A icE-Bs2025London

https://www.amerabra.org/

13th Asia-Pacific International Conference on Environment-Behaviour Studies
University of Westminster, London, United Kingdom, 29-31 Aug 2025

Acceptance for Malaysia MADANI Policy Concept among MARA Staff

Benazir Tanjung Fatkur Rahman [1], Mohd Erfino Johari [1], Norazmi Anas [2*], Mohd Asyraf Abdul Rahman [1], Muhamad Nizam Jali [3], Khadijah Maisarah Mohd Nadzri [1], Zaleha Muda [1] & Hairol Anuar Mak Din [4]
*Corresponding Author

[1] Center for Islamic, General and Languages Studies, Universiti Poly-Tech Malaysia, Kuala Lumpur, Malaysia
[2] Academy of Contemporary Islamic Studies, Universiti Teknologi MARA, Perak Branch, Tapah Campus, Perak, Malaysia
[3] Faculty of Business and Accountancy, Universiti Poly-Tech Malaysia, Kuala Lumpur, Malaysia
[4] Faculty of Social Sciences, Universiti Islam Selangor, Selangor, Malaysia

Email of All Authors: tanjung@uptm.edu.my, erfino@uptm.edu.my, norazmianas@uitm.edu.my, asyralph@uptm.edu.my, nizam@uptm.edu.my, zaleha@uptm.edu.my, khadijah@uptm.edu.my, hairolanuar@uis.edu.my
Tel: +60122754160

Abstract
MARA has been linked to financial losses involving its subsidiary, MARA Inc., due to governance inefficiencies, allegations of corruption, and money laundering. Therefore, this study aims to identify the level of Acceptance of the Malaysia MADANI concept among staff within MARA agencies. The data was collected through an online questionnaire with 344 respondents and analyzed using PLS-SEM. The study shows that Acceptance partially mediates between Perception and Implementation. Staff who understand and accept MADANI are more likely to implement it. Success depends on both understanding and belief, making communication, training, and engagement as vital as policy design for public agencies.

Keywords: Acceptance; Malaysia MADANI Policy; Concept; MARA Staff

1.0 Introduction
The Malaysia MADANI concept is the brainchild and inspiration of Datuk Seri Anwar bin Ibrahim, the 10th Prime Minister of Malaysia. It has been translated into the vision and foundational framework for reforming the Unity Government today. The MADANI pillars are based on the values of M-Sustainability, A-Well-being, D-Creativity, A-Respect, N-Prosperity, and I-Compassion, enabling navigation of challenges related to complexity, contradictions, chaos, synchronization, and the future through monitoring and empowerment. The synthesis of the Malaysian style, combining existing practices with new methods designed to address these new issues and uncertainties, can be realized by considering suggestions from all levels of society with the aspiration of recovery through substantive reforms for a more progressive and prosperous Malaysia.

The Majlis Amanah Rakyat (MARA) is an agency under the Ministry of Rural and Regional Development, established on March 1 1966, functioning as a statutory corporate body under an Act of Parliament resulting from the first Bumiputera Economic Congress in 1965. MARA's primary responsibility is to advance, promote, facilitate, and implement socio-economic and community development, particularly in rural areas. However, MARA's subsidiary, MARA Incorporated Sdn. Bhd. (Mara Inc.), has incurred losses amounting to RM286.30 million from 2012 to 2022, as reported in the Auditor General's Report, due to poor governance (Basaruddin, 2024). Abdul Fatah (2024) noted that individuals associated with these losses have been charged with corruption, money laundering, and suspicious credit card expenditures (Bernama, 2023). This is an integrity issue involving senior MARA officials, investigated by the Malaysian Anti-Corruption Commission (SPRM) under Section 23(1) of the SPRM Act 2009, despite the MARA Chairman denying any abuse of power or mismanagement in the matter (Kosmo, 2022). This situation has caused prejudice and affected the reputation of MARA, as well as that of all its subsidiary agencies.

2.0 Literature Review

The Unity Government of Malaysia was formed after Datuk Seri Anwar bin Ibrahim was sworn in as the 10th Prime Minister on November 22, 2022. It combines several political parties, including Pakatan Harapan (PH), Barisan Nasional (BN), Gabungan Parti Sarawak (GPS), Gabungan Rakyat Sabah (GRS), and Parti Warisan (Warisan), as outlined in a mutual agreement to ensure stability, reform, social unity, and inclusivity (Azil, 2022). According to Mav (2023), the theme of building Malaysia MADANI is the new direction brought by the Unity Government to unify fiscal policies, avoid prolonged deficits, and achieve a sustainable budget. The Malaysia MADANI concept aligns with Quranic principles, portraying good governance based on justice, respect for rights and responsibilities, innovative and creative guidance for humanity, mutual respect regardless of beliefs and ideologies, compromise for collective well-being, and compassion for the needy and poor (Aziz & Rusli, 2023). It corresponds to the characteristics of an ideal and exemplary society, referred to as *'khayru ummah,'* which is seen as a promoter of prophetic teachings, encouraging goodness, avoiding wrongdoing, and preventing disputes (Mustaniruddin et al., 2020). Thus, religion is central to the Malaysia MADANI concept, aiming to create a civilized society in line with Islamic principles (Bakar, 1997). This concept is not new, as Datuk Seri Anwar Ibrahim previously championed it under the slogan 'Reformasi,' which he has long advocated (Zulfiani, 2019).

Therefore, it should be implemented in the governance of agencies, whether governmental, private, or non-governmental (NGOs), to successfully achieve the goal of transforming Malaysia into a more prosperous and advanced nation over time. This includes agencies under the Majlis Amanah Rakyat (MARA), which play a vital role in advancing the welfare and progress of Bumiputeras in the future. MARA is a key agency in Malaysia focused on empowering the Bumiputera community through education, entrepreneurship, and rural development. Established in 1966, MARA offers academic and technical training through institutions such as MRSM, UniKL, and GIATMARA, along with scholarships and loans. It supports entrepreneurs with financial aid, business advisory services, and affordable premises. MARA also contributes to rural development and human capital growth by offering skills training and community programs. Its efforts aim to reduce economic disparities and foster inclusive progress, aligning with Malaysia's national development goals and the empowerment of the Bumiputera population (Azlan et al., 2022).
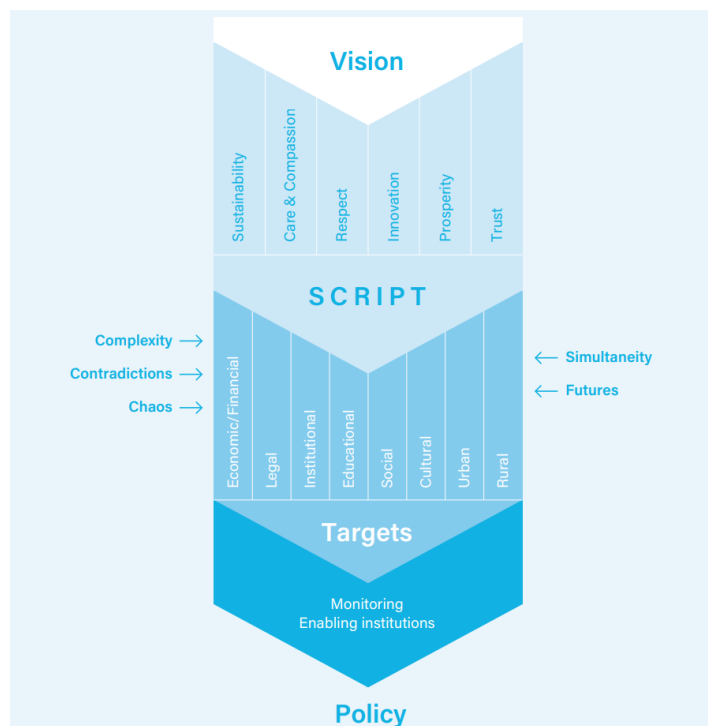

Fig. 1. The MADANI Policy Framework
(Source: https://postnormaltim.es/sites/default/files/uploads/SCRIPT%20English_compressed.pdf)

The Malaysia MADANI Policy Framework, introduced by Prime Minister Anwar Ibrahim in 2023, serves as a foundational guide for national governance, aiming to foster a civilised, inclusive, and sustainable society. Rooted in six core values—Sustainability, Prosperity, Innovation, Respect, Compassion, and Trust—MADANI is designed to drive holistic development across economic, social, and governance dimensions (Musa, 2023). The policy repositions national priorities by emphasizing ethical leadership, social justice, and the empowerment of marginalised communities, including through improved education, healthcare, and governance systems. MADANI also aligns closely with the United Nations Sustainable Development Goals (SDGs), reflecting Malaysia's global commitment to inclusive and responsible development (Zakaria & Long, 2024). Additionally, it seeks to reinforce unity in Malaysia's multicultural society by promoting mutual respect and compassion, thereby strengthening national identity while upholding democratic principles. Scholars have noted that the MADANI framework represents a shift from purely economic-centric policies to values-based governance, which could bridge institutional trust deficits and enhance policy legitimacy. Overall, MADANI serves not only as a development framework but also as a national philosophy aiming to reshape Malaysia's future through moral governance and citizen well-being.

3.0 Methodology

The approach of MARA staff's perception study focuses on quantitative research. The primary data collection method used in this study is an online questionnaire, from which a total of 344 respondents were collected. The analysis was conducted using Partial Least Squares Structural Equation Modeling (PLS-SEM), which is particularly suitable for this study due to its ability to handle complex relationships between latent variables. The goal is to explore how MARA staff members' perceptions of the Malaysia MADANI concept shape their Acceptance of it and how both factors contribute to its actual Implementation in daily practice. The research framework is based on a straightforward yet powerful logic. When people understand and believe in a concept, they are more likely to support and act on it. Thus, *Perception* serves as the starting point, *Acceptance* as a bridge, and *Implementation* as the outcome.

4.0 Results

This section presents the study's key findings, beginning with the respondents' demographic profile and then assessing the reliability and validity of the constructs, as well as testing the hypotheses in the structural model. This section begins with a profile of the respondents to provide context for the sample, then continues with a step-by-step evaluation of the measurement quality and relationships among the variables.

4.1 Demographic Information

Based on the demographic profile of 344 respondents, as presented in Table 1, the age distribution indicates that the majority fall within the 36- to 45-year-old category (39.2%), followed by those aged 46 to 55 (30.5%). A smaller proportion is aged 25 to 35 (22.7%), while only 7.6% are above 55 years old. This suggests that most participants are in their mid-to-late career stages. Regarding marital status, 85.5% of the respondents are married, while 10.8% are single, and 3.8% fall under the "other" category. This indicates a predominantly family-oriented respondent base, which may influence their engagement with organizational values. Examining the tenure of service in MARA, a significant majority (56.4%) have served for more than 15 years, indicating a stable and experienced workforce. Meanwhile, 15.4% have worked for less than 5 years, 14.8% for 5 to 10 years, and 13.4% for 11 to 15 years. Educationally, most respondents hold at least a bachelor's degree, with 34.3% holding a bachelor's degree, 26.2% a master's degree, and 2.9% a PhD. Another 16.9% hold a diploma, while 19.8% list other qualifications, indicating a generally well-educated sample population. As for exposure to the Malaysia MADANI initiative, only 37.8% reported attending a related briefing or course, leaving 62.2% without formal exposure. Furthermore, while 44.5% of the respondents were involved in implementing MADANI initiatives, the remaining 55.5% were not. This reflects moderate engagement with the initiative, with substantial room for broader participation and awareness.

Table 1. MARA Staff's Profile

Demographic Information		Frequency	Percentage (%)
Age	25 - 35 years old	78	22.7
	36 - 45 years old	135	39.2
	46 - 55 years old	105	30.5
	Above 55 years old	26	7.6
Marital Status	Single	37	10.8
	Married	294	85.5
	Others	13	3.8
Service Tenure	Less than 5 years	53	15.4
	5 - 10 years	51	14.8
	11 - 15 years	46	13.4
	More than 15 years	194	56.4
Education Level	Diploma	58	16.9
	Master's degree	90	26.2
	Bachelor's Degree	118	34.3
	PhD	10	2.9
	Others	68	19.8
Briefing Attendance	Yes	130	37.8
	No	214	62.2

3

Involvement in Implementation	Yes	153	44.5
	No	191	55.5

(Source: Study Questionnaire)

4.2 Reliability and Validity of Constructs

The quality of the measurement model was assessed through several psychometric criteria, including internal consistency reliability, convergent validity, and discriminant validity. The reliability of each construct was first evaluated using Cronbach's alpha, where all three constructs exceeded the recommended threshold of 0.70, indicating strong internal consistency. The construct of *Perception* recorded a Cronbach's alpha of 0.890 across six retained items. *Acceptance* showed a reliability coefficient of 0.897, using four items, and *Implementation* had the highest reliability at 0.904, also measured using four items. These values reflect that the items within each construct consistently represent the underlying latent dimension. Further validation was established through Composite Reliability (CR) and Average Variance Extracted (AVE), which confirmed convergent validity. Composite reliability values were exceptionally high, with those for Perception (0.924), Acceptance (0.928), and Implementation (0.926), each exceeding the benchmark of 0.70. Similarly, AVE values were well above the 0.50 threshold, with Perception (0.752), Acceptance (0.763), and Implementation (0.677). This confirms that a substantial proportion of the variance in each construct is captured by its indicators, with minimal error. The outer loadings for all items were statistically significant, ranging from 0.744 to 0.885, indicating that each item loaded adequately onto its respective construct. Discriminant validity was evaluated using the Fornell–Larcker criterion, where the square root of AVE for each construct was compared to the inter-construct correlations. As presented in Table 3, each construct's AVE square root was higher than the correlations with other constructs, indicating that each construct shares more variance with its indicators than with any other construct in the model. The Perception construct had a square root of AVE of 0.823, Acceptance of 0.867, and Implementation of 0.873. While the correlation between Perception and Acceptance was high (r = 0.856), it remained within acceptable bounds and did not exceed either construct's square root of AVE, confirming discriminant validity. Given that constructs like Perception and Acceptance are conceptually sequential and thematically interlinked, such a high correlation is theoretically plausible and acceptable within this analytical context.

Table 2: Reliability Test (Cronbach's Alpha)

Constructs	Measurement items	Cronbach's α	Number of items
Perception	B1, B2, B4, B5, B6, B7, B9	0.890	7(6)
Acceptance	C1, C2, C3, C4, C8, C10	0.897	6(4)
Implementation	D1, D2, D3, D4, D7, D8	0.904	6(4)

Table 3: Convergent Validity of Measurement Model

Constructs	Items	Loadings	CR	AVE
Perception	B1	0.744		
	B2	0.868		
	B4	0.874	0.924	0.752
	B5	0.826		
	B7	0.824		
	B9	0.793		
Acceptance	C1	0.885		
	C3	0.863	0.928	0.763
	C4	0.853		
	C8	0.867		
Implementation	D1	0.87		
	D2	0.87	0.926	0.677
	D7	0.885		
	D8	0.869		

Table 4: Discriminant Validity of Measurement Model

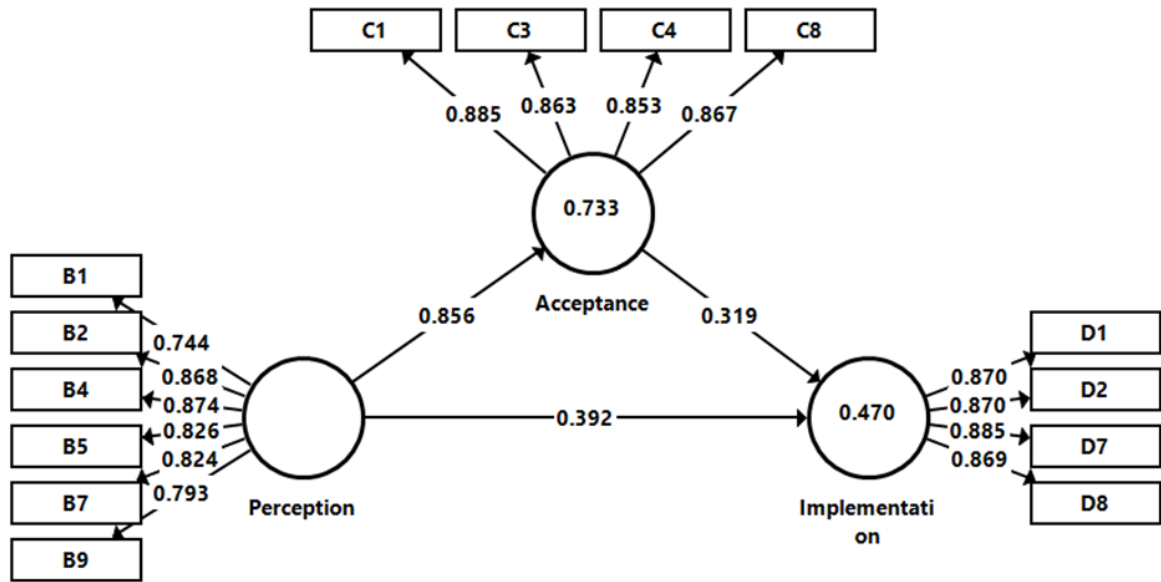| Constructs	Acceptance	Implementation	Perception
Acceptance	0.867		
Implementation	0.655	0.873	
Perception	0.856	0.665	0.823

Fig. 2. Measurement Model Evaluation Diagram

4.3 Inferential Analysis Model

Once the measurement model was confirmed reliable and valid, the next step involved testing the structural model to evaluate the hypothesized relationships among Perception, Acceptance, and Implementation of the Malaysia MADANI concept. The analysis was performed using Partial Least Squares Structural Equation Modelling (PLS-SEM), which is well-suited for predictive models involving latent variables. Table 5 and Figure 2 summarise the results, showing that all four hypotheses were statistically supported.

Table 5. Path Coefficient and Hypothesis Testing

Hypothesis	Relationship	Coefficient	t-value	Decision
H1	Perception → Acceptance	0.856	43.860 (0.000)	Supported
H2	Acceptance → Implementation	0.319	3.330 (0.001)	Supported
H3	Perception → Implementation	0.392	4.190 (0.000)	Supported
H4	Perception → Acceptance → Implementation	0.270	3.324 (0.001)	Supported

H1: Perception → Acceptance

The first hypothesis tested whether staff members' Perception of Malaysia MADANI directly and significantly affected their Acceptance of the concept. The path coefficient was robust at 0.856, with a p-value of 0.000, indicating high statistical significance. This result suggests that when staff clearly understand what Malaysia MADANI entails, its objectives, values, and relevance to MARA's mission, they are much more likely to accept it as a guiding principle in their professional environment. In other words, Perception lays the groundwork for Acceptance. When employees intellectually recognize that the initiative aligns with their work and organizational goals, it becomes easier for them to internalize and commit to the concept. This finding is consistent with existing models of organizational change and innovation adoption, where cognitive clarity often precedes emotional engagement.

H2: Acceptance → Implementation

The second hypothesis proposed that staff acceptance of Malaysia MADANI would positively influence their actual Implementation of the concept in their work routines and organizational practices. The path coefficient was 0.319 with a p-value of 0.001, confirming that this relationship is statistically significant. This means that once staff members move beyond simply understanding MADANI to actively accepting it as a relevant and meaningful framework, they are more likely to take tangible steps toward applying its principles. Acceptance here reflects a more profound attitudinal shift, one that extends beyond surface-level awareness toward genuinely believing in the concept's value. It is this belief that motivates behavior, which in turn supports Implementation across various operational levels within MARA.

H3: Perception → Implementation

Interestingly, the third hypothesis explored whether Perception directly influences Implementation, independent of Acceptance. The path coefficient was 0.392, with a t-value of 4.190 and a p-value of less than 0.001, indicating a significant and moderately strong direct effect. This result highlights that even without complete emotional alignment or internalization, a clear and well-informed understanding of the Malaysia MADANI concept can still lead to action. In other words, clarity alone can drive behavior. This finding is particularly significant from a practical standpoint, as it suggests that well-designed communication strategies and educational efforts that focus on enhancing understanding can already have a meaningful impact on Implementation, even before the development of full attitudinal commitment. Consequently, this direct pathway reinforces the importance of clarity and transparency in policy dissemination.

5

H4: Perception → Acceptance → Implementation

The fourth and final hypothesis examined whether Acceptance mediates the relationship between Perception and Implementation. The results supported this indirect pathway, with a mediated effect of 0.270 and a p-value of 0.001. This mediation effect confirms that Acceptance plays a crucial bridging role. While Perception alone can lead to Implementation (as shown in H3), the presence of Acceptance enhances and deepens that relationship. The Implementation becomes more committed, consistent, and meaningful when staff understand MADANI and accept it as aligned with their values and responsibilities. This partial mediation implies that both Perception and Acceptance are essential implementation drivers, and the best outcomes occur when both are present.
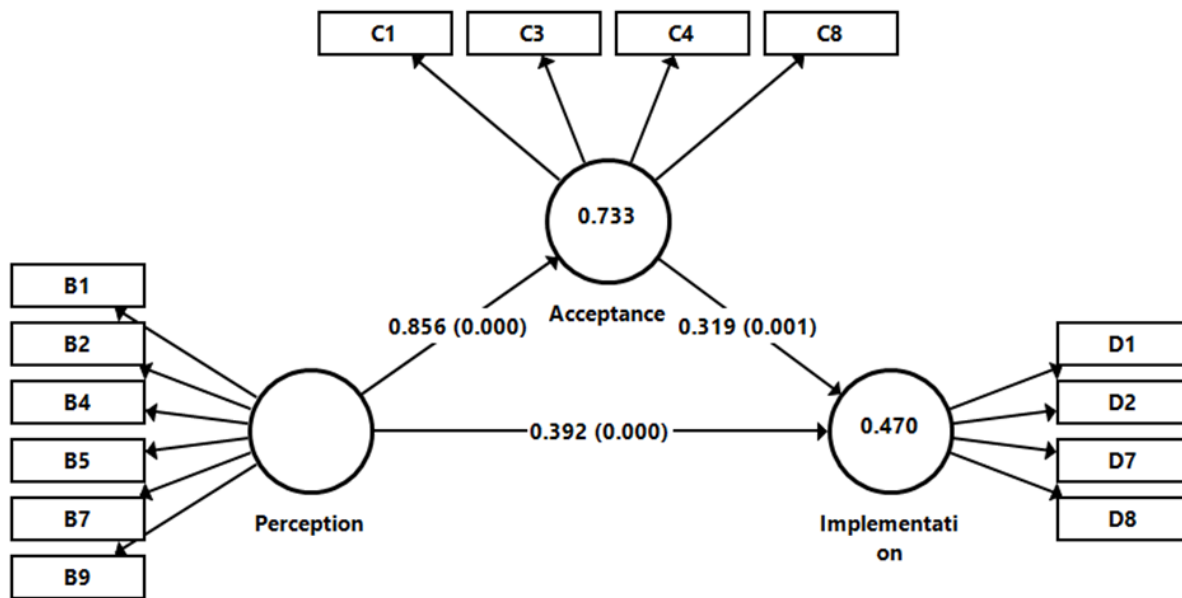

Fig. 3. Result of Path Analysis

5.0 Discussions

This study aimed to understand how MARA staff respond to the Malaysia MADANI concept by examining three key aspects: their Perception of it, their Acceptance of it, and the extent to which they implement it in practice. The results show a clear pattern: when staff understand the concept well, they are more likely to accept it, and when they accept it, they are more likely to implement it. The first important finding is that Perception strongly influences Acceptance. However, the more clearly staff understand what Malaysia MADANI is about, its purpose, values, and how it relates to their work, the more likely they are to support it. People are usually more open to change when they see its relevance and how it fits their roles and responsibilities. If they do not understand it, they are unlikely to support it. This highlights the need for good communication and explanation before expecting people to accept a new policy or concept.

The second finding shows that Acceptance leads to action. Staff who accept MADANI are more likely to apply its principles in their daily work. Acceptance here does not mean merely agreeing in theory but rather believing the concept is meaningful and worth applying. This belief encourages staff to behave in ways that reflect MADANI values, such as being more inclusive, ethical, or transparent in their roles. The third result is exciting; even without full emotional commitment, understanding MADANI alone can lead to action. This means that knowing what MADANI stands for can encourage staff to implement its values, even if they have not fully adopted them personally. This finding is beneficial for leaders, as it suggests that efforts to educate staff about MADANI can already have a positive impact, even before deeper support has been fully established. The final result ties everything together. The study found that Acceptance plays a partial mediating role between Perception and Implementation. In other words, staff who understand MADANI are more likely to implement it directly, but they are even more likely to do so if they also truly accept and support it. Understanding and Acceptance are essential, and the strongest results come when both are present. These findings show that implementing a concept like Malaysia MADANI is not just about giving orders from the top. It is about helping people understand the concept and giving them reasons to believe it. When this happens, they are much more likely to implement the concept. For MARA and other public agencies, investing in training, communication, and engagement is just as crucial as designing good policies.

6.0 Conclusion & Recommendations

The study concludes that Acceptance of the Malaysia MADANI policy concept among MARA staff is crucial for effective Implementation. While understanding the concept is important, genuine Acceptance significantly enhances the likelihood of staff putting it into practice. Therefore, fostering both awareness and belief in MADANI through targeted communication, training, and engagement strategies is essential. For MARA and similar public agencies, success lies not only in developing sound policies but also in ensuring that employees

are informed, motivated, and aligned with the values behind them. To strengthen the Acceptance of the Malaysia MADANI policy concept among MARA staff, it is important to prioritize clear communication and continuous education. Efforts should be made to enhance awareness and understanding of MADANI values through workshops, seminars, and internal campaigns. Leadership plays a key role in driving Acceptance; therefore, managers and senior officers should consistently model MADANI principles in their decision-making and behavior. Creating open channels for feedback and discussion can also foster a sense of ownership and inclusivity among staff. Moreover, aligning MADANI values with daily work processes and performance indicators can help integrate the concept into the organizational culture. Recognition and incentive programs should be introduced to motivate and reward employees who actively support and implement MADANI values. Finally, regular evaluation and monitoring of staff engagement with the concept will allow for timely improvements and ensure long-term success.

Acknowledgments

Paper Contribution to Related Field of Study
Working Environment

References

Abdul Fatah, F. M. (2024). *Individu terkait kerugian Mara inc RM286.3 juta sudah didakwa*. https://www.bharian.com.my/berita/nasional/2024/07/1268168/individu-terkait-kerugian-mara-inc-rm2863-juta-sudah-didakwa

Azil, F. (2022, December 16). *Ini yang anda perlu tahu tentang permuafakatan Kerajaan Perpaduan Malaysia*. https://www.astroawani.com/berita-malaysia/ini-yang-anda-perlu-tahu-tentang-permuafakatan-kerajaan-perpaduan-malaysia-397160

Azlan, M. A., Baharudin, H., Ja'afar, M. F. A., Abdullah, A. W., & Ali, B. S. K. S. (2022). The effectiveness of the Mara Entrepreneurship Program on the performance of Bumiputera entrepreneurs. *International Journal of Academic Research in Business and Social Sciences*, *12*(11), 2045-2060. https://doi.org/ 10.6007/IJARBSS/v12-i11/15703

Aziz, N. A., & Rusli, R. (2023). Embracing Islamic Values in Governance: Reflecting the Concept of 'Madani ' in the Holy Qur'an. *Research Studies*, *3*(7), 1304–1312. https://doi.org/10.55677/ijssers/V03I7Y2023-20

Bakar, O. (1997). Agama dan budaya teras masyarakat madani. *Jurnal Usuluddin*, *5*, 1-10.

Basaruddin, A. (2024). *LKAN: Mara beri penjelasan isu kerugian anak syarikat*. https://www.sinarharian.com.my/article/673553/berita/nasional/lkan-mara-beri-penjelasan-isu-kerugian-anak-syarikat

Bernama (2023). *Isu Mara: Perbelanjaan mencurigakan ditemui dalam transaksi kad kredit*. https://www.sinarharian.com.my/article/187862/berita/semasa/isu-mara-perbelanjaan-mencurigakan-dalam-transaksi-kad-kredit

Kosmo (2022). *SPRM terima laporan isu integriti libatkan pegawai kanan MARA*. https://www.kosmo.com.my/2022/02/05/sprm-mara/

Mav, M., (2023). *IDEAS Welcomes the New Direction Emphasized by the Membangun Malaysia Madani Theme: Vital for Growth, Institute for Democracy and Economic Affairs. Malaysia*. https://policycommons.net/artifacts/3410348/ideas-welcomes-the-new-direction-emphasised-by-the-membangun-malaysia-madani-theme/4209709/ on July 31, 2023. CID: 20.500.12592/rgrvsd

Musa, M. F. (2023). *The Evolution of Madani: How Is 2.0 Different from 1.0?* ISEAS-Yusof Ishak Institute.

Mustaniruddin, A., Afriyadi, H., & Bakar, J. A. (2020). Indikator Terciptanya Masyarakat Madani Perspektif Al-Qur'an. *TAJDID: Jurnal Ilmu Ushuluddin*, *19*(2), 164-187. https://doi.org/10.30631/tjd.v19i2.127

Zakaria, W. F. A. W., & Long, A. S. (2024). Matlamat Pembangunan Mampan (SDGS) Dalam Kerangka Malaysia Madani Dan Prinsip Maqasid. *International Journal of Islamic Thought*, *25*, 160-176. https://doi.org/10.24035/ijit.25.2024.294

Zulfiani, A. (2019). Anwar Ibrahim's Political Thoughts on Civil Society and Its Relevance to Politics in Malaysia. *International Journal on Social Science, Economics and Art*, *9*(3), 143–157. https://doi.org/10.35335/ijosea.v9i3.35