinionated that being a ghost worker is fine if others are not present for a longer period

of time without salary deduction then they will also do the same thing. The other two questions analyzed the employee need to commit fraud or involve in ghost worker scheme, in response to Q_3, participants had two opinions that if there is no check and balance then they would not feel like performing efficiently and they would rather involve in employee fraud for their financial needs due to lack of incentives from employer. Similarly in Q_4, all respondents commented that due to less incentives and less wages, getting involved in employee fraud is justified for such employee. Further, next two questions were used to highlight the rationalization of employees behind ghost worker scheme, where Q_5 was opinionated that the respondents find it right to become a ghost worker if others are also doing the same thing and no one is measuring their performance, and if there is nothing to do at workplace then it is justified to become a ghost worker. During observation, public school teachers commented that usually our schools are abandoned and no children come to public schools due to which there is no sense to sit in the classroom without students and therefore we are acting as ghost workers and getting paid without any performance. Similarly, in Q_6 respondents suggested their feeling regarding cheating their employer, where more than half respondents were not satisfied of cheating while 14 respondents were satisfied of being involved into employee fraud if there is inequality in the organization and no performance measurements are ensured by the employer. Then, Q_7 and Q_8 were asked to understand how they have experienced the opportunity to involve in ghost worker scheme or employee fraud where 25 employees mentioned that they have been a ghost worker because they had personal relations with the employer and 9 participants responded that they had paid a percentage of their salary to upper manager to keep their absence undercover from top level management, quoting that lack of internal control system and combined entities for a group of employees acted as best opportunities to enable them the chance to become ghost workers.

Lastly, in Q_9 and Q_{10}, employees were asked about their approach towards elimination of ghost worker schemes permanently and suggest some ways to do so, where employees suggested that they would definitely prefer employee fraud to be eliminated from roots, but if some favored employees are ghost workers without facing consequences then others can also justify their absence from workplace. Moreover, they suggested that if employers do regular auditing, maintain a good level of internal control system, unbiased treatment of employees is ensured, appreciations on performance are given to deserving employees, salaries are given on physical evidence of employees and the employer collects complete information of the employee at the time of hiring then this ghost worker ailment and other employee frauds can be controlled to some extent in the public sectors of Pakistan.

CONCLUSION

The researcher has found that employees in public sectors of Pakistan do not appreciate honesty if their efforts and performance are not valued. Most of the employees are found as ghost workers due to lack of government's check and balance on employee activity which results into employee fraud and employee gets carefree about his job, the main reason behind ghost workers is the underlying corruption of internal staff. If the employers don't give salaries timely and rewards for exceptional performance then employees find other option under the table to manage their financial crisis. Moreover, the ghost workers justify their fraud due to their need and rationalization because other subordinates are not facing any consequences so they also find it right to involve in this criminal offense. Since, the researcher has found the fraud triangle theory to

be true n public sector of Pakistan due to which employee fraud gives a rise to ghost workers in the sector. Thus, it is the initial duty of the government to quickly terminate each and every employee who is absent from workplace for a longer period of time without informing the employer and no payment of salaries should be done without proper attendance of the employee and this can be executed with proper monitoring of the sector.

Limitation and Recommendations

This research is a cross-sectional study, and only comprises data from some of the public sectors of Pakistan, thus the results only depict the situation of these sectors and no other aspects of the sectors are covered in this research due to shortage of time. Also, the researcher recommends the future researchers to broaden up their sample data in some other sectors through quantitative approach and they can identify the further impact of ghost worker scheme on public services in Pakistan.

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APPENDIX- SURVEY

Employee Fraud: An Empirical Review of Ghost Workers:

1. Imagine yourself at your workplace working hard to impress your boss, it has been a year that he has not even appreciated your effort or given you any incentive. Now some clients ask for your unofficial favor and offer you some incentive under the table. What would you do

2. You are present at your seat regularly and one of your subordinates has not been present for a long period of time and you come to know that he has been receiving his salary same as you without the authorities being informed about his absence due to no check and balance and performance measurements in the sector, what would be your approach towards this situation?

3.   Why you think being a ghost worker is fine if someone has the opportunity, explain why?

4.   How do you observe an honest employee being involved in employee fraud if his boss is underpaying him or favors other subordinates?

5.   As an employee, do you think it's your duty to be at your seat in your working hours if you have some work or even if not any task to do?

6.   Would you be satisfied being paid after cheating your organization for some right reason, if yes then why?

7.   Have you ever been a ghost worker without your employer being aware of your absence, if yes then please mentions your reason to do so?

8.   What do you think that a ghost worker is getting paid due to lack of control system in the sector or due to his personal references and under the table incentives to upper authorities for not taking any actions against him?

9.   If you get the opportunity to remove ghost workers scheme from your sector, would you like it to be eliminated or you prefer it for justified reasons?

10.   As an honest employee, kindly suggest few solutions to execute some check and balance system for the termination of ghost workers and discontinue their existence?