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# INFORMATION TECHNOLOGY USAGE, REGULATORY PRESSURE AND ACCRUAL ACCOUNTING COMPLIANCE AMONG FEDERAL MDAs IN KWARA STATE

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***Abstract***
*Corruption remains a major challenge in government parastatals, with frequent cases of embezzlement and misappropriation of public funds, leading to inefficiencies and poor decision-making. To address these concerns, this study examines the impact of information technology usage and regulatory pressure on accrual accounting compliance among federal MDAs in Kwara State. A cross-sectional research design was adopted, and data were collected from a sample of 136 management staff selected from a population of 206 using simple random sampling. The data were analyzed using descriptive statistics and ordinary least squares (OLS) regression. The findings revealed that: (i) information technology usage has a positive and statistically significant effect on accrual accounting compliance ($\beta = 0.650$, $p < 0.05$), and (ii) regulatory pressure also exerts a positive and significant influence on accrual accounting compliance ($\beta = 0.669$, $p < 0.05$). The study concludes that both information technology adoption and regulatory pressure significantly improve accrual accounting compliance among federal MDAs in Kwara State. The study recommends that organizations should engage IT-skilled professionals to train staff on the effective use of accounting technologies for the preparation and presentation of financial statements. Also, relevant agencies should conduct regular inspections and maintain consistent monitoring to ensure compliance with accrual accounting standards.*

**Keywords: Information Technology Usage, Regulatory Pressure, Accrual Accounting Compliance**
**JEL Classification: M41**, **H83**, and **L86**

## INTRODUCTION

Corruption remains persistent and deeply entrenched issues in the federal MDAs. Public officials are frequently accused of embezzling funds meant for development and essential services. Misappropriation of resources is commonplace, and there have been numerous notable cases in which public funds were misappropriated and transferred to private accounts. The prevalence of "kickbacks" and "brown envelopes" in contract bidding processes has led to inefficiency and stunted infrastructure development **(**Anti-Corruption Reports, 2025). In the area of transparency, government official is often lacking transparency, making it difficult for citizens to access information about government operations, expenditures, and decision-making processes. Lack of transparency enables corruption and fosters a lack of public confidence in governmental institutions. Despite the implementation of the Freedom of Information Act (2011), which aims to

improve access to public information, there are still numerous barriers to obtaining essential government financial records. Citizens often find it challenging to hold the government accountable because of limited knowledge on how funds are allocated and projects are prioritized (Eke & Osaghae, 2021).

Accountability in the public sector, particularly in the area of financial reporting has cause serious problems among the federal MDA`s in Nigeria. Lack of accountability in the area of road maintenance, school, asset management and other essential services usually resulted to inefficiencies, corruption, and suboptimal decision-making. Similarly, lack of proper reporting mechanisms allows contractors to cut corners in road construction without being detected or penalized, resulting in poor-quality roads, funds allocated for road repairs and maintenance are often misappropriated or underutilized, leaving roads in a state of disrepair (Doe, 2024).

The use of the cash basis of accounting has raised significant accountability concerns because federal ministries, departments, and agencies typically report using this method. Under cash basis reporting, government revenues of all types are recognized only when cash is received, regardless of when they are actually earned. Similarly, expenses are recorded only when cash is paid, irrespective of when the obligations were incurred. Consequently, financial statements reflect revenues and expenses based solely on the timing of cash transactions rather than when the revenues were earned or the expenses incurred. Financial statements prepared on a cash basis have been criticized for their limitations, particularly the exclusion of key items such as inventories, receivables, payables, and non-current assets, among others. To address these shortcomings and improve transparency, the Nigerian Federal Government approved the adoption of International Financial Reporting Standards (IFRS) for the private sector and International Public Sector Accounting Standards (IPSAS) for the public sector on July 28, 2010.

As reported by Ouda (2010), cash-based method has failed to provide complete and effective financial information crucial to effective decision-making and discharge of accountability is a question for further empirical investigation in the Nigerian context. More crucially, at the end of 2010, the government established a chart of account to reflect accrual basis accounting (ABA) in the public sector. Since then, Nigeria, being an African country with a population of more 200 million parastatals, have not fully adopted and implemented the IPSAS accrual accounting system in accordance with the IPSAS requirements. However, this study is of the argument that factors encouraging low adoption of IPSAS among the federal MDA`s are Information technology and regulatory pressure. This argument was also supported by (Doe, 2024).

Information technology is the existence of the required technology for the successful implementation of accrual accounting system. Accrual accounting implementation may be enhanced with the significant support of modern technology. The presence of adequate networking infrastructure, availability of suitable computers, the introduction of new software and its integration to different platforms and databases make IPSAS adoption easier Idiodi & Ibadin (2022). The resistance to change, legislation, skill availability is required to move from manual base accounting system to computer assisted accounting system because many federal MDA` in Nigeria were still operating manual base accounting system and this discourage the implementation of accrual accounting system (Haija, Al-qudah, Aryan & Azzam, 2021).

Regulatory pressure seems to influence accrual accounting compliance among the federal MDA`s. The effect of regulatory pressure coming from the society, many agencies, and any other external party have become a key determinant of public sector accounting reform and implementation in Nigeria (Idiodi & Ibadin, 2022). As a consequence, international donors can also exert regulatory pressure on developing countries to adopt international best practices to increase accountability and transparency by the public sector to increase the credibility of the financial information (Amiri & Hamza, 2020). Hence, the influence of regulatory pressure cannot be undermined. To circumvent this point, better understanding of the effect of information technology usage and regulatory pressure on accrual accounting compliance is imperative for the development and growth of the federal MDA`s in Nigeria. In view of this, this study attempts to investigate the effect of information technology usage and regulatory pressure on accrual accounting compliance among federal MDA`s in Kwara State.

Drawing from the above established research problems, the study attempts to test the following research hypotheses;

$H_{01}$: Information technology usage does not significantly affect accrual accounting compliance among federal MDA`s in Kwara State.

$H_{02}$: Regulatory pressure has no significant effect on accrual accounting compliance among federal MDA`s in Kwara State.

## LITERATURE REVIEW

### Accrual Accounting

Scholars and practitioners in the field of accounting and finance have defined accrual accounting from various perspectives. According to Kieso (2021), accrual-based accounting recognizes revenue when it is earned or expected and records expenses when resources are consumed. Similarly, IPSAS (2006) defines it as a system where transactions and events are recorded when they occur, not merely when cash is received or paid, and are reflected in the financial statements for the relevant period. In other word, Congressional Research Service (2014) also describes accrual accounting as recording revenue when earned and expenses when incurred, regardless of cash movement. This method provides more accurate financial reporting by accounting for outstanding obligations and prepaid receipts, leading to a more precise measure of net income or loss. Shaw (2019) adds that while accrual accounting is traditionally used in the private sector, it has been implemented in the public sector through the New Public Management (NPM) initiative, which applies private sector practices to improve public financial management. Based on this conceptual discussion, this study adopts the definition provided by the Congressional Research Service (2014) in conceptualizing accrual accounting.

### Information technology (IT)

Information technology (IT) has been defined from different perspectives. Castagna (2021) describes IT usage as the deployment of electronic devices including hardware, software, and supporting infrastructure to manage and deliver information through voice, data, and video. Similarly, Valforex (2020) highlights IT as the design and implementation of computer networks for data processing and communication, involving hardware integration and software development to enable efficient data analysis and distribution. Bensala (2019) defines IT as the use of computer technology and electronic devices to access, process, transfer, and communicate information to management and other users for informed decision-making. Similarly, Leavitt and Whisler (2021) describe IT as the development and management of computer-based systems,

software, and networks for storing, processing, transmitting, and retrieving information. Proctor (2011) highlights IT's role in automating processes, enhancing communication, improving decision-making, and supporting the management of information across various sectors such as business, education, healthcare, and government. Drawing from these definitions, this study adopts Bensala's (2019) definition of information technology

**Regulatory Pressure**

Collins (2024) defines a regulator as a government-appointed individual or organization responsible for overseeing specific sectors such as banking, ministries, parastatals, or industries. Regulatory pressure, in this context, refers to the influence or coercion exerted on organizations to adopt accrual accounting practices. Regulatory pressure is thus considered a form of coercive isomorphism (DiMaggio & Powell, 2014). Similarly, Dallas and Pitt-Watson (2016) define regulatory pressure as the enforcement of rules by authorities to ensure compliance and accountability. In this study, it specifically relates to financial reporting, budgeting, auditing, and control standards. The Key regulatory bodies include the Office of the Accountant General, Auditor General, Ministry of Finance, and Fiscal Responsibility Commission. This agency is accountable for promoting transparency in public finance. The study examines how actively they engage with federal MDAs in Kwara State.

**Theoretical Framework**

The theoretical framework of this study is woven around the institutional theory and innovation diffusion theory. These theories were adopted because there is no universally appropriate or best theories that can single handedly explain the relationship between information technology usage, regulatory pressure and accrual accounting compliance among federal MDAs in all circumstances or situations. Institutional theory is used to determine the extent to which the application of accrual-based accounting is driven by the isomorphic (coercive, mimetic, and normative) phenomena. The institutional theory states that coercive pressure arises when organizations are forced to apply certain practices, because they are regulated by legislation. Organizations take several forms or adopt other organizations due to pressure from the government, other organizations, or the community. In this study, the regulatory pressure variable is a manifestation of coercive pressure (Saffarudin, 2010).

Building on this issue, innovation diffusion theory as postulated by Rogers (1962) defines innovation as an idea, practice, or object that is perceived as new by individual or other unit of adoption and diffusion as "the process by which an innovation is communicated through certain channels over time among the members of a social system. Overall, the diffusion of innovation is defined as the process by which an innovation is communicated through certain channels over time among members of the social system. The theory also specified and explained the five attributes of innovations that are perceived by the members of the social system to highly determine its rate of adoption, and defined the relationship between these attributes to rate of adoption. The attributes are: relative advantage, compatibility, complexity/simplicity, trialability and observability. Roger (1962) further argued that before management should decide on whether to adopt or not to adopt a new system, a country should be permitted to use the system on a trial basis in order to test its suitability. Based on this explanation, the adoption of institutional and innovation diffusion theories as theoretical framework is justified.

**Empirical Review**

Relevant empirical studies on the relationship between information technology usage, regulatory pressure and accrual accounting compliance were examined to provide readers with a comprehensive understanding of the previous studies in this field and the theoretical foundations supporting the study. For instance, Wynne (2019) used multiple regressions to explore IPSAS compliance among Birmingham city councils. The study found that external pressure to adopt accrual accounting is often misunderstood and not prioritized. It argued that accrual accounting is not new and may reflect political motives rather than clear superiority over cash accounting. Birmingham City Council, for example, has used accrual accounting for over 50 years. A key limitation of the study was its lack of balance, ignoring the reform's role in promoting transparency and accountability.

Hepworth (2019) used structural equation modeling (PLS-SEM) to investigate the determinants of accrual basis/IPSAS implementation in Bristol City. The findings indicated that transitioning from cash to accrual accounting is time-consuming and costly, with no clear evidence that the switch guarantees tangible benefits. Similarly, Adrian and Alexandra (2019) questioned whether the benefits of such a transition in government establishments justify the associated costs and risks.

Arthur, Sutrisno, Nurkholis, and Wuryan (2020) investigated how regulatory pressure affects the implementation of accrual-based accounting, with organizational culture as a mediating factor. Their study was conducted in Central and South Maluku Regency, Indonesia, using proportionate stratified random sampling. Findings revealed that regulatory pressure significantly influences accrual accounting adoption. Organizational culture was found to mediate the effects of both regulatory pressure and staff competence. However, the study's scope was limited, as it did not consider other influencing factors such as political will, financial resources, or technological capacity. Additionally, it lacked a detailed explanation of how organizational culture operates as a mediator.

Similarly, Eriotis, Stamatiadis, and Vasiliou (2021) examined the role of IT quality in accrual accounting adoption in Nigeria. Using a mixed-method approach and OLS regression, their results showed positive effects from IT quality, training reforms, staff education, and consultant support. However, the study failed to clarify how qualitative and quantitative data were integrated. Both studies highlight key drivers of accrual accounting but fall short in addressing broader contextual and methodological gaps.

Edogbanya and Kamardin (2019) examined factors affecting accrual accounting adoption in Ghana's public sector using multiple regressions. The study reported that high training costs pose a major barrier, potentially outweighing the benefits of implementation. However, the study focused too much on cost and ignored long-term benefits, affordable training options, external support, and the hidden costs of cash-based systems.

Mohammed and Allawi (2022) hypothesized that training costs significantly influence the implementation of international accounting standards. Similarly, Stamatiadis and Vasiliou (2023) argued that the adoption of accrual accounting is positively influenced by the quality of

information technology, training reforms, the educational level of accounting staff, and support from professional consultants.

Ahmed, Abdullahi, and Ibrahim (2023) studied the determinants of accrual-based IPSAS implementation in Nigerian federal ministries using PLS-SEM. They found that political will, infrastructure, manpower, and cultural change significantly influenced implementation. Coordination had a negative impact, while collaboration and legislation were insignificant. Similarly, Rakoto (2023) used logistic regression analysis to investigate the determinants of IPSAS implementation in Nigeria. The findings reported that political commitment was essential for accounting reforms to become a national priority and gain funding from the international community. Similarly, prior studies such as (Balogun, 2019; Oluwaseyi, 2020; Samson, 2021; Adeola, 2022) argued that the success of government accounting standards adoption and implementation mainly depends on political and management support. Similarly, Hammed (2023) found a significant positive relationship between political will and IPSAS implementation. Joshua (2023) reported that infrastructure development positively influenced the adoption of global accounting standards. Augustine (2023) identified effective coordination as determinant of IPSAS implementation in Nigeria. Poor communication between civil servants and accountants led to misunderstandings and weak stakeholder support.

## METHODOLOGY

This study adopted a one-time cross sectional survey research design. This design is appropriate where the researcher measures the opinion of many respondents at the same time (Churchill, 2019). The study sought to collect data from the federal Parastatals and Agencies with Self-Accounting Units in Kwara State to measure the determinants of accrual accounting compliance. The population of this study comprises of 206 senior staff of 11 federal Parastatals and Agencies operating Self-Accounting Units in Kwara State, Nigeria. These include National Center for Hydropower Research and Development (NCHRD), Federal Road Maintenance Agency (FRMA), Michael Imoudu National Institute for Labour Studies (MINILS), University of Ilorin Teaching Hospital (UITH), Independent National Electoral Commission (INEC), Lower Niger River Basin Development Authority (LNRBDA), National Store Product Research Institute (NSPRI), Agricultural and Rural Management Training Institute (ARMTI), National Centre for Agricultural Mechanization (NCAM), Federal Polytechnic Offa (FEDPOFA), University of Ilorin (UI). The total number of 206 staff was selected from 11 parastatals and agencies operating self-accounting unit (See Table1).

The sample size for the study is one hundred and thirty-six (136) respondents. The sample size was determined using Taro & Yamane (1967) statistical sampling method of determining sample size.

$$n = \frac{N}{1 + N\,(e)^2}$$

Where:

n= sample size, N= entire Population, e = Significance level (5% level of significance).

n= 206

$$\frac{206}{1 + 206\,(0.05)^2}$$

n = 135.9735
n = 136 respondents.
The study employed stratified random sampling by dividing the population into strata for accurate representation. Senior staff in the accounts and finance departments of Self-Accounting Federal Parastatals and Agencies in Kwara State served as the sampling frame. This group was chosen due to their expertise relevant to the research focus. A total of 136 respondents were selected to represent senior staff across 11 such agencies. The sampling aimed to assess the relationship between IT usage, regulatory pressure, and accrual accounting compliance.

**Table 1: Population of Self-Accounting Federal MDA`s in Kwara Sate and Sample Size**

| S/N | Self-Accounting Federal MDAs | Population | Sample size |
|---|---|---|---|
| 1. | National Center for Hydropower Research and Development (NCHRD) | 10 | 10/206 x 136 = 6.6 |
| 2. | Federal Road Maintenance Agency (FRMA) | 12 | 12/206 x 136 = 7.9 |
| 3. | Michael Imoudu National Institute for Labour Studies (MINILS) | 33 | 33/206 x 136 = 21.7 |
| 4. | University of Ilorin Teaching Hospital (UITH) | 16 | 16/206 x 136 = 10.5 |
| 5. | Independent National Electoral Commission (INEC) | 9 | 9/206 x 136 = 5.9 |
| 6. | Lower Niger River Basin Development Authority (LNRBDA) | 11 | 11/206 x 136 = 7.2 |
| 7. | National Store Product Research Institute (NSPRI), | 13 | 13/206 x 136 = 8.5 |
| 8. | Agricultural and Rural Management Training Institute (ARMTI), | 22 | 22/206 x 136 = 14.5 |
| 9. | National Centre for Agricultural Mechanization (NCAM), | 15 | 15/206 x 136 = 9.9 |
| 10. | Federal Polytechnic Offa (FEDPOFA), | 34 | 34/206 x 136 = 22.4 |
| 11. | University of Ilorin (UI) | 31 | 31/206 x 136 = 20.4 |
| | **Total** | **206** | **136** |

**Source: Author's computation (2025)**

This study employed primary method of data collected through a well-structured questionnaire. The questionnaire had two sections: one captured respondents' profile using ordinal and nominal scales, including age, gender, and education. The second section focused on variables related to accrual accounting compliance. Data was gathered directly from federal MDAs in Kwara State, Nigeria. Five-point Likert-scale ranging from Very highly often (VHO) = 5, Very often (VO) = 4, moderately often (O) = 3, Not highly often (NHO) = 2, Not often (NO) = 1. Senior management staffs such as head of account and finance, chief accountant, principal accountant, senior accountant, accountant II and accountant I were selected, questionnaire was distributed to those senior staffs and their phone numbers were collected for follow-up. At the end, 91.9% of the total distributed instruments were returned and useful for the analysis.

The data collected through the questionnaires was edited, coded, and tabulated to ensure completeness, efficiency, and accuracy. Descriptive statistics were used for data analysis and presentation. Additionally, multiple regression analysis, specifically the **o**rdinary least squares

(OLS) method**,** was employed to examined the relationship between the independent and dependent variables under study.

**Model Specifications**

The model specification for this study is stated as follows:

$$AAC=f(IT, RP) \ldots\ldots 3.1$$

Where: AAC = Accrual accounting compliance

IT = Information technology

RP = Regulatory pressure

Where: DAAC = IT, RP

It then follows that

$$AAC= \pounds(IT, RP) \ldots\ldots 3.2$$

Substituting equation (3.2) into (3.1), a multivariate relationship is arrived at as follows;

$$AAC_i=\beta_0+\beta_1 IT_i+\beta_2 RP_i+ \varepsilon_i \ldots\ldots 3.3$$

Where:

DAAC = Determinants of accrual accounting compliance

IT = Information technology usage

RP = Regulatory pressure

$\beta_0$ = Intercept of the model.

$\beta_1$ = Coefficient of each independent variable in the model.

$\beta_1, \beta_2, > 0$

$\varepsilon_i$ **=** Error term

The a-priori expectation of the model is a positive relationship between the dependent variable and independent variables, i.e., $\beta_1 > 0; \beta_2 > 0$

## RESULTS AND DISCUSSION

The table provides the descriptive statistics for the variables under study: Information technology usage, regulatory pressure, and accrual accounting Compliance. These statistics include the number of respondents (N), the mean values, and the standard deviations. For all variables, valid responses were obtained from 125 senior staff across the selected federal parastatals and agencies. The mean score of 4.104 on a 5-point Likert scale for information technology usage indicates that respondents generally agree that IT tools and systems are widely utilized within their organizations. The relatively low standard deviation (SD = 0.31685) demonstrates a high level of consistency in the responses, suggesting that participants hold similar views regarding IT usage, with only minor differences in opinion.

For regulatory pressure, the mean score of 4.372 reflects a stronger agreement that external regulatory demands significantly influence accrual accounting practices in the agencies. Although the standard deviation (SD = 0.35498) is slightly higher than that of IT usage, it remains low, indicating modest variation in respondents' perceptions. This still shows that most respondents consistently view regulatory pressure as an important factor. Regarding accrual accounting compliance, the mean value of 4.422 suggests a very high level of agreement that the agencies substantially comply with accrual-based reporting requirements. The standard deviation for this variable (SD = 0.26717) is the lowest among all three variables, signifying a very

strong level of agreement and minimal variability. This means respondents hold highly consistent views about the extent of accrual accounting compliance within their agencies.

**Table 2: Summary Statistics of the Study Variables**

| Variables | N | Mean | Standard Deviation |
|---|---|---|---|
| **Information Technology Usage** | 125 | 4.104 | .31685 |
| **Regulatory Pressure** | 125 | 4.372 | .35498 |
| **Accrual Accounting Compliance** | 125 | 4.422 | .26717 |

**Source: Author`s Computation, 2025.**

Table 3 assesses the reliability and validity of the constructs used in the study, while Table 4.4 details these measures. For accrual accounting compliance (AAC), factor loadings range from 0.69 to 0.95, with $AAC_1$ to $AAC_3$ showing strong contributions. $AAC_4$ and $AAC_5$ have moderate loadings. Reliability is supported by Cronbach's alpha (0.84) and composite reliability (0.89), indicating good internal consistency. An AVE of 0.63 confirms acceptable convergent validity. Discriminant validity tests show AAC is distinct from other constructs. Information technology usage (ITU) has factor loadings between 0.58 and 0.94. Items $ITU_1$ to $ITU_4$ are strong indicators, while ITU5 is weaker. Reliability is affirmed with Cronbach's alpha of 0.85 and composite reliability of 0.90. The AVE of 0.64 exceeds the 0.5 threshold, confirming solid convergent validity. ITU also passes discriminant validity checks. For staff competence (SC), loadings range from 0.90 to 0.95, indicating very strong item contributions. Cronbach's alpha (0.96) and composite reliability (0.97) demonstrate excellent internal consistency. An AVE of 0.86 confirms strong convergent validity, identifying SC as a key factor in AAC. Regulatory pressure (RP) shows factor loadings between 0.62 and 0.92. Items $RP_1$ to $RP_4$ load strongly, while $RP_5$ contributes less. Reliability is supported by Cronbach's alpha (0.89) and composite reliability (0.92). An AVE of 0.71 validates strong convergent validity, highlighting the importance of regulatory influence on AAC.

**Table 3: Reliability and Validity Statistic**

| Constructs | Items | Factor Loadings | Cronbach's Alpha | Composite Reliability | AVE | Discriminant Validity |
|---|---|---|---|---|---|---|
| Accrual Accounting Compliance | $AAC_1$ | 0.95 | 0.84 | 0.89 | 0.63 | Yes |
| | $AAC_2$ | 0.93 | | | | |
| | $AAC_3$ | 0.92 | | | | |
| | $AAC_4$ | 0.69 | | | | |
| | $AAC_5$ | 0.75 | | | | |
| Information Technology Usage | **$ITU_1$** | **0.94** | **0.85** | **0.89** | **0.64** | **Yes** |
| | $ITU_2$ | 0.93 | | | | |
| | $ITU_3$ | 0.90 | | | | |
| | $ITU_4$ | 0.85 | | | | |
| | $ITU_5$ | 0.58 | | | | |
| Regulatory Pressure | **$RP_1$** | **0.92** | **0.89** | **0.92** | **0.71** | **Yes** |

| | |
|---|---|
| $RP_2$ | 0.87 |
| $RP_3$ | 0.90 |
| $RP_4$ | 0.87 |
| $RP_5$ | 0.62 |

**Source: Author's Computation (2025)**

**Regression Result**

Table 4 shows that the independent variables explain about 73% of the variation in the dependent variable, with an $R^2$ value of 0.72. The model is statistically significant, supported by an F-statistic of 74.32 and a p-value of 0.00. These results confirm the model's overall fitness for hypothesis testing.

**Table 4: Regression Results**

| Variables | Coefficients | Std. Error | T-value | Sig. |
|---|---|---|---|---|
| ITU | 0.65 | 0.04 | 18.57 | 0.00 |
| RP | 0.67 | 0.04 | 17.25 | 0.00 |
| Constant | -1.46 | 0.23 | -6.25 | 0.00 |
| $R^2$ | 0.73 | | | |
| Adjusted $R^2$ | 0.72 | | | |
| F-statistics | 74.32 | | | |
| P-value | (0.00) | | | |

**Source: Field Survey, 2025.**

**Hypothesis Testing**

To examine the effect of information technology usage and regulatory pressure on accrual accounting compliance among federal MDAs in Kwara State, this study used regression analysis to evaluate the strength of the relationship between the dependent variable and each of the predictors. The findings, presented in Table 4.4, directly address the study's objectives. The coefficient of information technology usage (ITU) is 0.65, indicating that a unit increase in ITU is associated with 0.65 rises in accrual accounting compliance. This relationship is statistically significant at ($\beta$=0.65, t=18.57, $p<0.05$). Also, the coefficient of regulatory pressure (RP) is 0.67, implying that a unit increase in RP will results in approximately 67% rise in accrual accounting compliance ($\beta$=0.67, t=17.25, p = 0.00), while other variables are held constant. The R-squared value of 0.73 indicates that approximately 73% of the variation in accrual accounting compliance is explained by the predictors (ITU and RP) included in the model. The adjusted R-squared value, at 0.73, accounts for the number of predictors and offers a more conservative estimate of the model's explanatory power. The p-value for the F-statistic is 0.00, confirming that the overall model is statistically significant. This demonstrates strong evidence that the independent variables such as (ITU and RP) have a significant impact on accrual accounting compliance.

**Discussion of Findings**

This section discusses the main findings in relation to the study's research objectives. The study investigates the relationship between information technology usage, regulatory pressure, and accrual accounting compliance among federal MDAs in Kwara State. The discussion is organized according to the research hypotheses outlined in section one of the study. The analysis of the first hypothesis revealed that information technology usage has a positive and statistically significant

impact on accrual accounting compliance among federal MDAs in Kwara State. This finding supports the study's expectation and aligns with global public sector reforms aimed at enhancing governance and decision-making. It is also consistent with previous studies such as (Prewitt, 2019; Karunia et al., 2020; Herlina, 2021) that emphasize the role of IT in promoting compliance with accrual accounting standards. Although some contrary findings exist such as (Mhaka, 2021; Susan et al., 2022), the result is well supported by the Innovation Diffusion Theory, which explains how IT adoption through factors like relative advantage, compatibility, and institutional support can improve financial reporting, transparency, and compliance in MDAs.

The findings related to the second research hypothesis shows that regulatory pressure has a positive and significant impact on accrual accounting compliance among federal MDAs in Kwara State. This indicates that effective enforcement and monitoring can enhance adherence to accounting standards. The result aligns with the study's initial expectations and supports prior studies such as (Udeh & Sopekan, 2018; Nirwana, 2021) that links strong regulatory pressure to improved compliance. However, it contrasts with studies such as (Laga, 2022; Alabi, 2023) suggesting an insignificant or negative relationship. Institutional theory underpins these findings by emphasizing how external institutional pressures drive MDAs to adopt practices that improve compliance with accrual accounting standards.

## CONCLUSION AND RECOMMENDATIONS

This section provides the conclusions and recommendations on the relationship between information technology usage, regulatory pressure, and accrual accounting compliance among federal MDAs in Kwara State. Based on the empirical results of the hypotheses tested in section four, the study concludes that information technology usage and regulatory pressure have significant positive impact on accrual accounting compliance among federal MDAs in Kwara State**.** In view of the foregoing, the study provides the following recommendations;

i. The findings in the preceding paragraph reveal that information technology usage has a significant and positive impact on accrual accounting compliance among federal MDAs in Kwara State. Therefore, the study recommends that organizations employ IT-skilled professionals to conduct training and workshops for staff on the effective use of advanced technology in preparing financial statements in accordance with accrual accounting standards.
ii. Given the conclusion reach on the effect of regulatory pressure on accrual accounting compliance among federal MDAs in Kwara State. The study therefore, recommends that relevant agencies such as the Accountant General of the Federation, Ministry of Finance, Federal Inland Revenue Service, and Auditor General of the Federation should conduct regular inspections and maintain consistent oversight of federal MDAs to guarantee effective compliance with accrual accounting standards.

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