

Affordable Housing Analysis in Malaysia: Strategic Challenges and Way Forward

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Abstract

Affordable housing is defined as housing that is adequate in quality and location but not so expensive that its tenants are unable to meet other basic living necessities. Malaysia's significant scarcity of affordable housing has become a national critical issue, compounded by growing urbanisation. This article digs into many difficulties that contribute to the housing crisis, such as the growing of high land value, land use restriction, land allocation and cost, lack of monitoring especially on government projects and accounts, unintegrated system within and among the ministries, technological changes, political instability, high expectation from the public and added with the bureaucratic bottleneck. The article critically assesses the Ministry of Housing and Local Government (MHLG) efforts to resolve this demanding situation. The study uses strategic management approaches such as PEST technique for external analysis, the McKinsey 7-S technique for internal analysis as well as SWOT technique for thorough analysis on the contributing factors with regards to the absence of affordable housing in Malaysia setting. Furthermore, the TOWS technique is utilized to generate feasible strategic options. This article hopes to bring significant insights to Malaysia's ongoing debate about affordable housing and influence future policy decisions aimed at tackling this critical challenge, detailing realistic ideas to improve the affordability of housing in Malaysia.

Keywords: *Affordable housing, Ministry of Housing and Local Government, Strategic Challenges, Malaysia, strategic management*

INTRODUCTION

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Affordable housing is defined as housing that is adequate in quality and location but not so expensive that its tenants are unable to meet other basic living necessities.

According to Maslow in 1943, he first proposed the concept of hierarchy of needs in his paper, "A Theory of Human Motivation." This hierarchy implies that people are driven to meet basic needs before moving on to more advanced needs. In Maslow's hierarchy of needs, housing is classified as a physiological requirement, located at the bottom of the pyramid which is essential for humans to

function properly as individuals and community. So, most people's biggest single lifetime investment is their home. Others, in contrast, will simply value home as a secure haven to achieve their requirements other than food and clothing (Musaddad et al., 2023).

Nonetheless, significant scarcity of affordable housing has arisen as a critical issue, compounded by growing urbanization especially in emerging countries like Malaysia. Majority of Malaysians, who are mainly constituted of people and families with lower salaries and live in diverse urban regions, struggle to afford a home. People's criticisms are becoming more vocal, particularly among those who are newly employed and looking for a place to live. Because housing has gotten more expensive, particularly in urban areas where economic opportunities abound, some segments of the population have been forced to shift to the periphery (Daud et al., 2022).

Malaysia's housing affordability declined from 4.0 to 5.0 in 2002, surpassing the 3.0 rate until 2016 (Daud et al., 2022). According to the Central Bank of Malaysia, a home is considered cheap if it costs less than 30% of a person's gross income. As long as the cost is under 30%, affordable housing is often characterized as basic housing with adequate access to public resources (Zamri & Baqutayan, 2020). Consequently, affordability has become a significant concern, particularly for urban residents as in Penang, Johor Baharu and Klang Valley, despite the desire for home ownership.

The Ministry of Housing and Local Government (MHLG) Malaysia or also known as KPKT plays a critical role as the principal governmental entity charged with addressing the issue of lack of affordable housing. MHLG works via strategic planning and policy implementation to produce long-term solutions that improve access to affordable housing, enabling a more inclusive and equitable living environment for the nation's residents. The ability of a country to maintain socioeconomic stability is directly influenced by the availability of low-cost housing. Nonetheless, MHLG must address this issue to prevent a rise in the number of homeless individuals who lack the ability to acquire a property, creating a society in which every person has access to safe, affordable housing.

AFFORDABLE HOUSING: A CRITICAL NATIONAL ISSUE

Housing affordability is a global issue affecting major cities in both emerging and mature countries including Malaysia. Malaysia's housing is judged "seriously unaffordable" by World Bank and United Nations criteria, with a house price-to-income ratio of 4.72 in 2020. Home prices increased by an average of 4.1% per year for six years, until 2020, nearly doubling the country's average income growth during the same period (Anand, 2023). International experiences have demonstrated that increasing the supply of affordable housing and lowering housing costs can solve the housing affordability problem (Liu & Ong, 2021). Malaysia has tried both tactics, but the housing affordability issue has never been resolved. The reality is that, while low-income groups' housing affordability is not attained, the majority of affordable housing supplied for low-income households goes unsold. Around 25.8% of the Klang Valley's 2.25 million families can afford the 2020 median dwelling price. Approximately, around 440,000 of them live in Selangor, with 129,000 in Kuala Lumpur. It can be seen that the average house prices climbed 5.6 times between 1990 and 2019, while real income assessed by GDP per capita increased only 2.8 times (Yeap, 2022). Since 1990, house price increase has outpaced real income growth by two times (Ong, 2020).

The ability to purchase housing is an important component in determining a country's socioeconomic balance and rate of development. The public's worry over housing affordability has been exacerbated by growing housing expenses, as well as the realisation that housing accounts for the majority of a household's budget (Musaddad et al., 2022). High property costs combined with lower salary increments make it harder for young people to buy a home, leading to an increase in the number of people who rent. The increased demand for housing, along with rising property prices, has resulted in a scenario in which cheap and accessible housing options are becoming increasingly limited. This phenomenon presents a substantial challenge, particularly for low-income families, increasing concerns of inequality and socioeconomic disparities. This article examines the issues of Malaysia's shortage of affordable housing, with a focus on the role of the MHLG. It provides insights into the challenges contributing to the issue and makes important recommendations that are consistent with MHLG's aims, emphasizing MHLG's efforts to resolve Malaysia's lack of affordable housing.

METHODOLOGY

This paper applies various strategic management techniques to address the issue with regards to Malaysia's lack of affordable housing – a critical and demanding issue faced by the MHLG. Additionally, this paper reviewed more than 30 articles and further verified with an interview with one of the MHLG representatives. A thorough desktop analysis involving both external and internal factors that influence the lack of affordable housing in Malaysia setting was performed, using PEST (political-economic-socio-cultural- technological) analysis technique to assess uncontrollable external opportunities and threats. Furthermore, extensive analysis was also performed to identify the internal strengths and weaknesses within MHLG using McKinsey 7-S analysis technique. The information was then organized using SWOT matrix (Strengths, Weaknesses, Opportunities and Threats) technique categorizing the information into the quadrant. Information from SWOT matrix is then analysed to derive the feasible strategies taken into account both internal and external factors using TOWS (Threats-Opportunities-Weaknesses-Strengths) matrix technique.

Key Critical Challenges of Affordable Housing in Malaysia

To understand the issue, an analysis using SWOT technique was performed. An external and internal analysis were thoroughly inspected to figure out the factors that influencing an affordable housing in Malaysia as depicted in Table 1 below. The information shown in Table 1 derived from PEST and McKinsey 7-S analysis that assessing both the external and internal factors that contributing affordable housing issue in Malaysia.

Table 1:
SWOT Matrix Analysis

Strengths (S)	Weaknesses (W)
1. Bottom-up feedback system (S1) 2. Competent workforce (S2) 3. Comprehensive Land Act (S3) 4. National Housing Data Bank system (S4) 5. Established government policies (S5)	1. Lack of monitoring on government projects in terms of administration and accounts (W1) 2. System is not integrated within agencies (W2) 3. Land allocation and cost (W3) 4. Bureaucratic bottleneck due to political influence (W4) 5. Lack of integration with other Ministries (W5)
Opportunities (O)	Threats (T)
1. High engagement among stakeholders (O1) 2. Innovation and adaptation (best practices) (O2) 3. Possibility for strong strategic partnership with established developer (O3) 4. Abundant infrastructure (O4) 5. Rising demand for affordable housing among B40 & M40 (O5)	1. High land value in urban area (T1) 2. Land use restriction (T2) 3. Technological changes (T3) 4. Political instability (impacting long-term planning) (T4) 5. High expectations from public (T5)

Based on the information gathered in Table 1, there are several key strategic challenges identified with regards to affordable housing issue in Malaysia ad discussed below.

- (i) *Lack of monitoring on government projects in terms of administration and accounts*

The lack of adequate supervision of government projects, particularly those involving the Housing Development Act (HDA), creates a huge risk that requires immediate action. The Housing Development Act (Act 118) highlights how the lack of monitoring has an impact on the efficiency and efficacy of affordable housing. According to Deputy Minister of Malaysia Housing and Local Government (MHLG), Akmal Nasrullah Mohd Nasir, licensed housing developers are required to establish and maintain an HDA for each project to ensure correct funding routing. However, a lack of clarity in Act 118 validity led to the exploitation of HDAs across various projects, with bridging loans not covered. The Task Force on Private Housing and Abandoned Projects

(TFST) has identified and monitored 118 delayed projects (13, 039 housing units), 490 ill projects (79, 278) and 114 abandoned projects (24, 262 units). This interconnection among HDAs is visible when flaws in one housing project have a domino impact on others within the same HDA. The Minister disclosed the lack of specified monitoring, coordination and management processes between the government, financial institutions and housing developers, highlighting the underlying reason of Malaysia's inadequate housing projects (Noor, 2023). Therefore, without sufficient oversight, the lack of clarity in Act 118 implementation, as well as the abuse of HDAs across several projects, might jeopardize the effectiveness of affordable housing efforts, highlighting the urgent need for enhanced monitoring and coordinating systems.

(ii) *System not integrated within agencies*

The existing MHLG system's weaknesses is the lack of integration among numerous agencies participating in affordable housing, which poses a key challenge to overall housing efficiency and effectiveness. This issue leads to the formation of data silos, in which each agency maintains separate databases and systems, preventing a complete picture of the affordable housing situation. The National Housing Development (JPN) launched the Housing Integrated Management System (HIMS) under MHLG, a single-entry system that replaced BLESS, IDAMAN and e-Pemaju (Chuah, 2022). Commencing operations on January 31, 2022, all modules developed for HIMS adhere to procedures and compliance with the Housing Development (Control and Licensing) Act 1966 [Act 118] (Loong, 2021). While this strategy allows the public to make more informed decisions about buying a home, the data on abandoned housing projects should be shared with other authorities. However, in its current state, HIMS cannot provide a full picture of the affordable housing situation, making it difficult for agencies to receive real-time data on project status, demand and possible concerns.

As a result, a lack of visibility hinders effective planning and decision-making, limiting the government's ability to respond quickly to new situations. Datuk Roger Tan, chair of the Malaysian Bar's Conveyancing Committee, criticized the government's lack of industry participation in HIMS implementation, pointing out that the system is now only available to developers and government officials. This concern aligns with earlier expressions from Datuk Chang Kim Loong, the Secretary-General of the National House Buyers Association (Dzulkifly, 2022). As a result, this integration gap leads to uneven

decision-making across agencies, limiting a comprehensive understanding of the affordable housing situation. Thus, without access to the system, entities such as Syarikat Perumahan Negara Berhad (SPNB) and Urbanice Malaysia may make decisions that are not in line with the purpose of providing excellent houses for Malaysian citizens. The absence of integration hinders collaboration, making it difficult to accomplish the desired outcomes in affordable housing initiatives.

(iii) *Land allocation and cost*

Malaysia's commitment to inclusive and sustainable development revolves around affordable housing, however, the MHLG has substantial challenges in land allocation and cost management in these housing initiatives (Shen & Burhan, 2020). The intricate process of allocating land for affordable housing developments poses a major challenge, with government procedures generating significant delays. The several levels of approval required for site conversion or rezoning result in lengthy holding costs, delaying the immediate launch of housing developments. Furthermore, the land evaluation issues, such as the suitability for residential building, accessibility, infrastructure availability and zoning rules, increase the dilemma. Additionally, challenges such as late delivery and land allocation have negatively impacted PR1MA's image, highlighting long-standing flaws in the development process. The scarcity of usable land in Kuala Lumpur further compounds the situation, constraining MHLG's ability to meet the increasing demand for affordable housing (Shen & Burhan, 2020).

(iv) *Bureaucratic bottleneck due to political influence*

Bureaucratic bottlenecks, marked by inefficiencies and delays in decision making within government organizations, pose a major obstacle to improving housing affordability in Malaysia. Approvals for development often get delayed, often due to administrators prioritizing their political interests. This creates time-consuming administrative hurdles, slowing down the timely completion of housing projects. The influence of power dynamics on administrators can lead to conflicts of interest in housing construction decisions, causing delays in projects. The complicated process involving land office and local authority (LA) applications, the issuance of house development licenses by MHLG and approvals for advertising and sales are flawed, impacting and prolonging the housing development process (Loong, 2023).

This lengthy approval procedure hinders the implementation of housing laws designed to provide sufficient, comfortable and affordable housing. The bureaucratic barriers extend to all stages of project development, with planning permission typically taking years due to the complexity of the government administrative system, which involves several agencies, each requiring reviews before decisions are made (Zain, 2019). This regulatory complexity not only causes delays, but it also appears to benefit the privileged class by loosening constraints on high-end property purchases, encouraging investment rather than residence (Jeyakumar, 2023). The implementation of the National Housing Policy (NHP) faces challenges, with delays in project initiation caused by approval issues, lengthy procedures and political interference, highlighting the impact of political influence in housing-related agencies (Zain et al., 2018).

(v) *Lack of integration with other ministries*

A significant weakness of MHLG is its insufficient integration, coordination and collaboration with other ministries, which hinders collaborative efforts critical for navigating the complicated landscape of affordable housing challenges. The lack of effective collaboration with major government agencies working on affordable housing leads to a fragmented approach in solving problems. Without smooth interaction with key ministries like the Ministry of Transportation (MOT) or the Ministry of Economy (MOE), MHLG may face difficulties in developing a comprehensive program addressing the interconnected issues for individuals seeking affordable housing. Failure to interact with relevant ministries may result in superficial policies that do not address the root causes of housing affordability issues, adding to a lack of clarity and delaying the achievement of desired goals or objectives. Furthermore, the abundance of overlapping tasks among many organizations and ministries sparks internal power battles, which pose a significant barrier to the successful implementation of housing policy (Sidiq, 2023).

Due to a lack of efficient integration and coordination across ministries, agencies handle housing-related issues independently, resulting in inefficiencies, resource waste and contradictory agendas. This lack of synchronisation exacerbates fragmented urban growth, reducing the effectiveness of government initiatives. A specific example is the inability of the MHLG and MOT to collaborate on the construction of affordable housing near transportation hubs. The previous 11th Malaysia Plan had considerable challenges

in housing delivery owing to a lack of coordination, resulting in a failure to reach objectives and a mismatch in delivering affordable housing (Baizura et al., 2016). Therefore, collaboration between these ministries might result in well-connected projects that not only provide affordable housing, but also increase accessibility for the general public. Nonetheless, without integration, the chance to pool resources from several ministries may be missed, limiting the capacity to develop and execute comprehensive solutions to the pressing issue of affordable housing.

(vi) *High land value in urban area*

The rising price of land acquisition in densely populated places present a substantial barrier to the building of affordable housing, posing questions about project feasibility and financial sustainability. High land values have a significant influence on housing affordability, with increased land costs directly leading to rising house prices (Tobi et al., 2020). This exacerbates the already limited supply of affordable homes for low and middle-income households, impeding the MHLG's efforts to effectively address the housing problem. In large urban locations such as Kuala Lumpur and Penang, where land values are much higher, the ministry has difficulty in procuring enough land for affordable housing plans. Other than that, competition among commercial developers and other stakeholders drives up the costs, making it financially difficult for the government to obtain land parcels for affordable housing projects. Constrained space and resources result in elevated land costs, subsequently affecting housing prices when properties are converted to residential use, placing a financial burden on potential homeowners (Liu & Ong, 2021).

Furthermore, amidst economic challenges such as inflation and political volatility, the prices of high-rise properties in affluent areas such as Kuala Lumpur, Selangor and Penang persistently rise (Kaur, 2022). In addition, despite a 100% stamp duty exemption for houses priced under RM500,000 in Penang, first-time buyers continue to face excessively expensive property prices. Limited options for inexpensive housing had worsen the problem, with properties in this category selling rapidly, particularly in places where fresh graduates earn an average of RM2,000 to RM3,000.

(vii) *Land use restriction*

Land restriction pose a severe hurdle to the successful building of inexpensive housing, hindering MHLG efforts to address the lack of such housing. While poverty contributes to pricing concerns, the biggest barrier is human-made restrictions on land availability and building space (Ferlito, 2019). Strict rules, especially in well-connected locations, limit the amount of land accessible for building homes. Regulations on construction materials, site distribution and market strategies for low-cost buildings all contribute to the scarcity of affordable housing (Olanrewaju & Idrus, 2019).

Aside from that, land use regulations, such as those outlined in the Town and Country Planning Act of 1976 in Peninsular Malaysia, had limit the residential construction or confine projects to high-end developments, posing challenges for the MHLG in identifying suitable sites for affordable housing projects (Wei, 2022). Zoning limitations impede the effective use of properties, potentially resulting in a shortage of land for affordable homes (Mondal & Das, 2018). This limitation on the supply side could lead to price increases, undermining MHLG's goal of providing diverse housing options for low and middle-income groups. The prospective restrictions on land use represent an important threat to the MHLG's capacity to acquire adequate property for the construction of affordable homes, hindering efforts to solve the pressing issue of affordable housing, particularly for low and middle-income individuals.

(viii) *Technological changes*

MHLG has encountered significant challenges in addressing the shortage of affordable housing, mainly due to the potential risks associated with technological advancements. Failing to effectively embrace rapid changes in construction technology, materials and building methods could jeopardize the attainment of affordable home development goals. Emerging technologies such as modular housing, advanced robotics and 3D printing have the potential to revolutionize traditional construction processes, reducing costs and improving efficiency. However, implementing these innovations carries a risk, as MHLG needs to adapt its workforce, policies and procedures to successfully implement these changes. The industry's reliance on outdated affordability measures, low competency, poor compensation and outdated practices further complicates the issue. Furthermore, the reluctance or inability of construction workers

to acquire new skills hampers the integration of modern technology into the home construction process (Fateh et al., 2022). Without keeping pace with technological changes, the ministry may face inefficiencies, increased project costs and delays in delivering an affordable home.

As per the Construction Industry Development Board (CIDB) Official Portal in 2023, the construction industry lags in adopting new technologies due to complexity, high costs, safety and regulatory concerns and cultural factors. The growing demand for affordable housing and infrastructure, fuelled by the global population increase, requires both technical and cultural adaptability. Malaysia's slow implementation of IR 4.0 compounds production challenges, showing a low acceptance rate even a year after launching the Industry4WRD policy (Shahzad et al., 2023). Therefore, to enhance the quality of life for people, MHLG needs to focus on directly serving home buyers through technology and staying current with these advancements, ultimately improving the efficiency and affordability of Malaysian housing projects.

(viii) Political instability (impacting long-term planning)

Political instability jeopardizes MHLG attempts to alleviate Malaysia's affordable housing shortages. Political turbulence, which has been described as a major illness, causes concern in the public, the business community and foreign investors, thereby adversely impacting economic performance. The rising rivalry among political parties seeking for power is seen as the fundamental cause of unstable administrations. Despite Malaysia's historical financial stability, as evidenced by a strong 6% real GDP growth in 2014, the chance of future instability in politics has increased since the last government transition (Mariadas, 2021).

This uncertainty indicates that frequent transitions in government leadership or policy need priority revisions, potentially delaying or changing existing home development plans. To overcome this problem, there is a need for a strong legislative frameworks and government commitment to ensure a stable environment for effective, long-term planning and implementation of affordable housing, ensuring that Malaysia's housing crisis is addressed continuously.

(x) *High expectation from public*

As public expectations rise for the government to swiftly and effectively address housing affordability, failure to meet unrealistic targets within the estimated period could lead to criticism. In high-demand areas, there is a strong demand for the rapid construction of numerous affordable housing units. However, MHLG faces challenges in meeting these goals due to the complex regulatory procedures, limited resources and potential project delays. The pursuit of comprehensive solutions may result in pressure to expedite processes, often at the expense of thorough planning and quality assurance. As reported in the news, the year 2023 has seen issues such as insufficient and delayed affordable housing building in Malaysia, emphasizing the need of addressing the rising urbanisation rate and growing demand for affordable housing (Mahalingam, 2023).

In response to the growing need for affordable housing, the government has launched a number of building efforts involving all sectors of society. However, scarcity remains an issue, particularly in urban areas, resulting in rising home prices and increased demand for rental units. Despite strong housing demand in 2023, the supply of affordable housing fail to keep up, leading to more increases in prices. Among the government's measures is the 1Malaysia People's Housing Programme (PR1MA), which aims to build 500,000 affordable housing units, demonstrating comprehensive efforts to alleviate the housing deficit (Mariadas & Murthy, 2023). However, the current housing crisis is driven by a lack of affordable housing not only for low-income individuals but also for middle-income households, emphasizing the need for additional measures to ensure housing availability meets public expectations. Therefore, with Malaysia's population expected to grow, particularly among the younger generation entering the labour force and forming households, addressing the housing dilemma becomes increasingly critical (Masram & Misnan, 2019).

Based on the information derived from SWOT matrix, further analysis was performed using TOWS technique that facilitate the development of alternative strategies for the purpose of addressing the issue of lack of affordable housing in Malaysia. The TOWS matrix has four quadrants, namely: (i) Strengths-Opportunities (SO), (ii) Weaknesses-Opportunities (WO), (iii) Strengths-Threats (ST) and (iv) Weaknesses-Threats (WT). Each quadrant formulates strategies based on SWOT analysis elements.

The Four (4) quadrants of TOWS represent specific meaning and function, in which (i) Strengths and Opportunities (SO) quadrant embark on how public agency(s) can use their internal strengths to take advantage of the external opportunities? These are attacking or proactive strategies; (ii) Strengths and Threats (ST) quadrant represent on how public agency(s) can take advantage of their internal strengths to avoid real and potential external threats? ; (iii) Opportunities and Weaknesses (OW) quadrant implies on how public agency(s) can use their external opportunities to overcome the internal weaknesses that they are experiencing?; and lastly Weaknesses and Threats (WT) quadrant represent on how public agency(s) can minimize their internal weaknesses and avoid the external threats? These are defensive strategies.

Each of the key factor in external is then mapped and matched with the key internal factors that enable the strategists to develop feasible strategies according to the quadrants. Table 2 depicts the development of feasible strategies for each quadrant.

Table 2:

Tows Matrix Analysis

<u>SO Strategies</u>	<u>WO Strategies</u>
S101: Strengthen and expand bottom-up feedback channels S203: Promote knowledge exchange and skill development S304: Review Land Act to optimize the utilization of the abundant infrastructure S402: Establish a dedicated team responsible for exploring and implementing innovative solutions derived from data analysis S505: Conduct extensive surveys and focus groups to understand the specific housing needs	W101: Quarterly townhall within agencies W304: Cost-benefit analysis for infrastructure projects W202: Collaborative research and development W4 03: Integration with strategic partner to reduce layers of bureaucracy in building affordable house W5 05: Promoting seamless inter-ministerial collaboration for effective solutions

<u>ST Strategies</u>	<u>WT Strategies</u>
S1T5: Quarterly community townhall S2T2: Employees provides sustainable urban design solutions that support urban planning and development changes S3T4: Adaptive regulatory framework S4T3: Collaborate with developer to enhance the system and to provide more information about upcoming affordable housing project S5T1: Expand government housing program for lower-income households	W1T5: Strengthen monitoring mechanism W2T3: Establish a task force responsible for coordinating technological initiatives across different agencies W3T2: Develop land use zoning in the respective local plans to smoothing land acquisition process W4T1: Introduce policies that require a certain percentage of new developments in urban areas to be designated as affordable housing W5T4: Cross-ministerial training program

Proposed Strategies

Based on Table 2, this paper further identify the most attractive strategies and recommends four (4) pillars or strategic thrust taken into account three (3) key dimensions namely (i) low cost, (ii) fast execution and (iii) high impact strategies that could help MHLG addressing this issue holistically.

(i) *Strengthen And Expand Bottom-Up Feedback Channels*

A great way to improve communication between the government and the public is to strengthen and expand bottom-up feedback channels. In the context of MHLG, this strategy can better address community needs and concerns. The first program that is proposed under the first strategic thrust is Community-Led Design Workshops. This program can be done by creating a workshop to collect the ideas of designing and planning of affordable housing. This program also will gather data on the public needs and preferences for affordable housing (Olanrewaju et al., 2018). Residents can be guided in this design activities by expert facilitators, who can encourage them to express their unique experiences and preferences. Other than that, MHLG may tap into people direct thoughts by performing detailed needs assessments and engaging the community through interactive sessions.

The second program is High Level Seminar (HLS) on affordable housing concept note. This program focuses on organizing seminars dedicated to affordable housing which emerges as a strategic effort, offering a platform with numerous

advantages. Conducting HLS is particularly advantageous as the crucial hubs for the sharing of knowledge and the enhancement of capacities (Czischke, 2018). These conferences convene experts, scholars and practitioners to engage in discussions about ideas, experiences and best practices. MHLG can also collaborate with external entity such as Pertubuhan Akitek Malaysia (PAM) for suitable house design.

The third initiative is to introduce digital platform. This program focuses to increase engagement and accessibility that it can provides. This platform enables people to submit their housing application and show their interest. This project bridges geographical and physical barriers by offering a user-friendly internet platform that allows a varied spectrum of persons to readily voice their ideas. The inclusion of a real-time feedback component helps in the development of a more responsive decision making process. This initiative enable MHLG to develop the capacity to respond quickly to emergent concerns, resulting in a dynamic and adaptable governance style. Hence, the importance of a digital platform is evident, serving not only the ministry itself but also the public (Amreel, 2023).

(ii) *Employees Provides Sustainable Urban Design Solutions That Support Urban Planning and Development Changes*

The expertise of employees is essential in satisfying the increased need for sustainable urban development. Employees actively address the pressing demands and preferences of the urban population by creating creative and resilient urban design solutions. The will to create cities that survive in the face of constant change demonstrates a grasp of the changing needs of the urban population. Therefore, by positioning themselves at the forefront of this movement, employees can actively contribute to fulfilling the aspirations of the people for urban spaces that not only cater to their needs but also enhance overall quality of life in a more sustainable manner.

The first initiative under the second strategic thrust is Urban Planning and Development Courses. This program focuses on providing training programmes seek to provide specialized skills in urban planning, development strategies and city administration to MHLG employees. The immediate benefit is capacity building, as staff members can gain competence in dealing with complex urban situations (Davidson, 2022). The courses also aim to improve decision-making by giving a more sophisticated

grasp of the dynamics of urban planning. Importantly, this project develops an innovative culture, ensuring that the workforce is adaptive and creative in addressing modern urban concerns.

The second initiative is Professional Certification program. This program focuses on implementing a Professional Certification Program tailored for employees to address the affordable housing issue, which is a strategic move that can bring about significant benefits for MHLG. The strategy involves a proactive and practical approach, beginning with close collaboration with stakeholders and conducting comprehensive needs assessments. By identifying the specific skills required for roles in affordable housing initiatives, MHLG can design a targeted curriculum that aligns with the ministry's objectives and the demands of the housing sector (Alwan et al., 2017).

The third program is Affordable Housing Design Competition. This program represents a strategic initiative for MHLG with diverse advantages. The objective of this program is creating a design competition in order to collaborate together, create an innovative and cost-effective housing model. This program is designed to stimulate innovation and cost-effectiveness in housing design through collaboration with architects and developers, aiming to create distinctive and affordable housing solutions. By encouraging architects to develop designs that are not only visually appealing, but it can also economically feasible, in which the strategy supports both affordability for residents and sustainability for developers (Poo Liang, 2023). Furthermore, the competition's focus on cost effectiveness aligns seamlessly with MHLG 's objective of addressing housing challenges through pragmatic solutions.

(iii) Cost-Benefit Analysis for Infrastructure Projects

The Cost-Benefit analysis (CBA) plays a critical role in determining the success and sustainability of infrastructure projects by providing decision-makers with a complete instrument for assessing economic feasibility. It is a methodical procedure used by companies to scrutinize decisions, selecting which to pursue and which to reject. The cost-benefit analyst assesses the expected gains from a scenario or activity and then subtracts the entire related expenses (Hayes, 2023). For MHLG, it is essential to adopt a holistic planning approach that extends beyond mere economic considerations. By incorporating environmental and social impacts into the analysis, MHLG can ensure a

more nuanced evaluation of costs and benefits. The first initiative under the third strategic thrust is developing a Cost-Benefit analysis tool. This program focuses on design to evaluate and compare various microfinance delivery channels. This involves gathering detailed information on various microfinance channels of distribution such as interest rates, processing fees, default rates and success stories. The CBA tool is a powerful analytical platform that allows decision-makers to analyse the economic feasibility and social effect of various microfinance programmes (Butković, 2023). Importantly, the tool should not only find possibilities, but also analyse hazards connected with microfinance, such as default risk. This initiative aligns with the development mission and vision, which is to plan, monitor and assess all development projects using effective methods.

The second initiative is financial modelling scenarios. This program focuses on the creation of complex financial models capable of analysing a variety of situations, allowing decision-makers to successfully predict and handle future challenges. By investigating numerous possibilities, such as construction delays or market demand variations, MHLG can develop effective risk mitigation measures and strengthening project resilience. This level of risk management accuracy is critical for ensuring the long-term viability of affordable housing programmes, allowing them to survive unexpected hurdles and contribute to their long-term success. For instance, the model can simulate the impact of adjusting interest rates, providing a detailed analysis of how changes in financial conditions might affect the viability of affordable housing projects. This deep understanding enables proactive decision-making, allowing project parameters and resource allocation methods to be adjusted to optimise outcomes.

The third initiative is infrastructure investment symposium. This program is to address the lack of affordable housing through informed decision-making and optimised resource allocation. The CBA workshops provide stakeholders with the necessary tools to assess the potential impacts of housing projects comprehensively. This allows policymakers and investors to prioritize programmes that provide the best value in terms of affordability. Decision-makers can make better informed choices by knowing the related risks and advantages, reducing the possibility of project failure or budget overruns. Other than that, it also helps to give useful insights into best practices, lessons gained and the practical implementation of policy by highlighting instances where initiatives have been effectively implemented.

(iv) *Cross-Ministerial Training Program*

This cross-ministerial training program would entail coordination between KPKT and other key ministries, such as the Ministry of Finance (MOF), Ministry of Human Resources (MOHR), Ministry of Transportation (MOT) and the Ministry of Works (MOW) to guarantee a comprehensive approach to housing construction. The training programme would aim to provide officials from many ministries with an in-depth understanding of the interconnected factors influencing housing affordability such as financial concerns, transportation infrastructure and urban planning. This programme intends to break down barriers and create a concerted effort to address the complex difficulties connected with affordable housing by promoting cross-ministerial collaboration and knowledge-sharing.

The first initiative under the fourth strategic thrust is providing tailored training modules. This program focuses on to ensure that officer is prepared with information and skills directly related to their duties in contributing to affordable housing solutions by adapting training content to the unique needs of each ministry. For example, finance-focused modules can help officials from MOF to understand innovative funding mechanisms for affordable housing projects, while urban planning modules can assist officials from MOW in optimizing land use for housing developments. This strategic approach reflects a commitment to develop a workforce that is highly trained, adaptive and engage, ensuring that the ministries are well-prepared for the challenges and opportunities that lie ahead.

The second initiative is needs assessment and skill gap analysis. This program focuses to develop a detail understanding of the unique skills and knowledge shortages within each ministry, allowing for targeted interventions. Collaboration with MOHR ensures meticulous analysis of the existing skill sets, enabling MHLG to effectively leverage the current workforce. In addition, MHLG can analyse the long-term impact of training programmes through continuous monitoring and evaluation approaches, enabling flexibility and refinement over time. This continuous approach ensures that the staff is aware of any new issues and industry best practices. This collaborative approach increases the workforce's total capabilities, resulting in a unified and informed front in the search of long-term affordable housing solutions. Ultimately, the strategy contributes to building a skilled and adaptable workforce, positioning MHLG to effectively address the complex challenges associated with affordable housing in Malaysia.

The third initiative is technology integration training. This program focuses to help improve operational efficiency. By automating and streamlining administrative tasks through digital tools, employees can redirect their focus towards more complex and strategic aspects of affordable housing initiatives. This enhanced efficiency not only reduces cost, but also speeds up decision-making processes. Nonetheless, the benefits extend to data-driven decision-making. Through training in data analytics, MHLG staff acquire the skills to analyse housing market trends, assess the impact of policies and make well-informed decisions. To ensure enforcement, it could be possible to filter the data for the entire family members, instead of individuals, based on their history of purchasing affordable houses. This data-driven strategy may result in a more effective and focus solutions to solve housing affordability issues. MHLG needs to take initiatives to promote digital usage among employees because it not only facilitates work, but also enhances productivity.

CONCLUSION AND MOVE FORWARD ACTIONS

In summary, Malaysia's housing scarcity is a complex problem with wide ranging social, economic and urban ramifications. Numerous issues, including inadequate government involvement, fast urbanization and citizens' economic struggles, are deeply ingrained in the housing dilemma. The effects of this scarcity are extensive, impacting not just low-income individuals and families, but also the stability and advancement of the country as a whole. To address this issue, it requires the cooperative strategy from public sector agencies, business partners and neighbourhood associations.

Administrators must also step up the research and development in order to preserve the housing development productivity and support the expansion of the economy. The execution of the initiatives put out under the first Strategic Thrust will help to improve bottom-up feedback channels by strengthening and broadening them. With this kind of plan, it helps MHLG to understand the needs of public and maximize their needs. Not just that, with the master plan for Community-Led Design Workshops, it will be beneficial as the public can contribute in the creation and designation of the affordable housing since the government will utilize the information gathered to determine the public preferences. However, it can be kept up by revising the minimum wages of people in Malaysia to suit with the affordable housing range of price, and to

help public to have homeownership by implementing and giving assistance programs as it can make housing become more affordable for everyone.

Secondly, based on the initiative of employees provide sustainable urban design solutions that support urban planning and development changes, so MHLG can give their best effort to build affordable housing, but does it meet the needs of affordable housing required and demanded by the people? That is why the government through MHLG can promote more innovation on future development for affordable housing such as Tiny Homes Project, which include the square feet for house that is suitable for those who do not have a large family members, especially for young people and MHLG can introduce the Community Land Trust, which help contribute to the preservation of a community's historical and cultural elements by directing development in a way that honours and integrates regional customs and heritage and other benefits.

Thirdly, through the implementation of cost-benefit analysis for infrastructure projects, it led to a comprehensive tool for determining economic viability. Businesses use it as a deliberate process to carefully consider decisions. Hence, MHLG can have move forward action also, by preserving the existing affordable housing. This is to extent the cost saving of MHLG, to produce affordable housing in low cost yet it still benefits the people with the fulfilment of process such as repairing and maintenance. It can also include the rent control guidelines, to safeguard tenants against disproportionate rent increases and guarantee housing affordability, regulations and caps on the amount that landlords can raise the rent on residential buildings.

Lastly, the strategy of cross-ministerial training program can be beneficial as it coordinates the rest of ministries in Malaysia to ensure a thorough approach to housing development that takes into account urban planning, transportation infrastructure and budgetary considerations. MHLG can increase the supply of affordable housing to meet the latest public demand in Malaysia. Through partnerships and collaboration with more than one ministry and agencies, it also can help developers to gain more financial incentives to produce more affordable housing for the people.

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Author 1 and 2 carried out the field work, prepared the literature review and overlook the writeup of the whole article. Author 3 and 4 wrote the research methodology and did the data entry. Author 5 carried out the statistical analysis and Author 6 carried out the interpretation of the results.

Conflict of interest

There are no conflicts of interest with this publication.

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