



The Fifth International Conference on
Entrepreneurship and Business Management

PROCEEDING

ISBN No. 978-979-9234-59-9

**“Entrepreneurship
and Management
in Turbulent Global Environment:
From Start-Up
to Global Business”**

**Tainan, | 17-18
Taiwan | NOV 2016**

Conference Venue:
**International Conference Hall, 10F
Library, Kun Shan University**

Organized and hosted by:



 <http://icebm.untar.ac.id>

PREFACE

The International Conference on Entrepreneurship and Business Management (ICEBM) is a conference that aims to facilitate the exchange of best practices information and knowledge dissemination in the field of entrepreneurship, business, and management. The ICEBM is organized by Tarumanagara University and collaborating universities as well as related institutions. The conference provides the forum for various groups of professionals including practitioners, researchers, academicians, practitioners, government officials, individuals in society, and graduate/ postgraduate students.

Following the success of the Fourth ICEBM that was held in Bangkok, this year the Fifth ICEBM is held in Tainan in collaboration with Kun Shan University, Ciputra University, Udayana University, Kristen Krida Wacana University and Trisakti School of Management. The main theme of the Fifth ICEBM is “Entrepreneurship and Management in Turbulent Global Environment: From Start-Up to Global Business”.

The turbulent global environmental forces are constantly presenting new opportunities and threats. Entrepreneurs and managers are increasingly taking a global view of the company’s market opportunities and competitions. Mark Zuckerberg, Founder of Facebook, embraced change, created new solutions to unmet needs and managed to shape the incredible rocket growth from start-up to global giant. A primary feature of the conference is to consider the dynamics of entrepreneurship and management in the context of globalization. This posits challenges toward professionals and entrepreneurs in finding ways to vitalize the business development in the turbulent global environment.

In this Fifth ICEBM 2016, there were 126 abstracts received from the participants and 84 full papers were reviewed by ICEBM Scientific Committee. This committee comprises of 46 reviewers from 13 different institutions and 7 countries. The 84 full papers were received from 45 different institutions that came from 9 different countries: Brazil, China, Ethiopia, India, Indonesia, Malaysia, Philippines, Sweden, and Taiwan. A total of 75 out of 84 papers have been accepted. Reviewing process in this year is similar to last year where we applied a double blind peer-review process and scientific committee reviewed not just the abstracts received but also the full papers. These papers address diverse areas of application in entrepreneurship and business management. Starting from the field of accounting and finance, economics, marketing, and so forth through addressing a wide variety of theoretical and methodological approach.

This year papers that have been published to the book of proceedings will be further evaluated for possible submission to the special issue of Asia Pacific Management Review (APMR) and ASEAN Marketing Journal (AMJ). We hope that this book of proceedings could promote and stimulate further the discussion of practitioners and academics especially on business challenges and threats in turbulent global environment.

Finally, we would also like to thank all the contributing authors for their valuable work in supporting the success of the Fifth ICEBM. Thank you very much for your contribution.

Conference Chair

**Dr Keni
Prof. Chin-Chiuan Lin**

OPENING SPEECH FROM THE RECTOR OF TARUMANAGARA UNIVERSITY

Distinguished guests, ladies and gentlemen:

I am pleased to have the opportunity of addressing this important conference, widely known as the International Conference on Entrepreneurship and Business Management (ICEBM for short). After its first successful arrangement in Jakarta, followed by Bali, Penang, and Bangkok, this year's conference in Tainan, Taiwan, commemorates the fifth anniversary of the event, and I am immensely grateful for having found to date the Conference a continued success.

The purpose of the seminar actually is to provide a forum that facilitates the exchange of knowledge and experience of both practitioners and academics in entrepreneurship, business, and management. Here they can mutually share their findings. I would like to further remind all of us about the importance of the current Seminar, considering the chosen topic "Entrepreneurship and Management in Turbulent Global Environment: from Start-Up to Global Business." Basically the term start-up is still quite debated. The US Small Business Administration describes start-up as a "business that is typically technology oriented and has high growth potential." It is considered that the only essential aspect of start-up is growth! Because of this "growth potential," a start-up is able to provide its goods and services to a wider or larger market. As this happens, a start-up has no other choice but explores an unknown area or uses an innovative business model, trying to disrupt existing markets. This enables a start-up to enter a global business. From start-up to global business; one can imagine how difficult or turbulent is when a start-up involves globally or cross-border transactions of resources between two or many nations. For this reason, this Seminar actually is not just important but is even necessary in particular for those who try to understand and anticipate any possible threats and opportunities, which come along with the rapid change in the global environment.

Distinguished guests, ladies, and gentlemen:

I would like to conclude with the following notes. Firstly, while we organize the event co-hosting with Kun Shan University, this year's conference becomes special for the support of 4 other universities: Universitas Udayana, Universitas Kristen Krida Wacana, Ciputra University, and Trisakti School of Management (TSM). They provide assistance in the preparation and execution, leading this event to a success. I am thankful for their kind contribution. Secondly, our thanks also go to Kun Shan University for its utmost support and wonderful cooperation. I sincerely thank the Faculty of Economics of Tarumanagara University, in particular the organizing committee for their hard-work and dedication, making this important conference successfully possible. Finally, I would like to express my gratitude for the presence of distinguished speakers and a number of active participants from several countries. I wish you all a productive and fruitful seminar. Thank you.

Prof. Dr. Agustinus Purna Irawan

OPENING SPEECH FROM THE PRESIDENT OF KUN SHAN UNIVERSITY

First of all, it is an honor and a pleasure to hold the International Conference on Entrepreneurship and Business Management (The Fifth ICEBM 2016). I and staff of Kun Shan University to interact with all of you distinguished scholars and business elites at this marvelous conference.

In 2016, the government of R.O.C. (Taiwan) proposed a "new southward policy" not only to revive the foundation of the "go south" policy, but also to build new social and educational ties. Specifically, the policy focusing on strengthening relations between Taiwan and South and Southeast Asian nations would be set up. The policy would not be confined to trade and investment but would also include people-to-people, cultural, educational, research and other types of exchanges. This policy shows commitment to make Taiwan more ASEAN-oriented. Clearly, more business knowledge and understanding of South and Southeast Asian countries is necessary to Taiwanese researchers and business men/women. Therefore, it is an honor to host the Conference working together with the excellent partners of Universities in ASEAN. I look forward the Conference would become the best forum to share ASEAN-related knowledge. After the Conference, I sincerely hope that KSU will build a best academic and Business partners with the Tarumanagara University (UNTAR).

Finally, I highly recommend that please take the break to explore this amazing city of Tainan. Enjoy the Conference and take advantage of the opportunities it offers.

Prof. Yan-Kuin Su

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MOTIVATIONAL POSTURES, KNOWLEDGE, AND PEER REPORTING BEHAVIOR TO TAX COMPLIANCE DECISION: EXPERIMENTAL STUDIES ON STUDENT ENTREPRENEURS

Elen Puspitasari¹⁾, Yeye Susilowati²⁾

Faculty of Economics and Business, STIKUBANK University, Semarang, Indonesia

¹⁾elenmeiranto@yahoo.com

Abstract

Entrepreneurship is not out of the reach of students. Subjects of entrepreneurship in universities provided with a spirit of togetherness and a high passion to encourage the emergence and development of modern Indonesian entrepreneurs coming from the campus. The expected output of the process of teaching entrepreneurship is a real action of entrepreneurship, which starting a business with the right principles. Therefore, it is important for student entrepreneurs to understand the taxation. We examine and investigate how the postures motivation, knowledge of taxation, and peer reporting behavior influences tax compliance decision in experimental studies. In our experiment, the posture of motivation and knowledge of taxation are internal factors is placed as a covariate variable. While, peer reporting behaviors are external factors as an experimental variable which are divided into two treatments. Therefore, our research design called with Quasi Experimental Design Between-Subject with Covariate with random assignment method. Subjects in these experiments were 98 student entrepreneurs who have selected as participants on business expo. The analysis technique used was Analysis of Covariates. Our main results are twofold: First, we investigate that the posture of motivation and tax knowledge as concomitant factors affect tax compliance decisions. Second, we find that tax compliance decisions will be higher on subject experiment who obtained the compliant peer reporting behavior.

Keywords: Tax Compliance Decisions, Motivational Postures, Knowledge, Peer Reporting Behavior, Student Entrepreneurs

Introduction

Tax is a terminology that invites diverse opinion, perception, and reasoning in most of big society (pajak.go.id). Essentially, taxes are the means for the welfare of the people. Therefore, the state must bring about share of justice or distributive for the community. Justice sharing can be realized by obedience or compliance of the people to the government through payment of taxes. Therefore, the tax is a means of sharing of people who have excess financially through government hands. A tax for the government of Indonesia is one of the largest sources of state revenue. In State Budget 2016, the revenues targeted to reach 75% coming from tax revenue administered by the Directorate General of Taxation. This figure has increased almost 30% from 2015 realization.

Studies on tax compliance decisions will continue to develop widely different approaches in terms of theory, variables, and other research methods (Torgler, 2002). Alm et al. (2012) and Barbuta (2011) proved that the tax compliance is influenced by various factors; it is based on theoretical testing and results of empirical study. This shows that the development of research on tax compliance will always be interesting area for research, although some previous researchers have tried to develop a tax compliance model (Alabede et al., 2011).

The obligation to pay taxes as mandated by law, which is the rule in life groups in a country. Each member of the group should be involved in supporting a harmonious life, according to his ability. This is in accordance with the theory of motivational postures that have been developed by Valerie Braithwaite in 1995. Motivational postures used by the Australian Taxation Officer (ATO) for building a voluntary taxpaying culture into the pyramid of ATO Compliance Model (Braithwaite, 2003).

Alm and McKee (1998) classifies tax compliance decisions in experimental research into internal and external approach to the individual taxpayer behavior. The research proves that the moral behavior (internal) derived from the individual taxpayer cannot be ignored in the decision of tax compliance. It supports the research that has been conducted by Hanno and Violette (1996) showing that taxpayers who have a strong commitment to social norms tend to behave more submissive.

The fundamental difficulties in empirical tax compliance studies are the availability of detailed and reliable information, which relates to the choice of individual taxpayer compliance decisions. Compliance measurement in the OECD Tax Guidance Series (2001) recommends using experimental design is considered as an ideal method of data collection in the study of tax compliance (Togler, 2002; Fallan, 1999; Ghosh and Crain, 1995). Therefore, this study uses an experimental design that will lead researchers to discover causal relationships that influence the behavior of taxpayers in tax compliance decisions.

The purpose of this study was to examine the influence of internal factors taxpayer that placed as covariates and external factors taxpayers on tax compliance decisions in an experimental study. Motivational postures and tax knowledge placed as covariance variable in this study, because both of variables are intrinsic factors from individual taxpayer that cannot be controlled. Meanwhile, peer reporting behavior is external factor as experimental variables.

The interesting thing in this experimental study is to determine the student entrepreneurs as subjects of the experiment. Previous experimental studies using the individual taxpayer who has his own business activities. The results prove that their motivational posture has no influence on the tax compliance decisions (Puspitasari and Meiranto, 2014; Puspitasari et al., 2015a; 2015b). Finally, in these current studies with student entrepreneurs as subjects of the experiment, we proved that the motivational postures have influence on the tax compliance decision. The result of this study also finds that tax knowledge and peer reporting behavior affect entrepreneur students' decision to determine their tax compliance.

Theory and Hypotheses

Tax compliance decisions can be interpreted as a decision of the taxpayer to obey in reporting actual amount of income and pay taxes in accordance with the rules set by the tax authorities. Decision of tax compliance is a complex process (Chan et al., 2000). Tax compliance decisions are influenced by several factors, such as economic, demographic, behavioral, and even cultural variables. These variables influence each other and interact in determining how the level of tax compliance decisions to be made.

Posture motivation is the mental attitude (stances) of the individual taxpayer is expressly shown by the taxpayer to the tax authorities on systems, structures, and procedures of tax applicable (Braithwaite, 2003: 16). Braithwaite (2003: 18) has identified five postures motivation is an important component in tax compliance, which is divided into two parts orientations. Two postures of the first part reflects a positive orientation toward authority, namely the motivational posture of commitment and capitulation. While three postures of the second part describe the resistance (defiance) of the tax system, i.e. the motivational posture of resistance, disengagement, and game playing.

Posture commitment illustrates a level where an individual taxpayer consciously on his own desire to feel involved with the mission assumed by the regulator as a tax collector of the society. Posture capitulation describes individuals who accept the rules applied to him by the tax authorities without being involved with the mission of the tax authorities. Posture resistance reflects a fight openly against the tax authorities in relation to how the tax authorities to exert its authority. Postures disengagement and game playing depict a more serious resistance against the tax system. Posture disengagement involves psychological dissociation from the tax authorities. Individuals with this posture characters have built immunity in his of authority possessed by the tax authorities want to bring them into the system. Game playing postures represent behavior that is more imaginative in order to avoid the provision by playing rules.

The book of Taxing Democracy published by Braithwaite (2003) has introduced a number of empirical researches on motivational posture. The results showed that the different motivational posture can influence the decision of tax compliance. Posture motivation can be changed according to the circumstances of the relationship between taxpayers and tax authorities. Therefore, it is necessary to do a study to test whether the posture of the commitment and capitulation that has a positive orientation; and the posture of resistance, disengagement, and game playing with defiance oriented will affect the level of tax compliance decision.

H1 : Student entrepreneur with positive (deviance) oriented motivational posture will have higher (lower) tax compliance decision.

Tax Knowledge is divided into two aspects. First, the knowledge obtained directly. Secondly, the knowledge acquired through formal education (Harris, 1989 in Palil and Mustapha, 2011). Hoffman et al. (2008) in literacy studies suggests that an important factor affecting tax compliance is knowledge about the complexity of tax law and tax rules. Most taxpayers do not understand tax law correctly. They have difficulty in understanding the tax laws, because it is complex and complicated. Therefore, improving the knowledge of taxpayers about the tax rules, tax audit, and tax penalties will be a positive influence on tax compliance.

The empirical findings of Singh (2003), Eriksen and Fallan (1996), Harris (1989) in Palil and Mustapha (2011) and Palil (2010) provide evidence that knowledge of the tax increase tax compliance. Palil and Mustapha (2011) prove that the tax knowledge plays an important role in the success of the self-assessment system (Palil 2010). Tax knowledge includes the ability of taxpayers to understand the legal and tax regulations as well as their decisions in the tax compliance (Palil, 2010 and Loo, 2006).

H2 : Student entrepreneur with higher (lower) tax knowledge will have higher (lower) tax compliance decision.

Reference will shape a person's behavior. Referent or peers who do not comply will lead noncompliance taxpayers who always assume the existence of peer will very significant in every decision (Spicer and Lundstedt, 1976). Firstly, the concept of referent group presented by Robert Merton in 1957 (Hite, 1988). Reference group is defined as a unit that is used individually as a frame, benchmark for determining the formation of attitudes and intended to do an evaluation of the individual self.

Factors influence of peer (peer influence) or referents groups can be obtained from family, friends and colleagues (friendly persuasion). Peer influence has been implicated in the decision of a taxpayer for tax evasion (Allingham and Sandmo, 1972). Hanno and Violette (1996) in a study of tax compliance literacy states that some researchers have provided important notes on the relationship between individual factors and social environment on taxpayer compliance decision. If a taxpayer has a belief that the behavior exhibited by the social environment, namely people or social groups that are considered important (referent) must be done, then the taxpayer will be motivated to do so.

Jackson and Milliron (1986) showed that peers are obedient (compliant peers) have a positive impact on the behavior of tax compliance decisions. This shows that obedient peers (non-compliant) influence positive (negative) impact on tax compliance behavior. So that non-compliant peers will result in an increase in cases of tax evasion.

H3 : Student entrepreneur with compliant (non-compliant) peer reporting behavior will have higher (lower) tax compliance decision.

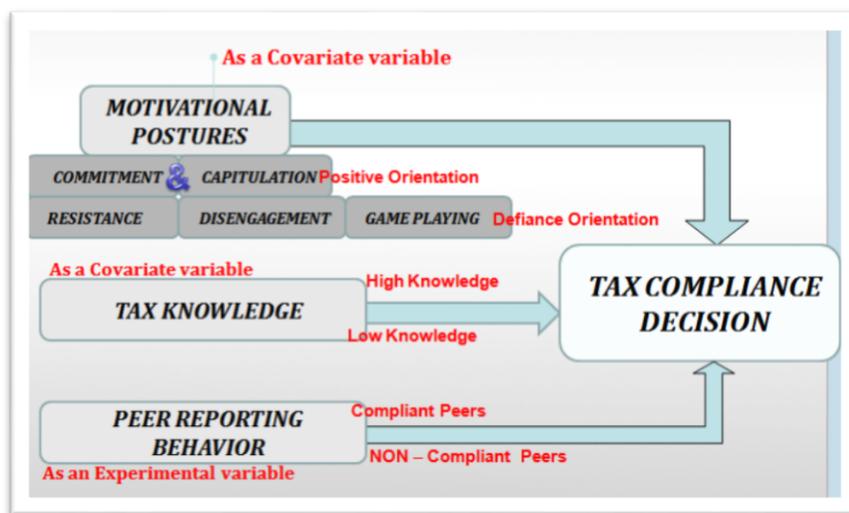


Fig. 1 Empirical Model

Methods

This study used an experimental method which is a method of active research. Researchers are actively manipulating the independent variables and measure their impact on the dependent variable (Nahartyo, 2012). This study is a quasi-experimental research, because researchers (experimenter) have limitations in doing randomization and manipulation to control the overall research variables. Forms of experimental design were also influenced by the researchers' ability to control the every cell that was built in answering research questions (Gould, 2002).

Quasi Experimental Design Between-Subject with Covariate with Random Assignment Method is an experimental design used in this study. This method is carried out with the aim to increase the level of confidence that there is no systematic difference between the participants' level of treatment. The independent variable (experimental variables) peer reporting behavior has two levels of treatment divided into compliant and noncompliant peer scenarios. Each participant (subjects experiment) gets one level treatment of experimental variables peer reporting behavior.

The participants for these experiments were 98 students entrepreneur who has been doing business expo. They are students who have taken Entrepreneurship class, namely Being Entrepreneurs (second semester); Leading Enterprises (third semester), and Enterprise Controlling (fourth semester). Students who participated in the business expo are their elected through the selection of a business plan proposal, then running their business activities at the business expo event. Implementation of the experiment in this research conducted in six rounds.

Table 1. Between Subjects Participants

Round (n)	Peer		Posture		Knowledge	
	PEC	PEN	Positive	Deviance	High	Low
1 (18)	9	9	15	3	15	3
2 (17)	8	9	7	10	7	10
3 (17)	8	9	12	5	12	5
4 (12)	6	6	9	3	9	3
5 (15)	7	8	10	5	10	5
6 (19)	11	8	13	6	12	7
Σ = 6 (98)	49	49	66	32	65	33

The measurement of the research variables is described in detail below. Tax compliance decision is an ethical decision made by the participants to declare the amount of income to be reported. Variable tax compliance decision on this experimental research has measured with the response of participants on how much total income they reported of each level of treatment or manipulation given (Trivedi et al., 2003; Gosh and Crain, 1995; Reckers et al., 1994; Alm et al., 1992) of each experimental variables in percentage. Measurement of posture motivation and tax knowledge as covariate variables conduct in the early stages of experiments. 29 instruments motivational postures statements and 31 instruments of tax knowledge on a 1 (strongly disagree) to 5 (strongly agree).

Table 2. Research Variables

Variable Function	Research Variable	Code (Level)	Measurement
Dependent	Tax Compliance Decision	DECISSION	Tax Compliance Decision Scenario
Independent (Experiment)	Peer Reporting Behavior	PEER (1) PEC-Compliers (2) PEN-Non compliers	Peer Reporting Behavior Scenario
Independent (Covariate)	Motivational Postures	POSTMTV	29 Statement Motivational Postures (Braithwaite, 2003)
	Tax Knowledge	KNOWL	The General Tax Provisions and Procedures Law prevailing in Indonesia

Participants have the positive orientation of posture motivation, if the value of the average total score of posture commitment and capitulation is greater than the value of the average total score of posture resistance, disengagement, and game playing. As for the level of tax knowledge is measured from the average value of the total score of the knowledge of all participants. If the total score of the knowledge of a participant is equal to the average or above average value, then the participants had a high level of tax knowledge.

Peer reporting behavior is defined as external influences derived by the taxpayer from the decision of reporting income from friends or colleagues or people nearby (referent group) that may influence the decision of tax compliance. Manipulation is done by providing information to the participants about the situation overview peer behavior in experimental media. Variable peer reporting behavior is non-metric variables, where measurement using two categories, namely category 1 (PEC) for reporting behavior of peer-compliers, and category 2 (PEN) conduct peer reporting non-compliance (non compliers).

Table 3. Motivational Postures and Tax Knowledge Measurement

Covariate Variables		Items	Covariate Variables		Items
MOTIVATIONAL POSTURES			TAX KNOWLEDGE		
1	Commitment	8	1	General (Incumbency of Taxpayers)	8
2	Capitulation	5	2	Self Assessment System	6
3	Resistance	6	3	Sanctions	4
4	Disengagement	5	4	Tax Audit	2
5	Game Playing	5	5	Income Tax	3
			6	Tax Accounting	4
			7	Tax Compliance Criteria	4
Motivational Postures Statement		29	Tax Knowledge Statement		31

The entire assignment to each treatment in a randomized experiment progresses, and supervised by the experimenter during the process underway. Checks manipulation performed at the end of treatment. The whole series of experimental stages completed in an average of thirty minutes.

The hypothesis was tested using ANCOVA (Analysis of Covariance). The models equations are used to test the hypothesis are as follows:

$$DECISION_{ijk} = \mu + \alpha PEER_i + \beta POSTMTV_j + \beta KNOWL_k + \epsilon_{ijk}$$

Where:

- DECISION_{ijk} : Tax Compliance Decisions
- μ : Mean general
- $\alpha PEER_i$: The effect of level *i* of factor peer reporting behavior Compliers' and non compliers')
- $\beta POSTMTV_j$: Regression coefficient (effect) of the value of the covariate Posture Motivation
- $\beta KNOWL_k$: Regression coefficient (effect) of the value of the covariate Tax Knowledge
- ijk : random error

These studies also analyze the Pair wise Comparisons resulting from Estimated Marginal Means. The tests are to determine the effect of differences in the treatment of dependent variables by eliminating the influence of covariates. Tests to answer H1 and H2 followed by Independent-Samples t Test one-tailed, it was done because the posture variables motivation and tax knowledge as a covariate in the ANCOVA required is metric.

Results

ANCOVA assumption test for homogeneity of the data obtained from the results of Levene's Test of Equality of Error Variances that shows F value of 0.249 with probability 0.619 ($p > 0.05$), which means insignificant. This indicates that the error variance of the decision variable tax compliance among the group is homogeneous; thus meeting the assumption of ANCOVA. Corrected models are obtained from test Between-Subjects showed the significance of 0.000 is far below 0.05; then at the 95 percent confidence level can be concluded that simultaneous posture motivation, knowledge of tax and peer reporting behavior have influence on tax compliance decisions.

Table 4. Tests of Between-Subjects Effects

Source	F	Sig.
Corrected Model	147.063	.000
PEER	88.768	.000
POSTMTV	5.384	.022
KNOWL	48.932	.000

R Squared = .824 (Adjusted R Squared = .819)

The results of testing the hypothesis by ANCOVA showed that the main effect of the variable POSTMTV with F value 5.384 and p 0.022 was significant at 0.05. Variable KNOWL significantly affects to Tax Compliance Decision with F value of 48.932 with a probability of 0.000 (being under 0.05). Peer reporting behavior also have a significant effect on Decision Tax Compliance with F value of 88.768 and a probability of 0.000 (being under 0.05) The test results indicate that there are differences significant tax compliance decisions at the level of treatment conduct peer reporting and tax knowledge, but there is no difference in tax compliance decisions significant differences in motivation posture taxpayer. The test results indicate that there are significant differences in tax compliance decisions at every level of reporting behavior of peer treatment. This study proves that the posture of motivation and knowledge of taxation of the student entrepreneurs have a significant effect on tax compliance decision.

Further testing on the H1 is using Independent-Samples t Test. In the statistics panel on Table 5 shows the average tax compliance decisions for participants with positively oriented of posture motivation amounted to 92.88 percent, while participants with defiance oriented has an average tax compliance decisions for 62.19 percent. This shows that there are differences in the average tax compliance decisions between participants of student entrepreneurs who have positively oriented with defiance oriented posture motivation.

T values shown in equal variance assumed was 9.225 with a probability of 0.000. The conclusion is the decision of tax compliance among student entrepreneurs who have a positive oriented is different from the student entrepreneur who has the defiance oriented posture motivation. Thus there is statistical data to support the hypothesis (H1).

Postures motivational theory approaches in research tax compliance decision which states that taxpayers who have a positive oriented posture motivation (commitment and capitulation) describe taxpayers tend to be more obedient proven in this study. Therefore, this study is line with Braithwaite (2003) which says that taxpayers have the defiance oriented posture motivation (resistance, disengagement, and game playing) tend to behave not in compliance. The results of this study are very interesting, because it has different results from Puspitasari and Meiranto (2014); Puspitasari et al. (2015a; 2015b).

Table 5. Decision Tax Compliance Viewed from Student Entrepreneur Motivational Posture

	POSTMTV	N	Mean
DECISSION	Positive	66	92.88
	Defiance	32	62.19

Independent Samples Test

		Levene's Test for Equality of Variances		t-test for Equality of Means	
		F	Sig.	t	Sig.
DECISSION	Equal variances assumed	34.251	.000	9.225	.000
	Equal variances not assumed			7.487	.000

The results of testing the main effect on the tax knowledge on tax compliance decisions are shown in Table 6 prove statistically significant. The results of this study indicate that there are differences in tax compliance decisions at each level of tax knowledge. Based on the H2 test (Table 6) we can conclude that the average tax compliance decisions in participants who had high tax knowledge in contrast to the average tax compliance decisions of participants who have low taxes knowledge. These results suggest that the taxpayer who has high tax knowledge having average value of higher tax compliance decisions than the taxpayers who are low tax knowledge. Thus ANCOVA test results and Independent Sample t-Test supports H2.

Table 6. Decision Tax Compliance Viewed from Student Entrepreneur Tax Knowledge

	Knowledge	N	Mean
DECISSION	High	65	92.77
	Low	33	63.33

Independent Samples Test

		Levene's Test for Equality of Variances		t-test for Equality of Means	
		F	Sig.	t	Sig.
DECISSION	Equal variances assumed	40.650	.000	8.667	.000
	Equal variances not assumed			7.085	.000

This experimental study using the method of random assignment with between subject designs, in which participants in the study will undergo one treatment of each level of treatment peer reporting behavior variable. It is intended to increase confidence that there is no systematic difference between the treatment group subjects. Results obtained through techniques Analysis of Covariance on this study can be summarized as follows. Without the influence of the posture of motivation and tax knowledge at 95 percent confidence level there are significant differences between treatment levels reporting behavior peer (compliers and non compliers) against tax compliance decisions made by the student entrepreneur as a participants.

Table 7. Decision Tax Compliance Viewed from Peer Reporting Behavior

Estimates

Pair wise Comparisons

PEER	Mean	(I) PEER	(j) PEER	Sig ^a
compliers	92.423 ^a	compliers	Non compliers	0.000
Non compliers	73.292 ^a	Non compliers	Compliers	0.000

Estimates Marginal Means in Table 7 shows that the average of tax compliance decisions based on the effect of peer reporting behavior. Student entrepreneur as a taxpayers who have been influenced by reporting behavior of peer compliers has an average value of the decision is higher ($\mu = 92.423$), compared with a taxpayer who gained influence peer behavior reporting non-compliers with the average value average tax compliance decisions amounted to 73.292 percent and significant at $p = 0.000$.

Results of statistical analysis in Table 7 supports H3 which states that there are differences in tax compliance decisions between student entrepreneurs who has been given the influence of compliers peer reporting behavior with the non compliers peer reporting behavior. Thus, it can be concluded that compliers will influence the tax compliance decision of the participants to be more compliant, if compared with participants in the non-compliers peer influences.

Conclusion, Limitation, and Implications

Decision of tax compliance as the dependent variable in this experimental research is a complex ethical decisions. Using student entrepreneurs as participants in this study provide interesting results. Student entrepreneurs who have been conducting business expo are expected they will become a successful entrepreneur. Expectations of entrepreneurial learning in a university is the student entrepreneur will start and run their business in accordance with the right principles, including when they have earned income is required to pay taxes. Although in this case be a drawback to generalize externally. However, it can be thought that the internal factors need to be strengthened from the beginning before it becomes a real taxpayer.

Motivational postures and tax knowledge that exist within the individual taxpayer is believed to have influence or confounding effect on the tax compliance decision. Thus, when they are faced with non-compliers peer, the internal factors that they have still a strong influence. Therefore, the model of this experimental research by placing the posture motivation and tax knowledge as a covariate in the tax compliance model is appropriate. This research obtained additional analyzes, i.e. which is the student entrepreneurs who have positively oriented posture motivation, it tends they have a level of tax knowledge are also high.

Subsequent findings of this study are student entrepreneur given treatment compliers peer reporting behavior, then they will have the tax compliance decisions higher than the other student entrepreneur who has given the treatment non compliers peer reporting behavior. Therefore, variable of peer reporting behavior also determine the tax compliance decision. Research on tax compliance will always be attractive to develop. Posture motivation as a new approach in the study of tax compliance in Indonesia still needs to be further investigated. Required placement of other covariates variables in experimental research still needs to be considered, such as risk preferences and religiosity.

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Acknowledgement

The author wishes to acknowledge the help of Professor Arifin Sabeni from Diponegoro University. Special thanks are also extended to student entrepreneurs as a participant from Stikubank University for their support of this project. Statement of motivational posture and tax knowledge, treatment scenario and data are available on request.