Financial stress and its implications for students' learning in Tanzania: Evidence from Universities in Arusha

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ABSTRACT

Financial stress is emerging as one of the most pervasive and influential factors in students' academic performance. This study examines the financial stress and its effects on university students' education in the Arusha Region, Tanzania. Particularly, the study assessed the sources of financial stress among university students, determined the extent to which financial stress affects students' academic performance, and explored coping strategies in mitigating financial stress that affects students' university education. The study utilized the interpretivist research philosophy and the transactional model of stress and coping theory. A convergent mixed-methods research design was adopted. Descriptive statistics and thematic analysis were employed. A total of 205 respondents were selected using stratified, simple, and purposive sampling techniques. Reliability of the students' questionnaire was tested, and a Cronbach's Alpha value of r=0.82 was obtained. At the same time, the trustworthiness of the instrument for collecting qualitative data was established through peer debriefing. Quantitative data were analyzed using descriptive statistics in SPSS Version 25, while qualitative data were subjected to thematic analysis. The study reveals that delayed loan disbursement, high tuition fees, inadequate family support, food and transport expenses, accommodation costs, peer influence, and pressure to support family are sources of financial stress faced by university students. Due to the inability to purchase basic needs, students often skip meals or live in poor housing, which impairs cognitive functioning and limits study time. This affects their mental health, resulting in delayed or poor concentration in their studies. For strategies, it is necessary to partner with local housing providers to organize safe, affordable, university-approved shared accommodation options. In conclusion, delays in financial aid, high tuition, and living expenses synergistically erode students' stability. Inadequate family support and pressure to provide for the family amplify stress, especially if combined with obligations to earn income while studying. It was recommended that there be a need to ensure government loans and bursaries are confirmed and delivered before or at the start of the term to prevent initial financial instability.

Keywords: Academic Performance, Arusha Region, Education, Finance, Stress, Students' Learning, University

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I. INTRODUCTION

Financial stress is one of the most prevalent and significant academic, social, and economic issues that university students worldwide deal with (Heckman et al., 2014). The psychological anguish brought on by having insufficient funds to cover basic personal and educational expenses is referred to as financial stress. Tuition fees, housing costs, food insecurity, transportation expenses, and limited access to educational resources are common causes of financial pressure (Thielking, 2019). Internationally as well as in low- and middle-income contexts, financial stress among college students has been associated with worse mental health outcomes, less concentration, higher dropout risk, and worse academic performance. Research from around the world shows that financial difficulties are associated with poorer grades, absenteeism, and even dropout.

Widespread poverty, restricted access to financial aid, and unemployment among students' families exacerbate the effects of financial stress in developing nations like sub-Saharan Africa (Osugiri et al., 2024). To make ends meet, students frequently turn to part-time work, which can negatively impact their study habits, focus, and academic achievement (Wagner et al., 2024). In severe situations, financial strains lead to poor academic performance, student dropout, and psychological issues such as sadness and anxiety. One of the biggest issues facing college students worldwide, particularly in developing nations, is financial stress, which is becoming more widely acknowledged. Tuition, housing, transportation, and educational supplies are significantly more expensive than many students' families can afford (Baluwa et al., 2021; Mkumbo et al., 2024). Stress, anxiety, and frequently poor academic performance or dropout are caused by the inability to pay these essential living and educational costs (Nasr et al., 2024).

The strain on students is considerably greater in sub-Saharan Africa, where funding for higher education is still insufficient. Many rely significantly on family support resources, part-time employment, government loans, and scholarships, all of which are frequently insufficient or inconsistent (Ikuemonisan, 2024). As a result, students learn coping mechanisms to deal with financial stress, like making a budget, asking for loans, getting help from peers, practicing their religion, or working part-time (Bulanda et al., 2020). It's important to comprehend these coping techniques because, although some, like financial preparation and seeking assistance, can foster resilience, others, like avoidance and excessive work hours, can make the academic load worse. In order to improve academic performance and mental health, institutional actions and student support services must be informed by studies on how students cope with financial stress (Kim, 2024).

Even if the number of students attending Tanzanian colleges is increasing, financial stress continues to be a major obstacle to academic achievement. Many students struggle financially over time, making it difficult for them to pay for necessities like housing, food, transportation, and school supplies. Because of this, some students are under a lot of stress and are compelled to work part-time jobs, take out loans, or forgo meals to make ends meet (Osugiri et al., 2024; Wagner et al., 2024). Even though there are financial aid programs like the Higher Education Students' Loans Board (HESLB), many students lack adequate funding because access is frequently competitive and restricted. According to Thielking (2019), the cumulative impacts of financial stress can show up as excessive absenteeism, decreased class engagement, poor academic performance, and, in the worst situations, dropout.

Similar patterns can be seen in Tanzania. Even though more people are enrolled in higher education now than 10 years ago, financial aid programs like government loans and scholarships are sometimes insufficient or not allocated fairly. Because of this, a large number of university students in metropolitan areas like Arusha struggle to pay for both their basic living expenses and academic-related charges, which may have an adverse effect on their performance and learning outcomes. Students in Tanzania are under a lot of strain due to the growing expenses of tertiary education, including tuition, housing, books, food, and transportation, as well as a lack of financial awareness and restricted access to loans or scholarships. Many students from low- and middle-income families attend institutions in the Arusha region; they frequently face financial limitations that could interfere with their academic performance. This study looked at the effects of financial stress on students' education and offered coping mechanisms for reducing the negative effects of financial stress on university education in Tanzania's Arusha region.

1.1 Research Objectives

1.1.1 General objectives.

To investigate the implications of financial stress on students' learning in universities in Arusha, Tanzania

1.1.2 Specific objectives

(i) To identify the major sources and causes of financial stress among university students in Arusha.
(ii) To examine the effects of financial stress on students' academic performance and learning engagement.
(iii) To explore the coping strategies adopted by students in response to financial stress.
(iv) To assess the institutional and policy measures in place to support students experiencing financial stress.

II. LITERATURE REVIEW

2.1 Theoretical Framework

2.1.1 Transactional Model of Stress and Coping Theory (TMSCT)

Richard S. Lazarus and Susan Folkman's 1984 transactional model of stress and coping theory served as the study's compass. According to this approach, stress is not a one-way response to a stressor but rather a dynamic, interacting process between an individual and their surroundings (Lazarus & Folkman, 1984). Stress can be found in interactions between people and their surroundings as well as in the environment itself. Only when a situation is viewed as stressful by the individual does it become so. TMSCT holds that the availability of both internal and external resources, including financial or informational resources, personal resilience, and social support, determines how effective coping is. The idea notes, for example, that students can view housing or tuition expenditures as intimidating. After that, they evaluate their capacity to manage by requesting assistance from parents and guardians, applying for a loan from HESLB, or working part-time. As a result, the effectiveness of these coping mechanisms and the available support networks has an impact on their stress level when asking parents and guardians for assistance. As a result, the effectiveness of these coping mechanisms and the available support networks has an impact on their stress level.

2.2 Empirical Review

Elmouhib et al. (2024) conducted a study on educational quality versus stress impact: assessing student well-being in higher education in Morocco. The study was purely quantitative, involving 426 students across higher education institutions. Structural equation modelling (SMART-PLS) analysis techniques were employed to analyze data. The finding shows that financial and academic stress significantly reduces quality of life, and educational quality is positively influenced by financial well-being. However, one potential limitation was that the study missed qualitative insights into the reasons behind quality of life and educational quality across higher education institutions in Morocco. The current study applied a mixed methods approach to collect both quantitative and qualitative data in order to fill the gap.

A related study was conducted in the United Kingdom by Bennett et al. (2015), investigating the change in students' financial stress at Bristol University from 2018 to 2022. A-cross-sectional design and a quantitative approach were adopted. Data were collected with the aid of questionnaires from 10,876 students. Logistic regression was employed to analyze data in order to examine trends. The study found that 55% of students reported an increase in financial stress over time, thereby growing concern about mental health and academic continuity. The study was confined to students as the respondents. Also, the study lacks a longitudinal design that would have enabled it to track individual trends over time from 2018 to 2022, and similarly, there was no direct academic performance measure. To address these gaps, the current study also involves deans of students as respondents to investigate how financial stress affects the academic performance of university students in the Arusha region, Tanzania.

A study conducted by Saufi et al. (2025) examined financial stress among students in higher education institutions during the COVID-19 pandemic in Malaysia. Quantitative survey design and quantitative approach were adopted. Data were collected with the aid of questionnaires from 567 students. Descriptive statistics were employed to analyze data. The study found that 50.1% of students experienced financial stress. One potential limitation is that the study focused on the pandemic period, which may limit its generalizability to normal times. Also, no multivariate analysis was conducted.

A study conducted by Osugiri et al. (2024) analyzed the impact of financial stress on the academic performance of university students in South East Nigeria. A descriptive survey with qualitative and quantitative tools was employed. Data were collected from 50 students and their parents, randomly selected. Research instruments included Focus Group Discussion (FGDs), interviews, and observations. Descriptive statistics were employed to analyse data from surveys, while thematic analysis was used for qualitative data. The study found that students from low socio-economic backgrounds struggled to afford tuition, materials, and basic needs, resulting in poor academic performance and early departure from university education. Equally, parental low interest in education compounded the problem. One potential limitation is that the small sample (n~50) limits generalizability, and bias in qualitative design reduces comparability.

In Tanzania, Mkumbo et al. (2024) conducted a study on coping strategies among first-year students and their influence on their university education. The study employed convergent mixed-methods to collect both quantitative and qualitative data using questionnaires & interviews. A total of 150 participants (100 students, 35 lecturers, 10 non-academic staff, and 5 deans) across 5 universities were selected. Descriptive statistics and thematic analysis were employed. The study found that students coped with homesickness and financial challenges through peer support groups, time management training, parental engagement, and counselling. These mitigated transitional stress and improved adjustment. The study provides valuable insights into the coping strategies among first-year students, but its focus on first-year students only limits direct linkage to financial stress outcomes among other students. Therefore, the current study sought to fill this gap. Despite the critical nature of this issue, the empirical research specifically focused on the coping strategies among first-year students in Arusha City. Therefore, this study addresses the knowledge gap by investigating how financial stress affects the education of university students in the Arusha region, Tanzania.

III. METHODOLOGY

3.1 Research Philosophy

The study adopted an interpretivism philosophy. The philosophy focuses on subjective meaning-making, ideal for understanding how students deal with financial stress in diverse contexts. This philosophy focuses on understanding how individuals interpret and give meaning to their experiences, which aligns well with the study's emphasis on personal strategies, emotions, perceptions, and social contexts. It recognizes that students experience and cope with financial stress differently based on context, background, and beliefs. The philosophy encourages the collection of both quantitative and qualitative data to generate deep insights into lived experiences. This philosophy is especially relevant in contexts like Tanzania or other developing countries, where social, cultural, and institutional dynamics greatly influence how financial challenges are navigated.

3.2 Study Area

This study was conducted in the Arusha region, which is located in the northern part of Tanzania. This region consists of five universities in total, which offer courses for undergraduates. The choice of this study area is due to the challenges facing university students in their education due to financial stress as a result of inadequate financial support from parents and the government through HESLB. Similarly, the research objectives and questions align with the interests of university students in the region. Therefore, relevant data were available for this study.

3.3 Research Design

This study used the convergent mixed methods research design. According to Creswell and Creswell (2023), in a convergent mixed-method research design, the researcher collects both quantitative and qualitative data at the same time, then compares the two databases to see if they yield similar or different results. This integration enhanced the validity of the findings by providing a richer context for interpreting results, as it allows researchers to triangulate data sources.

3.4 Research Approach

The study employed a mixed-methods research approach. A research approach refers to the overall strategy or plan that a researcher adopts to conduct their study (Cohen et al. 2018). A convergent mixed methods research design was used in collecting both quantitative and qualitative data simultaneously, and analysing them separately, then integrating the findings. Wium and Louw (2018) emphasize that mixed methods involve collecting, analysing, and integrating both qualitative and quantitative data in a single study. Qualitative and quantitative data were used to complement one another.

3.5 Targeted Population

Creswell and Creswell (2023) defined the target population as the entire group of individuals that a researcher is interested in researching and analysing. It refers to the entire group of individuals or instances that meet a set of specific criteria, and from which researchers aim to conclude. The target population from five universities was 1000 undergraduate students and five deans of students.

3.6 Sample size

A sample size is a subset of the target population. Five universities were involved in this study, whereby a simple random sampling technique was used to select sampled university students. This technique gave every individual an equal chance to participate in the study. A total of 205 sample respondents from universities in the Arusha region were selected for this study. Based on respondents' categories, the study included 200 (20% of 1000) undergraduate students and 5 deans of students (purposively selected) from five Arusha region universities. The choice to select 200 students from universities was due to their relevance to the study. The remaining 5 respondents were deans of students. Their inclusion was essential for providing insights regarding cases involving students affected by financial stress. This sample size was suitable and helpful to generalize results and statistical relations between variables. The total sample size translated to 205 respondents, as shown in Table 1.

Table 1

Sample Size Grid and Sampling Techniques

Category	Sample	Sampling procedures
University students	200	Stratified & Simple random
Dean of students	5	Criterion purposive sampling
Total	**205**	

Source: Researcher's Construct (2025)

3.7 Sampling Techniques

The researcher employed a probability sampling technique to select students. Specifically, using stratified random sampling, students were grouped based on their gender. Therefore, 40 students from every university were selected based on their gender. Consequently, 20 male and 20 female students were selected from five universities in the Arusha region. Simple random sampling was employed to select the students in their strata. Criterion Purposive sampling was used to select 5 deans of students. Therefore, through stratified sampling, simple random sampling, and criterion purposive sampling techniques, 200 respondents were sampled for this study (Tracy, 2024).

3.8 Data Collection Methods

Questionnaires were used to collect quantitative data from 200 university students. The questionnaire was structured into 5 Likert scale responses. For each theme from the objective, between 6 and 7 items were developed to investigate the three objectives. Similarly, structured interviews were conducted with five deans of students. These instruments enabled the collection of both quantitative and qualitative data that provided in-depth insights into the Effects of financial Stress on university students' education.

3.9 Validity and Reliability

Content validity of questionnaires was affirmed by two experts: one from HESLB and another from the accounts office in the university. A total of 20 items were tested in SPSS Version 25 using Cronbach's alpha coefficient to determine the reliability of the students' questionnaire, and the correlation coefficient value of $r=0.82$ was generated. This value confirmed that the instrument was dependable and capable of producing consistent results over time. According to George and Malley (2003), the instrument was found to be fairly reliable for the study. Questionnaires were then issued to the respondents and collected on the agreed date, while a personal interview was conducted on the same day of the visit. The researcher audio-recorded the conversation for later transcription with the consent of the interviewee.

3.10 Data Analysis

The study used both quantitative and qualitative analysis. Quantitative data were analysed using descriptive statistics in SPSS Version 25, while qualitative data were subjected to thematic analysis. These analysis approaches facilitated a comprehensive interpretation of findings, allowing for a clearer understanding of patterns and themes (Tracy, 2024).

3.11 Ethical Considerations

All the research rules and regulations were carefully observed during the preparation and conduct of research in the field. Ethical guidelines were followed by ensuring informed consent and treating all participants fairly. The researcher ensured the anonymity of the respondents, and respondents' feedback was kept confidential. The results of the study were accurately and honestly communicated, and plagiarism was avoided by properly acknowledging the sources. The study prioritized the protection of participants' rights and dignity throughout the research (Andanda & Wathuta, 2018).

IV. FINDINGS & DISCUSSION

4.1 Findings

The findings are presented starting with the return rate of research tools, demographic information, and the effects of financial stress on university students' education in the Arusha region, Tanzania.

4.1.1 Return Rate of Instruments

The researcher administered questionnaires to 200 students and an interview guide to 5 deans of students to collect data for this study. Table 2 gives a summary as follows:

Table 2

Distribution of Research Instruments and Instruments' Return Rate

Instruments Distributed	Sample Size	Instruments' return rate	(%)
Questionnaires for students	200	200	97.56
Interview for Dean of Students	5	5	2.44
Total	**205**	**205**	**100**

Source (Field Data 2025)

The distribution of data indicated that the researcher administered questionnaires to 200 Students, which accounted for 97.56% of the total respondents. Also, the interview guide was used to obtain qualitative data from five deans of students (2.44% of the total respondents), which provided a more comprehensive understanding of the problem investigated under the current study. Additionally, all questionnaires were returned by respondents to the researcher, while the interviews were carried out successfully. This implies that by obtaining data from multiple sources, the study was able to identify the effects of financial stress on university students' education. In the view of Fagarasanu and Kumar (2002), the quality of data analysis is influenced by the research instruments' return rates. In this regard, the low return rate of the research instruments may compromise the credibility of the findings. However, in this study, due to the 100% return rate of the research instruments administered, this improved the suitability of the qualitative and quantitative data. This 100% return rate was achieved due to the efforts that were put in place by the researcher through making a follow-up to remind the respondents to submit their duly filled instruments. This approach was a necessary sacrifice in order to make sure that all the intended respondents participated fully in the study.

4.1.2 Demographic Information of Students

This part identifies demographic information of the respondents, that is, students' gender, age, and level of education. This demographic information was important in the current study because it provided insights into different personal information considered among university students that is relevant to the current study. Demographic information plays a crucial role in research as it helps identify and understand the characteristics of a target population, and it enables researchers to segment their responses and tailor their strategies accordingly (Willie, 2024). Table 3 shows the demographic information of university students.

Table 3

Demographic Information of Students (n= 200)

Category		F	%
Gender	Male	100	50.0
	Female	100	50.0
Age	16-20 years	10	5.0
	21-25 years	108	54.0
	26-30 years	72	36.0
	31 years and above	10	5.0
Level of Education	First year	24	12.0
	Second year	79	39.5
	Third year	91	45.5
	Fourth year	6	3.0

Source: Field Data (2025)

Table 3 shows the gender distribution among the students, indicating that 50% of respondents were male and 50% were female. This demonstrates that there was gender parity among male and female students represented in the study. Gender was considered because it may affect the perception and experience of university students' financial situation and how this affects their education. The descriptive statistics presented in Table 3 indicate that 108 students, accounting for 54% were of age between 21 - 25 years, 72(36.0%) were of age between 26 - 30 years, and only 5% represented age from 16-20 years & above 31 years. The age group among the students was necessary for the generalization of financial experience among different age groups concerning the effects of financial stress on university students' education. Additionally, the level of education shows that the third year was 91, representing 45.5%, followed by the second year at 39.5%, the first year was 12% and a small number (3%) of fourth-year students were also represented.

4.1.3 The sources of financial stress among university students in the Arusha Region

Objective one of this study assessed the sources of financial stress among university students in the Arusha Region. The sampled University students were required to indicate their level of agreement with the statement on the sources of financial stress among university students**.** A total of 7 items were drawn to investigate this objective. University students were required to agree or disagree with the items using a five-point Likert scale, where 5=strongly agree (SA), 4=agree (A), 3=Undecided (U), 2=disagree (D), and 1=strongly disagree (SD). During the discussion, the percentage of those who strongly agreed and those who agreed was merged. The same was done to the percentage of those who strongly disagreed and those who disagreed. Table 4 presents the data of quantitative findings through questionnaires on the sources of financial stress among university students.

Table 4
Students' Responses on the Sources of Financial Stress in the Universities in Arusha Region (n=200)

	SA		A		U		D		SD		
Primary sources of financial stress experienced by university students	**F**	**%**	**F**	**%**	**F**	**%**	**F**	**%**	**F**	**%**	**Mean**
Delays in government loan disbursement	104	52.0	87	43.5	3	1.50	4	2.0	2	1.0	4.4
Accommodation costs	56	28.0	32	16.0	34	17.0	56	28.0	22	11.0	3.2
Food and transport expenses	91	45.5	56	28.0	31	15.5	16	8.0	6	3.0	4.1
Peer influence	2	1.0	3	1.50	7	3.5	50	25.0	138	69.0	1.4
High tuition fees	110	55.0	49	24.5	27	13.5	10	5.0	4	2.0	4.3
Pressure to support their families financially	51	25.5	75	37.5	54	27.0	14	7.0	6	3.0	4.0
Inadequate family financial support	91	45.5	56	28.0	31	15.5	16	8.0	6	3.0	4.1
Grand mean score											3.6

Source: (Field data, 2025)

Data in Table 4 show that the students identified the sources of financial stress among university students in Arusha Region. Delays in government loan disbursement got the highest mean score of 4.4, which was higher than the grand mean score of 3.6. A total of 104 students strongly agreed, accounting for 52%, 43.5% agreed, only 3(1.5%) were undecided, while 3% held a contrary opinion. This implies that delayed financial aid significantly heightens students' anxiety and stress. In terms of accommodation costs, 56 respondents, accounting for 28.0% strongly agreed that this is a source of financial stress among university students, 16% of the respondents agreed, while 28% disagreed, together with 11% who strongly disagreed. The mean score (3.2) posted was slightly below the grand mean score of 3.6. Similarly, a total of 45.5% of students were strongly in agreement that food and transport expenses cause financial stress.

During face-to-face interviews and while giving a response regarding the theme on the sources of financial stress among university students in the Arusha region, the dean of students at university "4" noted as follows:

> Well, many students have reported financial difficulties due to delays in the loan disbursement. My office has established that the delay causes considerable hardship for students, especially those coming from low-income backgrounds. I have shared this with the relevant office, and I must admit that they're trying their best to handle the situation (Personal interview, 8th July 2025).

Furthermore, another dean of students in university "1" noted that;

> Many students from disadvantaged or rural backgrounds rely heavily on loans from HESLB or inconsistent family financial support. When family support is insufficient, combined with delayed loan disbursement, students are forced into precarious coping strategies such as part-time work that heighten stress. Recently, a student was involved in a road accident while performing his part-time work. Unfortunately, the student succumbed to the injuries, and we can only attribute his death to financial difficulties (Personal interview, 9th July 2025).

A high tuition fee is also another source of financial stress among university students. This source recorded a mean score of 4.3, where a total of 79.5% (55.0% strongly agreed & 24.5% agreed) agreed. Likewise**,** pressure to support their families financially was cited as another source of financial stress among university students, with a mean score of 4.0**.** Inadequate family financial support, with a mean score of 4.1, received 73.5% approval as a source of financial stress among university students.

4.1.3 Effect of Financial Stress on Students' Academic Performance in their University Education in the Arusha Region

The second objective of the current study was to determine the extent to which financial stress affects students' education in the universities in Arusha Region. The sampled university students were required to indicate their level of agreement with the statement on the effects of financial Stress on university students' education. A total of 7 items were drawn to investigate this objective. The scale consisted of five choices, which are 5 = Greater extent (GE), 4 = High extent (HE), 3 = Moderate extent (ME), 2 = Low extent (LE), and 1 = No extent (NE). However, it was necessary to collapse cells where the categories of "Moderate Extent" were merged with "Low Extent" for clarity of reporting, and "Great Extent" and "High Extent" categories were equally merged. Table 5 shows quantitative data on the effects of financial stress on university students' education in the Arusha region.

Table 5: Students' Response on the Extent to which the University Students Participate in Lottery games in Arusha region (n=200)

	GE		HE		ME		LE		NE		
Statement	**F**	**%**	**F**	**%**	**F**	**%**	**F**	**%**	**F**	**%**	**mean**
Reduced concentration in studies	125	62.5	63	31.5	8	4.0	3	1.5	1	0.5	4.54
Absenteeism due to the inability to afford transportation	57	28.5	5	2.5	6	3.0	61	30.5	71	35.5	3.83
Results in unsafe relationship	10	5.0	71	35.5	91	45.5	22	11.0	6	3.0	3.29
Delayed graduation	32	16.0	16	8.0	33	16.5	89	44.5	30	15.0	3.21
Inability to purchase academic materials	32	16.0	16	8.0	33	16.5	90	45.0	29	14.5	3.21
Dropping out from university education	57	28.5	5	2.5	7	3.5	60	30.	71	35.5	3.83
Poor performance thus lower grades	127	63.5	47	23.5	11	5.5	15	7.5	0	0.0	4.43
Grand mean score											3.9

Source: (Field data, 2025)

The data in Table 5 shows that financial stress negatively affects university students to the extent that it reduces their concentration in studies. The variable recorded the highest mean score of 4.54, which was relatively higher than the grand mean score of 3.9. The high mean score was due to support from 62.5% for a greater extent and 31.5% for High extent, while 4.0% indicated moderate extent, 1.5% for Low extent, and 0.5% for No extent. The data also indicates that financial stress quite often results in absenteeism due to the inability to afford the means of transport. The mean score of 3.83 recorded was due to support from 28.5% for a greater extent, 2.5% for High extent, 3.0% indicated moderate extent, 30.5% for Low extent, and 35.5% for No extent. In essence, those who supported were 62 students, accounting for 31% and those who held a contrary opinion (No extent) were 71 students, accounting for 35.5%. Moreover, Table 5 exhibits that financial stress results in unsafe relationships among students and with other people in the community. The mean score of 3.29 recorded was due to support from 81 students, accounting for 40.5% and those who held a contrary opinion (No extent) were 6 students, accounting for 3.0%. The quantitative statistics further illustrate that financial stress negatively affects university students to the extent that they drop out of university education. Similarly, the mean score of 3.83 recorded was due to support from 62 students, accounting for 31.0% and 7 students indicated a moderate extent, accounting for 3.5% while 60 students indicated a low extent, accounting for 30% and 71 students voted for extent, accounting for 35.5%.
During the interviews on the questions that sought to find out the extent to which financial stress affects students' education, the sampled dean of students at university "2" pointed out that:

> Indeed, financial stress is strongly associated with diminished cognitive focus and academic engagement. Students who worry constantly about money report difficulty concentrating on lectures, reading assignments, and exams. Also, in the contexts where students must commute, a lack of funds for transport significantly increases absenteeism (Personal interview on 10th July 2025).

From another dean of students, it was found that;

> Yes, the report in my office indicates that financially insecure students sometimes enter exploitative or high-risk arrangements such as transactional relationships to meet basic needs. These circumstances sometimes result in unwanted pregnancies and conflict, thereby creating additional psychological stress that undermines academic well-being (Personal interview, 17th July 2025).

Finally, students pointed out that financial stress negatively affects their university education to the extent that it results in poor performance, thus lower grades. This variable recorded a mean score of 4.43, which was greater than the grand mean score of 3.9, with an overwhelming support of 174 students accounting for 87% and. those who held a contrary opinion were 26 students accounting for 13.0%.

4.1.4 Students' coping strategies in mitigating financial stress that affects their university education in Arusha City

The last objective of this study explored students' coping strategies in mitigating financial stress that affects their university education in the Arusha Region. The sampled University students were required to indicate their level of agreement with the statement on the coping strategies in mitigating financial stress that affects their university education. A total of 6 items were drawn to investigate this objective. University students were required to agree or disagree with the items using a five-point Likert scale, where 5=strongly agree, 4=agree, 3=neutral, 2=disagree, and 1=strongly disagree.

During the discussion, the percentage of those who strongly agreed and those who agreed was merged. The same was done to the percentage of those who strongly disagreed and those who disagreed. Table 6 presents the data of quantitative findings through questionnaires on the coping strategies in mitigating financial stress that affects students' university education.

Table 6

Coping Strategies in Mitigating Financial Stress that affects Students' University Education (n=200)

Coping strategies in mitigating financial stress	**SA**		**A**		**N**		**D**		**SD**		
	F	**%**	**F**	**%**	**F**	**%**	**F**	**%**	**F**	**%**	**Mean**
Part-time work	110	55.0	65	32.5	13	6.5	6	3.0	6	3.0	4.3
Borrowing from peers or family.	91	45.5	56	28.0	31	15.5	16	8.0	6	3.0	4.0
Applying for bursaries or scholarships.	96	48.0	78	39.0	17	8.5	6	3.0	3	1.5	4.2
Strict budgeting.	137	68.5	44	22.0	6	3.0	7	3.5	6	3.0	4.5
Seeking spiritual or religious support.	74	37.0	78	39.0	35	17.5	8	4.0	5	2.5	4.0
Relying on shared accommodation.	151	75.5	45	22.5	0	0.0	4	2.0	0	0.0	4.7
Grand Mean score											**4.3**

Source: (Field data, 2025)

From Table 6, part-time work was identified as a coping strategy in mitigating financial stress among students. The mean score of 4.3 recorded was due to support from 55.0% for strongly agree and 32.5% for agree, while 6.5% indicated neutral, 3.0% for disagree, and 3.0% also for strongly disagree. Fundamentally, those who supported were 175 students, accounting for 87.5% and those who held a contrary opinion were 12 students, accounting for 6.0%. Shared accommodation, with a mean score of 4.7, was identified as another major coping strategy used by students to mitigate financial stress. The measure received overwhelming support from 151 students, accounting for 75.5% who strongly agreed, 45(22.5%) of students agreed, while only 4(2%) disagreed. The strategy regarding strict budgeting was acknowledged by 181(90.5%) of students, a small number; that is, 6(3%) remained neutral, with 6.5% holding a contrary opinion. The strategy recorded a higher mean than the grand mean score of 4.5. This implies that students recognize the necessity of strict budgeting to address their financial difficulties.

Furthermore, during the interviews while identifying the coping strategies in mitigating financial stress that affects students' university education in the Arusha region, one dean of students in university "3" noted that:

> It is necessary to conduct workshops in budgeting, debt management, and coping strategies to boost students' financial self-efficacy. This will also promote problem-focused coping, which has been shown to mitigate perceived financial stress. Likewise, there is a need to introduce financial literacy modules during orientation to cover budgeting, expense tracking, debt management, and saving strategies (Personal interview with Dean "3" on 18th July, 2025).

Another dean of students, "5" pointed out that;

> Providing counselling and time-management support for students in balancing academic and family financial responsibilities is necessary. In addition, there is a need to offer flexible payment or enrolment options for those under dual pressure. Similarly, if necessary, we need to embed budgeting and money management workshops into orientation and give student training services on financial management, as many students report mismanaging allowances early in the semester (Personal interview with dean "5" on 18th July, 2025).

The study revealed that borrowing from peers, with a mean score of 4.0, was identified as a possible coping strategy in mitigating financial stress. Other coping strategies identified include applying for bursaries or scholarships with a mean score of 4.2 and seeking spiritual or religious support with a mean score of 4.0, which are slightly below the grand mean score of 4.3.

Table 7
Relationship between Financial Stress and Students' Education

Financial Stress Factor (Independent Variable)	Manifestation of Stress	Effect on Student Education (Dependent Variable)
Delayed loan disbursement	Students lack timely access to funds for tuition and basic needs	Missed classes, delayed fee payments, reduced focus on studies
High tuition fees	Increased financial burden beyond family capacity	Risk of dropout, absenteeism, and reduced academic performance
Inadequate family support	Limited financial assistance from home	Difficulty purchasing study materials, lower participation in academic activities
Food and transport expenses	Students skip meals or walk long distances	Poor nutrition affects cognitive functioning and concentration in class
Accommodation costs	Students live in overcrowded or poor housing	Unfavourable study environment leading to reduced study time
Peer influence & pressure to support family	Students divert resources to social/family obligations	Divided attention, stress, and reduced academic engagement
Need to earn income while studying	Balancing part-time work with academics	Fatigue, limited study hours, and lower academic performance
Overall mental health impact	Anxiety, stress, and poor emotional well-being	Poor concentration, delayed assignments, and diminished educational outcomes

Source: (Field data, 2025)

Table 7 demonstrates the intricate relationship between financial stressors and students' education outcomes in higher learning institutions. It reveals that students' academic performance is not only determined by individual effort but is also heavily shaped by financial circumstances. For instance, delayed loan disbursement directly undermines academic stability, as students struggle to pay tuition and access basic needs at the right time, resulting in missed classes and reduced concentration. Similarly, high tuition fees impose a heavy financial burden that often exceeds family capacity, pushing students toward absenteeism and even dropout in extreme cases.

The findings further highlight the crucial role of family support, since inadequate assistance makes it difficult for students to secure essential study materials or participate fully in learning activities. Relatedly**,** food and transport expenses often force students to skip meals or walk long distances, which negatively affects their health and cognitive functioning, ultimately weakening classroom concentration. Accommodation costs create another layer of challenge; students who cannot afford proper housing end up in overcrowded or poor living conditions that hinder effective study and personal well-being.

Table 7 also emphasizes the social dimension of financial stress. Peer influence and the pressure to support family members compel students to divert limited resources, leaving less time and energy for their studies. In addition, the need to earn income while studying forces many students to combine academic responsibilities with part-time work, leading to fatigue, reduced study hours, and poor academic outcomes. Collectively, these stressors contribute to a decline in students' mental health**,** manifesting in anxiety, delayed assignments, and poor concentration in learning activities.

Therefore, financial stress acts as a multifaceted barrier to students' education, affecting both academic engagement and personal well-being. While financial support is central to stability, the interaction of high costs, inadequate support, and competing obligations erodes educational performance. Addressing these stressors through timely loan disbursements, affordable accommodation, and institutional support systems is vital for safeguarding students' academic success.

4.2 Discussion

The rate of return of the research tools was 100% for questionnaires and interviews for the dean of students, as shown in Table 2. The return rate from the respondents shows a strong engagement and provides a data set representing the population under study. This enhanced the study's credibility by incorporating their direct experiences and observations. According to Fentahun et al. (2025), a higher return rate enhances the representativeness of survey data, ensuring findings are more reflective of the target population. This return rate shows the representation across all respondents. In terms of demographic information, such as gender and age, these were crucial to show respondents' characteristics. Consequently, the demographic information is crucial for the greater generalization of the findings.

Table 4, the primary sources of financial stress include delays in government loan disbursement, high tuition fees, accommodation costs, food and transport expenses, and a lack of part-time job opportunities. Delayed financial aid significantly heightens student anxiety and stress. The implication is that students often begin their semester without confirmed funding, leaving basic needs unmet and their academic focus impaired. Many students also reported pressure from supporting their families financially while studying. These findings align with those of Mkumbo et al. (2024), who reported that universities that delay confirming or disbursing student loans undermine students' concentration in their studies. Regarding high tuition fees, the findings show that consistently rising tuition contributes to financial stress that affects university students in their education.

While in agreement, Ikuemonisan (2024) reported that in Australia and Malaysia, mounting tuition and auxiliary costs such as fees and textbooks correlate with elevated anxiety and depression among students. From the interviews, the findings indicate that the financial burden of tuition is one of the most frequently reported stressors that affect university students' education, leading to mental health decline and academic difficulty. Students lacking sufficient parental financial support frequently experience protracted stress. The findings demonstrate that only a minority of students receive adequate financial help from parents, forcing many to rely on loans or part-time work. The inability to rely on family resources undermines both psychological well-being and academic engagement.

The findings also reveal that some students assume responsibility for family support, compounding their own financial burdens and stress. PMCID (2023) confirms that in Pakistan and elsewhere, this obligation often exacerbates anxiety, impacting both their studies and the health of students. While still significant with a mean score of 3.2, the finding shows that the stress from housing is sometimes slightly lower than tuition or food/transport, yet in high rent markets, it can surpass loan limits. However, in some places, students' rents exceed typical maintenance loans, causing considerable anxiety. Peer pressure or social comparison typically registers low in mean score (1.4), but qualitative findings revealed notable effects. The study revealed social exclusion due to the inability to afford social activities, and feelings of inferiority or shame when compared to wealthier peers. Although the mean score is low, qualitative data show a persistent, subtle effect. Generally, the average stress level is moderate to high regarding peer pressure that leads to social exclusion. Consequently, the findings confirm that across contexts, most students report moderate to severe financial stress, with 50% to 70% experiencing financial difficulties, significantly impairing their well-being and academic outcomes.

The data in Table 5 indicate that financial stress significantly affects academic performance through reduced concentration, absenteeism due to inability to afford transportation, lower grades, and even delayed graduation. The study revealed that students in Arusha facing delayed loans and daily cash shortages are highly likely to experience similar concentration difficulties. These findings positively resonate with those of Akanpaadgi et al. (2023), who found that high living costs, time pressures, and financial problems impair students' academic focus and performance in Ghanaian higher education. Similarly, from the interviews, the study revealed that financially insecure students sometimes enter exploitative or risky relationships as coping mechanisms that often result in unwanted pregnancies. Once the student has delivered, the innocent child is taken to her parents, adding more burden to the family, consequently compounding stress and mental health burdens that harm academic well-being.

Likewise, due to the inability to purchase basic needs, students often skip meals or live in poor housing, which impairs cognitive functioning and limits study time. This affects their mental health hence delayed or poor concentration in studies. The findings are in agreement with Baluwa et al. (2021) and Kim (2024), who reported that students often skip meals or live in poor housing, which impairs cognitive functioning and limits study time. The authors argued that financial stress leads to cognitive overload, anxiety, and divided attention among students. Students under severe stress are more likely to perform poorly or consider dropping out (Nasr et al. 2024). Alkhawaldeh et al. (2023) weigh in by revealing data from The Citizen (Tanzania) that highlights that over recent years more than 16,500 Tanzanian university students dropped out, with many attritions attributed to inability to pay fees, financial hardship, or failure to secure student loans. Furthermore, the study found that time management, exam performance, ability to purchase academic materials, and mental health are most affected by financial stress. The findings are reinforced by a related study of Alshagga et al. (2015), who established that persistent financial anxiety undermines emotional stability and concentration, negatively affecting academic engagement. Similarly, Bennett et al. (2015) noted that financially stressed students are preoccupied with working and financial concerns rather than studies, thereby reducing their focus and performance.

Table 6, a substantial number of university students reported key coping strategies that include part-time work, borrowing from peers or family, applying for bursaries or scholarships, and joining student saving groups. The study found that many students in universities in Tanzania take on part-time jobs to support living and tuition expenses. The students juggling work and study often lead to exhaustion and reduced academic focus, highlighting that while part-time work is a key coping mechanism, it compromises academic performance. While in support, Bulanda et al. (2020) revealed that problem-focused strategies such as strict budgeting and finding part-time work are more effective in promoting resilience and academic persistence.

During the face-to-face interviews with one dean of students, the study discovered the need to conduct workshops in budgeting, debt management, and coping strategies to boost students' financial self-efficacy. This will also promote problem-focused coping, which has been shown to mitigate perceived financial stress. Similarly, institutions should provide counseling and time-management support for students to enable them to balance academic and financial responsibilities. In addition, institutions should proactively provide counseling and peer support groups not just for academic stress but also for financial anxiety. Moreover, there is a need to offer flexible payment or enrolment options for those under dual pressure, personal and familial responsibilities. Another strategy is to embed budgeting and money management workshops into orientation and continuing student support services, as many students report mismanaging allowances early in the semester. Likewise, there is a need to introduce financial literacy modules during orientation to cover budgeting, expense tracking, debt management, and saving strategies.

Other common strategies identified include strict budgeting, seeking spiritual or religious support, and relying on shared accommodation. Concerning accommodation, it is necessary to partner with local housing providers to organize safe, affordable, university-approved shared accommodation options. The findings agree with those of Mkumbo et al. (2024), who revealed that shared housing is the most common strategy for students to reduce living costs. Also, due to delayed loans or insufficient allowances, students often seek short-term loans from family or friends. While this offers quick help, it may create dependency or repayment pressure later. Spiritual coping (prayers, religious gatherings, sharing worries with fellow believers) is frequently reported among students to manage stress emotionally, especially when other coping options are limited. The study found that students report cases of stress and depression to the chaplain for spiritual guidance. After counselling, it is later established that financial stress is the major source of tension and despair among students.

V. CONCLUSION & RECOMMENDATIONS

5.1 Conclusion

In conclusion, delays in financial aid, high tuition, and living costs synergistically erode students' ability to concentrate on their studies. Inadequate family support and pressure to provide for the family amplify stress, especially if combined with obligations to earn income while studying. Similarly, financial stress is linked to anxiety, depression, social isolation, lower academic performance, and decisions about continuing or dropping out. Although peer influence scores are low numerically, experiences of exclusion, shame, and social comparison are consistently reported when students face financial stress. Due to the inability to purchase basic needs, students often skip meals or live in poor housing, which impairs cognitive functioning and limits study time. This affects their mental health, resulting in delayed or poor concentration in their studies.

The study established that shared accommodation (highest mean scores = 4.7) and strict budgeting (mean scores = 4.5) are the most widely adopted strategies as they reduce recurring expenses. These strategies for mitigating financial stress are directly within students' control. Part-time work and scholarships also serve critical roles (with mean scores of 4.3 and 4.2, respectively), though it was found that part-time work can negatively affect academic time and concentration. Borrowing and religious/social support (means scores = 4.0) were found to provide emotional or short-term financial relief, but may carry dependency or psychological pressures. Additionally, Spiritual coping helps emotionally but doesn't solve the underlying financial issues; it complements other strategies. The study also concludes that there is a need to embed budgeting and money management workshops into orientation and train students on financial management, as many students report mismanaging loans early in the semester. Likewise, there is a need to introduce financial literacy modules during orientation to cover budgeting, expense tracking, debt management, and saving strategies. Provide counselling and time-management support for students on balancing academic and family financial responsibilities. In addition, there is a need to offer flexible payment or enrolment options for those under dual financial pressure. Concerning accommodation, institutions should partner with local housing providers to organize safe, affordable, university-approved shared accommodation options.

5.2 Recommendations

Based on the research conclusions, the following recommendations are given forth. Firstly, the study recommends that it is necessary to ensure government loans and bursaries are confirmed and delivered before or at the start of every semester to prevent initial financial instability. The application processes should be simplified, and students should be assisted in applying early to reduce financial uncertainty. Institutions should develop emergency grant funds for unexpected eventualities. This will help to cover accommodation or food where delays are common. This grant should be recovered once students receive their loan from HESLB. Provide affordable university-managed housing or rent caps in collaboration with local authorities and expand food assistance programmes (food banks, subsidized meals), transport subsidies, and placement bursaries. Conduct workshops in budgeting, debt management, and coping strategies to boost students' financial self-efficacy. This will also promote problem-focused coping, which has been shown to mitigate perceived financial stress. Proactively provide counselling and peer support groups not just for academic stress but also for financial anxiety. The counselling should also focus on time-management support to help students balance their academic work and financial responsibilities. In addition, there is a need to offer flexible payment or enrolment options for those under dual pressure. There is a need to embed budgeting and money management workshops into orientation and continuing student support services, as many students report mismanaging their loans early in the semester

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