

Housing Preferences Factors among Government Servants in Klang Valley, Malaysia

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Abstract

House or shelter is indeed the most important thing for every individual for a good quality of life. Diverse types of houses or dwellings are built to cater to the demand, especially in the urban area. Anyhow, the housing preferences are inconsistent depending on income, work, and family. Also, the effect of the COVID-19 pandemic has been severe and unprecedented, affecting people's preferences in many aspects. Therefore, this paper aims to identify the factors affecting the housing preferences among government servants considering the view of post-pandemic. A survey was conducted to gather information among the government workers in Klang Valley area. The gathered data is processed and translated into frequency, descriptive analysis, and reliability analysis to identify the factors that affect respondent's housing preferences. The findings indicate that housing cost is the most affecting factor for housing preferences. The results contribute to practical contribution in added knowledge on post-pandemic resident preferences especially from government servants' perspective. This research also gives insight to developers, government, and stakeholders in planning future housing development based on expected buyer preferences.

Keywords: Housing Preference, Government Servants, Klang Valley, Post-Pandemic

Introduction

A basic human necessity that preserves people's quality of life sustainable is housing. A house is also a place of safety that represents activities and cultural perceptions. It is a cultural component of space that includes events that differ in importance and function as basic rituals (Al-Homoud, 2009). Therefore, housing shouldn't have been designed or provided solely to give people a place to call home but should also consider their preferences and other needs. Preferences are temporary states of mind about what kind of housing is desired and feasible at the current moment given the current constraints (included is the idea that preferences involve the choice of one option over another) (Lin Shi, 2005). Homebuyers seek adequate housing that they afford to purchase (NAPIC, 2017).

Numerous scholars have studied to shed light on homebuyers' preferences concerning demographic and socioeconomic factors. Age, household size, income, and current housing conditions are some of the factors that may influence housing selections (Rossi and Weber, 1980). Most research on housing preferences often focuses on socioeconomic and demographic variables, like family size and age groups (Berko, 2000). Al-Momani and Box (2000) state that family structure, values, and way of life are the primary variables. Additional variables include the buyer's employment organisation, age, family income, and level of education (Wang & Li, 2006). Homebuyers also consider factors such as the good location of the housing with amenities, a secure tenure, access to housing finance, and a degree of mobility and choice, when they look for a house (Ying, 2018).

To deal with the outbreak, Malaysia implemented a Movement Control Order (MCO) from 18 March 2020 to 12 May 2020, which included movement restrictions and social limitations. Closing schools, crossing borders, isolation patients, and limiting travel to the store to purchase supplies or needs were among the limitations (Fan and Cheong, 2020). Even after the MCO and lockdown procedures were lifted, safety is still the primary priority. Many would rather stay at home (Habibu, 2020), while many choose a hybrid approach to work and learn (Menon and Yuen, 2022). Similarly, with studies carried out in South Korea (Park et al., 2021) and India (Verma and Prakash, 2020), the way people work, live, play, and relax at home has changed both before and after the pandemic. There is no denying that COVID-19 has an enduring effect on human behaviour. As a result, residents will seek to find property that meets their new demands and modify their housing choices considering their changing lifestyles.

On the other hand, as the present pandemic has demonstrated, housing is a fundamental physiological necessity connected to health. Living in unsafe shelters increases the risk of infection. Considering the growing concerns about safety and health around the world, it is essential to reevaluate the effects of housing on health. As a result, client demands, and housing preferences undergo a significant transformation. To fulfil the new demands of the market, real estate providers should adjust their property development to meet the shifting housing preferences following the COVID-19 pandemic (Hamzah, Yazid, and Shamsudin, 2020).

Since fewer studies have been found that surveyed post-COVID-19 housing preferences in Malaysia, it is therefore critical to bridge the gap in post-COVID-19 housing preferences. This study aims to investigate post-COVID-19 housing preferences factors from the government servant's perspective. It is anticipated that stakeholders can apply the findings of this study to address the shifting preferences in the post-pandemic housing market.

Literature Review

Housing Preferences

Housing is one of the most important life components giving shelter, safety, and warmth, as well as providing a place to rest (Henilane, 2016). Housing preference is the subjective desirability of housing (Jansen, Coolen, and Goetgeluk, 2011). Housing preference is not the same as housing choice, which is the term used to describe genuine purchasing behaviour. Although real housing choice and housing preference may not be substantially associated

(Jansen et al., 2011), they nevertheless represent the market's average preferences (Molin, Oppewal, and Timmermans, 1996). Housing preferences influence housing choice, as this statement indicates. Consequently, anticipating possible resident purchase decisions requires an awareness of preferences.

Nine factors, including money, location, environment, neighbourhood, infrastructural amenities, developer service quality, superstitious beliefs, dwelling qualities, and demographic background, are thought to influence housing purchase decisions in Malaysia (Hassan, Ahmad, and Hashim, 2021). Financial, geographic, residential neighbourhood and housing attributes were the indications that were most often discussed.

The housing preferences of different sectors of people or workers may be different due to the demand, income, and location. The issue of housing choice and preferences has been and still is the subject of much academic attention from researchers in many different disciplines. Both research topics have been studied from different theoretical perspectives (Shi, 2005). The research location and target age group influence the findings regarding the housing preferences of Malaysians. For example, a study on housing decisions found that the only consideration when selecting a home is location (Thanaraju et al., 2019). Besides that, several studies have discovered that young people and first-time homeowners with restricted affordability are mostly concerned about financial problems (Khan et al., 2017; Ismail et al., 2021). In summary, a person's housing preferences in Malaysia can be influenced by a wide range of elements, each with its own requirements, needs, and affordability.

Housing Preference Factors

A lot of factors in housing preferences have been mentioned by past researchers. The factors are:

1) Workplace

As usual, the workplace plays an important role in each person's home preferences. The time at work is greater than the time at home, which begins in the morning and lasts until dusk and sometimes even in the evening. The young generation who has small households usually consider purchasing a small house and prefer one closer to their workplace (Khan et al (2017). Tan (2012) also mentioned majority of the homebuyers preferred their home to be located in proximity convenient to the workplace. Therefore, the house's location should be convenient to the workplace in giving an easier way to commute every day.

2) Housing Cost

Housing availability and prices are two of the most critical quality of life factors that companies consider when relocating to a metropolitan area. Cheah, Stefanie, & Ho (2017) mentioned a house is affordable if housing costs are less than 30% of monthly household income. It's explained that employers have to spend more money on salaries if they cannot afford to live near their workplace. The inability of blue-collar and service-class workers to afford housing in economically dynamic cities harms both workers and cities. Workers are either prohibited from living in cities where their talent can command better wages, or the higher cost of living compensates for the higher wages they receive. Cities lose output because of unfilled positions when workers opt to reside elsewhere.

3) Location

Housing location is also an important component of house preference (Kam, Lim, Al-Obaidi & Lim, 2018). The house's location is ideal since it is close to amenities and accommodations. Furthermore, accessibility is a crucial consideration in house choosing. It makes travel and access to a location easier. Homebuyers who are concerned about locational factors, the homebuyer will emphasize suitable locations for their stay rather than financial and neighbourhood factors (Thanaraju et al., 2019). The housing area which is near to the city centre and shopping mall is most preference because of the easiness and ease for the buyer. Spending time alone or with family is essential for everyone. Some of them prefer to stay at home, but some prefer to spend time with entertainment such as watching movies, bowling, and shopping. The best place for some is this, provided the apartment is near the city centre.

4) Neighbourhood

Kam et al (2018), informed neighbourhood is a significant factor that influences housing preference. Neighbourhoods can be elaborate in a few things such as the cleanliness, security system, and facilities. Usually, property developers should make sure that the neighbourhoods have access to adequate basic public amenities, which will provide better options for homebuyers to consider and diminish the lack of enthusiasm for property developers' products in some neighbourhoods (Ameen & Ali, 2019). The cleanliness of the neighbourhood has always been observed by buyers. Gated and guarded housing areas are a better choice than ungated areas. The surroundings can feel safe because the area is guarded 24 hours. As for facilities, strata housing usually provides a playground, gymnasium, and swimming pool. As for the landed housing area usually has a court or playground, which can be one of the reasons for housing preferences by family.

5) Transportation

Transportation is a daily use by everyone either to work or school. As we are focusing on government servants, the need for transportation is daily basis. Some of them prefer to use public transport such as buses and trains. Housing areas near the train station or bus station might be the main choice or preference for the buyer (Mulliner & Algrnas, 2018). It is easy access to transportation and can reduce commute time.

6) Housing size

Housing size also is one of the factors of the housing preferences (Al-Nahdi, Ghazzawi, & Bakar, 2015). When the family is getting bigger, they need more space and rooms in the house. They need to upgrade to a new house with more rooms to make sure the whole family is comfortable. Other than that, when government servants who are not married and living with their parents decide to move out, they tend to rent or buy by choosing a suitable home for them either small or big. Therefore, housing size is important in identifying housing preferences.

To this end, housing preferences in this study will be based on six (6) variables in evaluating the housing preference factors which are workplace, housing cost, location, neighbourhood, transportation, and housing size.

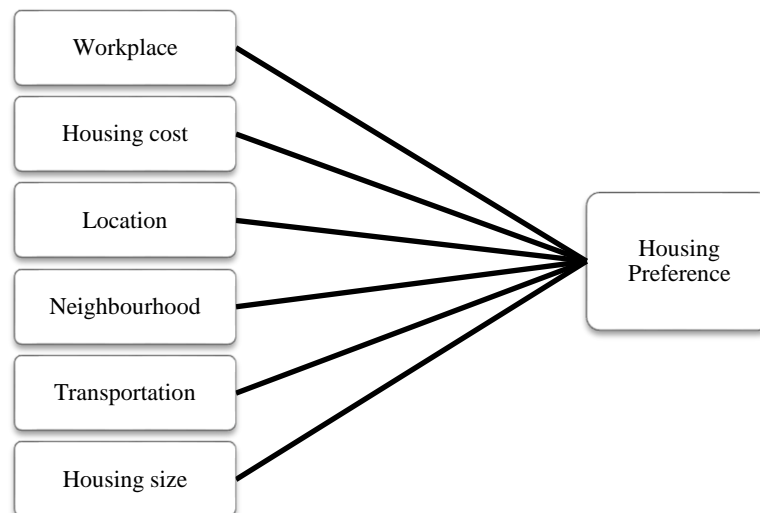


Figure 1: Conceptual Framework

Research Method

The survey method was adopted in this study, and data were collected using a structured questionnaire as it aims to predict housing preferences. There are five (5) items for background information in Section A, four (4) items regarding housing preference opinions and eighty (18) items in Section C for factors of housing preferences (workplace, housing cost, location, neighbourhood, transportation, housing size). A nominal scale was used for Section A and B profiles and a five-point Likert scale was used for housing preference factors in Section C. The respondent for this study is government servants who work in the Klang Valley area. The information was collected by randomly distributing questionnaires to government servants in Klang Valley and 101 respondents participated.

Results and Discussion

Respondent's Profile

Table 1

Respondent's Demographic Profile

Attributes	Categories	Frequency	Percentage (%)
1) Gender	Male	49	48.5
	Female	52	51.5
2) Age	21-30 years old	30	29.7
	31-40 years old	38	37.6
	41- 50 years old	22	21.8
	Above 51 years old	11	10.9
3) Number of households	1-3 people	44	43.6
	4-6 people	42	41.6
	More than 7 people	15	14.9
4) Job Background	Federal and State General Public Service	26	25.7
	Joint Public Service	12	11.9
	Education Service	31	30.7
	Legal Service	13	12.9
	Armed Forces	7	6.9
	Others	12	11.9
5) Households income	Less than RM4000	39	38.6
	RM4001-RM7000	28	27.7
	RM7001-RM10000	26	25.7
	More than RM10001	8	7.9

As a whole, the final useful sample consists of 101 respondents. The final sample response was collected from various working sectors such as education service, legal service, and armed service. Table 1 presents the respondent's demographic profile details, showing that 48.5% were male and 51.5% were female. In terms of age, most of the respondents are from 20-39 years old. Regarding the number of households, 43.6% of the respondents are staying with 1-3 people in the housing unit, 41.6% of respondents are with 4-6 people, and 14.9% have more than seven people living in one housing unit. These results showed that many respondents live in the appropriate space with the number of people who live in the housing ratio.

In the meantime, income becomes an essential determinant of homeownership (Li & Chen, 2011; Logan, Fang, & Zhang, 2010). The result showed that 38.6% of respondents are from below the RM4000 income bracket. Other than that, 27.7% of the respondents are from the RM4001-RM7000 household income bracket. This indicates that many respondents are from the B40 and M40 groups based on the new income group classification by the Department of Statistics Malaysia for 2020.

Respondent's Housing Preferences

Table 2

Housing Preferences among Government Servants

Attributes	Categories	Frequency	Percentage (%)
1) Types of House	1 storey semi-D	26	25.7
	2 storey semi-D	18	17.8
	1 storey terrace	14	13.9
	2 storey terrace	13	12.9
	Bungalow	14	13.9
	Condominium	11	10.9
	Apartment/flat	5	5.0
2) Housing Area	Inside City	26	25.7
	Outside city	59	58.4
	Far from city	16	15.8
3) Region	Kuala Lumpur	21	20.8
	Putrajaya	21	20.8
	Petaling	17	16.8
	Klang	2	2.0
	Gombak	10	9.9
	Hulu Langat	1	1.0
	Sepang	17	16.8
	Kuala Langat	1	1.0
	Others	11	10.9
4) House Price Range	Below RM200K	12	11.9
	RM200K-RM350K	27	26.7
	RM350K-RM500K	35	34.7
	More than RM500K	27	26.7

Table 2 shows the housing preference opinion. The respondents like to choose single-storey detached houses as their preference (25.7%), followed by double-storey semi-detached houses (17.8%). As for housing areas, half of the respondents prefer to stay outside but near the city (58.4%) and prefer to live in Kuala Lumpur, Putrajaya dan Petaling area. It shows that they like to stay in a location that has many facilities but is not too crowded. Other than that, the respondents tend to choose a house with a price range below RM500,000. It explains the buyer's ability only at affordable price rates.

Analysis of Housing Preference Factors

For this section, the descriptive analysis was applied to identify the mean for each item in Section C of the questionnaire survey. As a result, based on Table 3 housing cost shows the highest mean score which influences housing preferences factors by government servants in Malaysia (4.537), followed by location (4.427) and transportation (4.397). Furthermore, workplace ranked 4th (4.373) followed by neighbourhood (4.360) and housing size (4.350).

Table 3

Factors Affecting Housing Preferences

Variables	Mean	Rank
Housing Cost	4.537	1
Location	4.427	2
Transportation	4.397	3
Workplace	4.373	4
Neighbourhood	4.360	5
Housing size	4.350	6

Conclusion and Recommendation

In conclusion, this study found that government servants choose landed houses rather than strata houses. They prefer a house price less than RM500,000 which is indicated as an affordable house. The respondents also like to stay outside the city range but near various facilities. The results also highlight that housing cost is a factor that most affects the government servants' housing preferences. It is a serious issue because the ongoing scenario shows the increasing property prices especially post-pandemic. Therefore, the government and private sectors must come forward to propose a sustainable method to control housing prices before they become unaffordable. It is recommended to focus on the actual demand for housing to ensure a steady supply of affordable housing that caters to all population segments' needs.

This research also contributes to the actual preferences of government servants regarding housing matters. The government should acknowledge this situation as it will influence the demand and supply of housing sectors in the future. Besides, the private sector, specifically the developers needs to come out with different types and good plans of housing in one place to ensure the development of the area is multi-development and affordable to cater for the demands of the future owner. Furthermore, future research can focus on other types of respondents such as youth, old folks and private workers in exploring their housing preferences.

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