

The Influence of Kades's Leadership Style Toward the Land and Building Tax (L and B Tax) Payment According to Equity Theory Perspective Versus Maslow Theory in Mataraman Javanese Society

Dewi Prastiwi, Aisyaturrahmi, Dianwicakasih Arieftiara

*Corresponding author E-mail: dewiprastiwi@unesa.ac.id

Abstract

The research aims to prove empirically the influence of Kades/kades's leadership style to the L and B Tax payment obedience to the Mataraman Javanese society distinguished by its characteristic in being loyal to the leader. This research approaches quantitatively by using the primary data in the form of questionnaire directly spread to the respondents in 15 districts of Madiun. The result of the research shows that there are the influence between the kades's leadership style assessment and the the L and B tax payment obedience. Based on the alternative test result, democratic and autocratic leadership styles have big influences in the obedience of L and B tax payment, meanwhile the participatory and delegative leadership styles do not. It confirms the Equity Theory where individual will always assess the received input and output equity. On the other hand, in accordance of Maslow's Theory, the society which is on the physiological need stage tends to accept the autocratic leadership style since they remain to have no sufficient motivation to fulfill the social needs.

Keywords: Leadership Style, Compliance, Maslow Theory, and Equity Theory

1. Introduction

Leadership is one of the factors evoking the success of an organization. The research scope in leadership comprises the identification of the matters, which differentiate the leaders who are successful and not, as the leadership effectiveness relates directly to the business performance. (Collins, 2001; George, 2003; Bossidy & Chara, 2002). Their roles in supporting the organization success prevail on not only the business organizations but also the public ones.

The organizational structure of Indonesia government comprises provinces, regencies/cities, village. Based on Ministry of Home Affairs Data, Year 2013, there are 72.944 village administration areas and 8.309 village administration areas. The success in tax collection and local charges regulated in Law Number 28 Year 2009 has significant role as the standard of the village performance effectiveness.

The research discern interestingly to the L and B Tax payment collection in villages, particularly in Madiun Regency as it is a part of Tlatah Mataraman consisting of a group of people acquainting each other, living in mutual assistance, and relatively sharing the similarities in customs in controlling their social lives (Nurcholis:2011). The Mataraman Javanese society disapproves those who are too solemn in having attitude and appearance, and distinguished as loyal to the leader (Leni, 2012).

Relating to the L and B Tax Payment, as the state representative, Kades possess the closest position to the taxpayers. A leader should play significant and strong role to the organization effectiveness (Rodrigues & Madgaonkar, 2014; Siagian, 2003; Harbani, 2007). In case through his leadership Kades enables show the ability to create the people's trust to the government performance with upholding each of their right and obligation, it can conduct them to fulfill their tax compliance. In accordance to the Prastiwi's research (2014), Kades's leader figure greatly influences to the villagers' consciousness of L and B Tax Payment. This phenomenon is prompted by 1) The society considers kades "father" which is the model in having certain attitudes as well as behaving which means that if he commits violation of norms and laws the society can be motivated to do the same as him; 2) Kades is the reflection of the most inferior government directly having a contact with the society whose assessment or perception toward Kades is the depiction of society appraisal of the government, including the society belief delineation toward the usage of L and B Tax Payment. Thus, the developed hypothesis states: "the leadership style influences the compliance of L and B Tax payment".

2. Research Method

The employed approach of the research in this research is quantitative by using primary data collected directly from the L and B taxpayers as the respondents along with the use of the instrument of questions or statements list (questionnaire). The research population is the

L and B tax payers in 15 districts in Regency Madiun with using the random method for samples withdrawal. The questionnaire uses the Likert scale containing a number of statements and questions relating to the research object.

The independent variable in this research is the leadership style. The research defines the leadership style as the set of characteristics used by the leader to influence the subordinates in order to achieve the target or commonly considered as the preferably, applied behavior pattern. The leadership styles can be divided into 4: 1) Democratic; 2) Autocratic; 3) Participatory; 4) Delegative. The dependent variable is the taxpayers' compliance defined as those who pay L and B tax on time and never have the tax arrear. To test the hypothesis, the research provides the coefficient line showing the causal relation between those variables. It is denoted in the structural equation modeling equation:

$$Y = \alpha + bX_{(1,2,3,4)}$$

Information :

Y = L and B Tax Payment Compliance

X = Leadership Style

3. Findings and Discussion

Based on the F examination result, the hypothesis of the influence of Kades's leadership to the L and B tax payment compliance can be accepted with the sig level 0,005.

Table 1: Simultaneous Test

	Model	Sum of Squares	Df	Mean Square	F	Sig
1	Regression	2,568	4	0,642	3,904	0,005
	Residual	23,847	145	0,164		
	Total	26,415	149			

Source: Data summarized from the result of data processing with SPSS

The alternative test is conducted to provide the further explanation about the kind of leadership style type influencing the L and B tax payment compliance at the most. Based on the partial test, evidently the democratic and autocratic leadership styles have the influence to the L and B Tax payment obedient, with democratic leadership style possessing the biggest effect indicated by having the sig level 0.003 lesser than the autocratic leadership style sig level which is 0.010 as the Table 2 denotes. Meanwhile, both of participatory and delegative leadership styles cannot give any influence to the L and B tax payment compliance.

Table 2: Partial Test

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig	Correlations
		B	Std. Error	Beta			Zero-order
1	(Constant)	2,462	0,398		6,190	0,000	
	X ₁	0,271	0,089	0,309	3,035	0,003	0,189
	X ₂	0,157	0,061	0,221	2,564	0,010	0,175
	X ₃	-0,077	0,091	-0,088	-0,844	0,400	0,026
	X ₄	0,019	0,046	0,034	0,415	0,679	0,072

Source : Data summarized from the result of data processing with SPSS

Under Attribution Theory, by Fritz Heider (Baron & Byrne, 1984), the obedience emerges through the factors both internally and externally. The society contribution in the form of L and B Tax payment toward government depends on the leader's way of influencing the subordinates' behaviors to be willing to work together productively to achieve organization purposes (Hasibuan, 2011:170).

Proved by the result of the questionnaire deployment, generally, respondents can be classified to two major groups: those who have low income and education levels and those who have intermediate ones. The highest education level of the first group is middle schools with the farmer as the occupation, while the rest group has the high school as the highest education level with the entrepreneur and employee as the most occupations. The second group respondents respond positively to the democratic leadership style. Within democratic leadership style, every individual will be appreciated and respected as a human being who has the different ability, will, thought, interest, attention, and opinion. Each individual will have a place to have a role in government according to his or her capacity. This confirms the Equity Theory where someone is motivated to withhold the equity in trade relation and assess the equity by comparing between input and output (Binberg, 2006). When the leader is able to treat his society in justice both procedurally and distributively, respect and appreciate the difference of citizens' will, thought, interest, attention, opinion, and rights, the society will tend to prosocially behave by complying their responsibility as the citizens.

Motivation also affect the compliance. Human's motivation according to Abraham Maslow (Noltemeyer, Bush, Patton, Bergen, 2012) refers to the hierarchical primary needs: 1) Motivation to fulfill the physiological needs in the form of food, clothing and shelter needs; 2) Motivation in fulfilling the security and work safety needs. This need indicates to the feeling of being safe, peaceful, and guaranteed for his position, authority, and responsibility as the employee; 3) Motivation to satisfy the social needs which is the need of affection and friendship (teamwork) in the work group or intergroup, of being involved, intensifying the connection with certain stakeholders, the growth of togetherness including sense of belonging in the organization; 4) Motivation of achievement needs (Esteem Needs); 5) Motivation to fill the needs of upgrading the work capacity (Self actualization).

The first group respondents, the small society with the low-income level, give the positive responses to the autocratic leadership style. Correlating to Maslow's Needs Theory, respondents remain to be motivated to fill the primary needs (physiological needs) which are clothing, food, and shelter. They have not been stimulated to concern about the other needs which are the social needs (the feeling of

involving in a group), thus they have no thoughts of the importance of the recognition about their ability, will, thought, interest, and attention as the citizen. Besides, most of the respondents reach middle school the highest education level and it will influence their behaviors and points of view toward the leader. This individual will assess the leader as the one who has the full authority and has the absolute rightness so that all his decision will be valued as right. This individual has a sight that the leader and/or the authorities towards the process of assigning the taxation policies as the people who have the authority and appropriated skill so that every single thing is assigned and seen as something fair and right. Therefore, the individuals asses the autocratic leadership style tending to centralize the authority to himself, to dictate how the tasks should be done, to take the decisions by himself, and to limit the initiative and the power of human thought. The respondents consider it as not a problematic matter as for them, the important thing is to perform and do the tasks and obligation as the citizens.

4. Conclusion

The result depicts that Mataraman society nevermore becomes loyal to the leader. The culture fades as the society's knowledge and understanding increase. If the leader cannot prosocially behave based on the goal assigned to his leadership, thus they will not do so, like the lack of will in paying taxes.

References

- [1] Baron, R.A. and Byrne, D. (1984). *Social Psychology. Understanding Human Interaction*. Fourth Edition. Allyn and Bacon Inc.,Bosyon.
- [2] Binberg,Luth & Shield. (2006). *Psychology Theory in Management Accounting Research*. Handbook of Management Accounting Research.
- [3] Bossidy, L., & Charan, C. (2002). *Execution: The Discipline of Getting Things Done*. Crown Business.
- [4] Collins, J. (2001.). *Good to Great: Why Some Companies Make the Leap, and Others Don't*.
- [5] George, B. (2003). *Authentic Leadership: Rediscovering the Secrets to Creating Lasting Value*. Jossey-Bass.
- [6] Hasibuan. (2011). *Manajemen: Dasar, Pengertian dan Masalah*. Bumi Aksara: Jakarta.
- [7] Leni. Nurhasanah. (2012). *Demokrasi dan Budaya Lokal di Jawa Timur Menurut R. Zuhro.dkk*. Jurnal TAPIs Vol. 8 No.1 Januari-Juni.
- [8] Nurcholis, Hanif. (2011). *Pertumbuhan dan Penyelenggaraan Pemerintahan Desa*. Jakarta: Erlangga.
- [9] Noltemeyer. Amity. Bush K. Patton J. Bergen.D. (2012). *The relationship among deficiency needs and growth needs: An empirical investigation of Maslow's theory*. Children and Youth Services Review 34 pp 1862–1867
- [10] Prastiwi Dewi. (2014). *Identifikasi Permasalahan Tunggakan Pajak Bumi dan Bangunan (PBB) di Wilayah Kabupaten Madiun*. Jurnal Ilmu Ekonomi. Vol 2 No. 1 Edisi Maret.
- [11] Pasolog, Harbani. (2007). *Teori Administrasi Publik*. Bandung: Alfabeta.
- [12] Rodrigues & Madgaonkar, (2014). *Conceptual Framework of Leadership based Organizational Effectiveness Model*. Pertanika Journal.Soc.Sci & Hum.22 (2):409-418
- [13] Siagian, Sondang. P. (2003). *Teori dan Praktek Kepemimpinan*. Jakarta: PT. Reneka Cipta.
- [14] Undang-undang Nomor 28 Tahun 2009 tentang Pajak dan Retribusi Daerah