

**THE IMPACT OF FINANCIAL STRESS ON STUDENTS ACADEMIC  
ACHIEVEMENT IN HIGHER INSTITUTIONS (USING THE UNIVERSITY OF  
BENIN AS A CASE STUDY)**

**Idorenyin Basse ITUEN  
EDU1903710**

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**MAY 2024**

## **CERTIFICATION**

We hereby certify that this project work was carried out by Idorenyin Bassey ITUEN with the Matriculation No. EDU1903710 of the Department of Educational Foundations, Faculty of Education, University of Benin, Benin City, Nigeria. It is adequate in scope and quality for the partial fulfillment of the requirements of the award of the degree of Bachelor of Arts [B.A (ED)] Religions.

\_\_\_\_\_  
**MR. PHILIPS .O. IMOUKHUEDE**  
*Project Supervisor*

\_\_\_\_\_  
**DR. O. I. NYORERE**  
*Project Coordinator*

\_\_\_\_\_  
**Date**

\_\_\_\_\_  
**Date**

\_\_\_\_\_  
**DR. A.E. OSAWARU**  
HOD, Educational Foundations

\_\_\_\_\_  
**Date**

## **DEDICATION**

This project is dedicated to God Almighty for seeing me through my years at the University of Benin, for the blessings of good health, provision, and a sound mind. Truly, God Did!

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## ***Abstract***

*Financial stress among undergraduate students in Nigerian higher institutions has emerged as a significant barrier to academic success and overall well-being. This study investigated the impact of financial stress on students' academic achievement at the University of Benin using a descriptive survey design. The study population comprised undergraduates from the University of Benin, with a sample size of 150 students, selected through simple random sampling across five major faculties.*

*Data were collected using a self-administered questionnaire titled "Financial Stress and Students Academic Achievement" (FSASAA) consisting of 25 items. The instrument's validity was established through content validation by experts, and its reliability was determined using the test-retest method, achieving a Pearson Coefficient of 0.78.*

*The findings revealed that financial stress significantly affected students' academic performance, with a substantial proportion struggling to pay tuition fees, afford daily needs, and access required educational resources. Factors contributing to financial stress included budgeting challenges, the need to pay tuition fees independently, supporting family financially, and unexpected expenses.*

*The study further highlighted the detrimental effects of financial stress, including absenteeism, poor concentration, adverse mental and physical health impacts, and the temptation to engage in examination malpractice. Potential solutions identified included providing access to scholarships and financial aid, flexible tuition payment options, financial management workshops, and the availability of part-time jobs on campus.*

*The study underscores the urgent need for comprehensive interventions and support systems to address financial stress among undergraduates, ensuring equitable access to higher education and promoting academic success and overall well-being.*

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**CHA**

**INTRODUCTION**

### **Background to the Study**

Education is a veritable instrument for social, moral, economic and political development of nations. This is why it is said that no nation can rise above the level of the education of her citizenry. Olokor (2017:5) commenting on the words of the wife of chief of army staff, Hajiya Umma Buratai on the cause of Boko Haram insurgency in Nigeria, quoted her as saying: “Education is the life of a nation; the live wire of its industries, and also the foundation of moral regeneration and revival of its people. It is also the force and bulwark of any nations defense and it has been observed that no nation rises above the level of its education”’.

The Nigerian society places great emphasis on education because it is believed to be a major avenue for national development. However, this can only be achieved if undergraduates in the citadel of learning are actively involved in academic activities, which in turn enhance their academic performance and leads to the advancement of the nation. Despite these laudable values attached to academic performance, it has been observed by some researchers that students’ performance declines and this may be because they are confronted with many school and non-school related demands and

responsibilities .This is a major problem that requires urgent and serious solutions because students' academic performance affects the quality of human resources within the society.

Over the years, educators have attempted to provide solutions to this problem. Studies have shown that socio-psychological variables such as self-esteem, test anxiety, locus of control, romantic relationship, workload, and task could affect academic performance among students. However, this present study is univariate and examines the relationship between the academic performance of undergraduates and one variable, student's financing. Thus, the financial status of students is the crux of this study.

Finance is the avenue through which students bills are paid. If student finances are inadequate, this situation may adversely affect their academic performance. On the other hand, if their financial needs are adequately met, their academic performance may be enhanced. Hence, it is necessary to examine the relationship between students' financial status and their academic achievement.

The cost of attending universities in the Nigeria has increased significantly over the last decade, ranging from tuition to course materials/textbooks and living expenses, which are constantly rising in light of the ever-raging economic recession that seems more unsurmountable by the day, demonstrating a substantial shift in the financial commitment associated with pursuing higher education.

The students stressors include internal and external pressures exerted by the environment to thrive and succeed, economic hardships, worries about future, societal problems and opportunities. The average student is financially vulnerable as they typically have few assets and partly incomes. Studies have also demonstrated that students have little financial knowledge. Consequently, it is not surprising that financial stress is the leading stressor among students.

The prevalence of financial stress among Nigerian university students is seen in the light of the multifaceted challenges they encounter. As financial stress intensifies, students may face difficulties in acquiring the necessary academic materials, accessing extracurricular activities, and maintaining a conducive study environment. These challenges, contribute to an economic burden that hampers students' ability to focus on academic pursuits.

Research regarding sources of stress confirms the influential role of personal financial problems in the lives of college students. Financial difficulties are often cited among college students as sources of stress; poorer financial circumstances are associated with worse academic outcomes in higher education. In particular, students experiencing financial difficulties have been found to predict lower average marks, poorer performance in examinations, taking longer to graduate and an increased risk of dropping out of university. Further, it is common for students to report that financial difficulties impair their ability to study.

In light of these considerations, this study seeks to contribute to the existing body of knowledge by examining the impact of financial stress on the academic achievement of students in Nigerian higher institutions, using the University of Benin as a case study. By synthesizing insights from various studies, we aim to provide a holistic understanding of the challenges students' face, the coping mechanisms employed, and the potential solutions that can be derived from governmental interventions.

### **Statement of the Problem**

In the higher education landscape in Nigeria, the pursuit of academic excellence is a fundamental goal, and it is widely acknowledged that financial well-being plays a pivotal role in students' ability to fully engage in their academic endeavors. However, a critical concern arises from the increasing prevalence of financial stress among students and their potential effects on academic achievement.

Nigerian higher institutions are witnessing a surge in the cost of education, encompassing tuition fees, essential materials, and overall cost of living. This upward trajectory in educational expenses coupled with the broader economic challenges faced by students and parents has resulted in heightened financial stress. The impact of financial stress on academic performance is a complex and multifaceted issue that requires careful examination.

Despite occasional studies on the various stressors affecting students, there is a significant gap in the comprehensive understanding of how financial stress specifically

influences academic achievement in Nigerian higher education. While some studies have explored the broader concept of stress, a targeted investigation into the intricate relationship between financial stress and academic outcomes is lacking.

This research problem has gained urgency, considering the potential repercussions on the quality of human resources that contribute to national development. Students experiencing financial stress may encounter challenges in accessing essential academic materials, participating in extracurricular activities, and maintaining an optimal study environment.

To address this critical gap in knowledge, this study aims to investigate the impact of financial stress on students' academic achievement in higher institutions in Nigeria. By delving into the specific nuances of the financial stressors faced by Nigerian students, this study seeks to provide actionable insights that can inform policies, interventions, and support systems aimed at fostering academic success in the face of financial challenges.

### **Research Questions**

The following research questions will be answered in this study:

- Is finance important for students' academic achievement?
- What financial challenges do undergraduates face that negatively affect their academics?
- What are the causes of financial stress on students?
- To what extent does financial stress affects academic performance of students?

- What possible solutions will ease the financial stress on students?

### **Purpose of the Study**

The purpose of this study is to explore the impact of financial stress on the academic achievement of students in higher institutions. Thus, the study seeks;

- To determine whether finance is important to students' academic achievement.
- To examine the causes of financial stress on students.
- To determine the extent financial stress affects academic performance of students.
- To proffer possible solutions to easing the financial stress on students.

### **Significance of the Study**

The significance of this study is to enlighten various stakeholders involved in the education sector, policymakers, educators, parents, and researchers alike. By exploring the impacts of financial stress on students' academic achievement, it serves as an enforcer of positive change and action.

Thus, policymakers can develop targeted interventions and allocate resources to address the root causes of financial stress, thereby improving students' academic outcomes and overall well-being.

Also, educators and school administrators will benefit from the insights provided by this study, as it highlights the importance of creating a supportive learning environment that takes into account students' financial constraints. By implementing practical strategies and support mechanisms, such as financial aid programs, work-school

programs, and counseling services, schools can reduce the burden of financial stress and enable students to thrive academically. Parents, too, by understanding the significant impact of financial stress on their children's academic achievement, can prioritize financial planning and support their children's educational endeavors more effectively.

Finally, this project will serve as a model for others who wish to conduct similar research and also serve as material for further research and future reference.

### **Scope and Delimitation of Study**

This study is hinged on the impact of financial stress on students' academic achievement in higher institutions. Variables such as finance, stress, stressors, and academic achievement will be the focus of this study. This study is delimited to undergraduates of the University of Benin, Benin City, Edo State.

### **Definition of Terms**

The terms listed below appear in the literature as important key elements in the study of financial stress and are examined in greater depth in the literature review.

**Academic achievement:** Academic achievement is the extent to which a student or institution has achieved either short or long term educational goals. Achievement may be measured through students' grade point average, whereas for institutions, achievement may be measured through graduation rates.

**Financial stress:** This refers to anxiety associated with an individual's current personal monetary situation (Britt, Ammerman, Barret & Jones, 2017).

**Higher education:** Higher education is post-secondary education (or study beyond the level of post-secondary education) where a degree, diploma, or certificate is awarded at the end of study. Higher education builds on the level of competence, knowledge and skills normally acquired in secondary education. The exact definition of this level of higher education, institution, or program, varies from one country to another. However, higher education in Nigeria comprises monotechnics, polytechnics and universities (NPE, 2013).

**Stress:** This is a non-specific response of the body to any demand for change; this response is often a physical reaction to a person's perception that a demand exceeds the ability to mobilize means and resources. (Selye, 1956, 1974).

**Stressor:** It is an external experience or demand. Stressors can be positive or negative and can range from major life events, such as starting a new job, having a child or the death of a loved one, to minor challenges such as completing school assignments. (Selye, 1956).

**Coping strategies:** Coping strategies are ways individuals attempt to manage stressors. (Lazarus & Folkman, 1984). Positive coping strategies include counselling, exercise, meditation, religious affiliation, and discussion with family and peers, whereas negative

coping strategies include avoidance, social withdrawal, substance abuse and self-harm. (Lazarus & Folkman,1984).

## **CHAPTER TWO**

### **REVIEW OF RELATED LITERATURE**

This chapter explores the existing literature on the concept of financial stress among undergraduates in Nigerian higher institutions, its impact on academic achievement, and coping strategies employed by students. It is structured under the following subheadings.

- Concept of Financial Stress among Undergraduates.
- Financial Stressors among Undergraduates.
- Factors Contributing to Financial Stress.
- Relationship between Financial Stress and Students' Academic Achievement.
- Impact of Financial Stress on Students' Academic Achievement.
- Coping Strategies Employed by Undergraduates.
- Summary of Reviewed Literature.

#### **Concept of Financial Stress among Undergraduates**

Stress is an inherent part of the human experience, and its manifestations can be diverse. Several scholars have defined stress from various perspectives (Jones, 1990; Lazarus, 1999; Lazarus and Folkman, 1984; Malach-Pines and Keinan, 2007; Selye, 1974;

Stein and Cutler, 2002). For instance, Malach-Pines and Keinan (2007) described stress as an individual's perception of the incompatibility between their ability and the demands of the environment. This implies that stress arises when an individual's capacity to meet environmental or social demands is exceeded, resulting in discomfort.

Stress is a ubiquitous phenomenon in students' lives and significantly affects their overall experience and academic endeavors. Agolla (2009) explains that academic work is inherently associated with stressful activities. Rawson et al. (1999) found that students experienced high levels of academic stress at predictable times during each semester, such as mastering a substantial portion of the syllabus within a short period, preparing for and taking exams, and awaiting examination results.

However, financial stress can be defined as the inability to meet one's financial obligations coupled with potential psychological or emotional repercussions (Northern et al., 2010). Much of the literature on financial stress focuses on its outcomes, documenting negative consequences such as depression (Andrews & Wilding, 2004; Clark-Lempers, Lempers, & Netusil, 1990), anxiety (Andrews & Wilding, 2004), poor academic performance (Andrews & Wilding, 2004; Harding, 2011), poor health (Northern et al., 2010), and difficulty persisting towards degree completion (Letkiewicz, in press; Joo, Durband, & Grable, 2008; Robb, Moody, & Abdel-Ghany, 2011). Other research has focused on the coping behaviors of financially stressed students, such as seeking help (Britt et al., 2011; Lim, Heckman, Letkiewicz, Fox, & Montalto, 2012).

Financial stress is known to contribute to college students' attrition (Borden et al., 2008), academic performance (Crocker & Luhtanen, 2003), and student retention (Joo et al. & Grable, 2008-2009), and the general health and well-being of college students (Northern et al., 2010). Recent research suggests that students with higher levels of financial stress are more likely to seek professional financial counseling than students with lower stress levels (Lim et al., 2014), which may help mitigate some of the negative effects of financial stress on academic achievement and student well-being. Evidence suggests that financial factors rank quite high as stress factors for college students (Aselton 2012; Trombitas 2012).

Financial stress has been linked to negative consequences across various aspects of life including health, well-being, academic performance, and relationships (Northern et al., 2010). Positive financial behaviors such as reducing day-to-day expenses were found to be associated with lower stress levels. Lower stress levels will presumably have a positive effect on health, whereas high levels of stress can cause or exacerbate physical illnesses such as high blood pressure, migraine headaches, ulcers, ulcerative colitis, and insomnia (U.S. Department of Health and Human Services, 1991).

### **Financial Stressors among Undergraduates.**

Nigerian university students face numerous demands ranging from academic and social pressures to financial stress (Lyraeos, 2012). Stressors are highly subjective, influenced by individual perceptions, and shaped by environmental, physical,

psychological, and social forces (Pederson, 2012). While stressors for college students can vary, financial concerns are a primary source of stress, particularly for freshmen (Joo et al., 2008). In this study, we explore some of the financial stressors experienced by undergraduates in Nigerian universities.

One of the primary stressors is the exorbitant costs of tuition fees. Both public and private Nigerian universities have witnessed a steady increase in tuition fees over the years, making higher education increasingly unaffordable for many students, especially those from low-income backgrounds (Omonijo and Mekoma, 2019). With the rising cost of higher education and limited availability of financial aid or scholarships, many students struggle to afford necessary fees (Oladele et al., 2020; Oyesoji Aremu & Oladokun, 2021). This can lead to disruptions in their studies as they may be forced to take breaks or drop out temporarily to earn money.

Accommodation costs represent another significant financial burden for Nigerian university students. Many students face challenges in finding safe and affordable housing options near campus. The limited availability of affordable accommodation exacerbates financial strain on students, forcing them to seek alternatives that may compromise their safety and well-being (Okoli, 2018). Moreover, the demand for housing in urban university settings often leads to inflated rental prices, further deepening students' financial woe.

Access to food is another pressing concern. Owing to the current market inflation, many students find it difficult to feed themselves because of a lack of funds. School cafeterias, which are meant to serve at subsidized rates, are often nonexistent. Even students who typically bring their own food require money for ingredients, cooking gas, and other essentials.

Transportation expenses also heavily weigh on students' finances, especially for those who commute to campuses from distant locations. Inadequate public transportation infrastructure and high fuel costs contribute to the financial stress experienced by students who must travel long distances to attend class (Nwosu et al., 2020). The daily commute not only incurs financial costs, but also consumes valuable time and energy that can be allocated to academic pursuits.

Healthcare is another area in which students often face unexpected and unbudgeted expenses. Due to insufficient medical supplies at school clinics, students can only receive prescriptions for medications that they must purchase outside. Only financially buoyant students can afford this, while others have no choice but to remain in their rooms until they recover, which affects their attendance and overall performance.

Stationery and textbook costs also pose significant financial burdens. Students require writing materials, textbooks, and other resources for their assignments, seminars, reports, and projects. Those without sufficient financial resources may struggle to acquire these essential academic materials (Nnamani, 2014).

The rising prices of textbooks and study materials pose a challenge for Nigerian university students. Access to up-to-date textbooks and academic resources is essential for academic success. However, many students struggle to afford the required materials. Consequently, some students resort to sharing textbooks or relying on outdated resources, which can compromise the quality of their education and academic performance (Ojo 2017).

Furthermore, students often face pressure to contribute to family finances, particularly from socioeconomically disadvantaged backgrounds. Family financial responsibilities, such as supporting siblings' education or assisting with household expenses, place additional strain on students who already face financial challenges (Ojo, 2017). Balancing academic commitment with familial obligations further exacerbates students' stress levels, impacting their overall well-being and academic performance.

It is important to note that the financial stressors faced by university students in Nigeria can vary based on their socioeconomic background, family circumstances, and institutional support systems. Students from low-income families or those without access to financial aid may experience more severe financial stress than their affluent counterparts (Animasahun and Oludipe 2011).

### **Factors Contributing to Financial Stress**

In this study, we examine several key factors contributing to financial stress among undergraduates, as understanding these factors is essential for comprehensively addressing this issue.

First, the socioeconomic status of parents plays a crucial role. Studies suggest that the educational achievement gap stems from disparities that are evident even before children enter school. Factors such as health and nutrition, home environments conducive to learning, mobility, and financial resources can significantly impact academic performance (Laosa, 2005; cited in Ogunshola and Adewale, 2012).

Parental educational background, profession, and occupation affect the family's financial status, which in turn influences a child's educational opportunities and achievements (Smith et al., 2002; Hill et al., 2004; Rothstein, 2004). Researchers argue that a child's development and academic success are closely tied to the parents' socioeconomic standing and ability to provide a nurturing environment (Eze, 2002; Guerin et al., 2001; Adewale, 2002; Omoegun, 2007; Oni, 2007; Ogunshola and Adewale, 2012).

Memon and others' 2010 in a study examined the impact of parental socioeconomic status on students' educational achievements at Secondary Schools of District Malir, Karachi. Questionnaires were used to collect data from 240 students using purposive sampling. Statistical tables were used for the data analysis. A significant relationship was found between family income and students' academic performance in

the matriculation examination. They also found a significant relationship between parents' occupational status and students' academic performance during the matriculation examination. They concluded that students whose family income was higher performed well in matriculation examinations as compared to those students who belonged to low-income families (Memon et al., 2010). Thus, family income has become a controlling factor for education globally.

Kadushin (1967) argued that low income limits both educational attainment and academic performance of students. Good financial support for education is essential for motivating students to perform better. Low family income is a predictor of academic performance, alienation, and student dropout (Beegle and Rice, 1965).

In particular, in higher institutions, family support becomes very important to the academics of the child because low family support often equals reduced concentration, resulting in poor academic performance

Economic recession also significantly contributes to financial stress among undergraduates. During periods of economic downturn, individuals may struggle to afford basic needs, such as food, accommodation, and essential commodities, due to rising prices and decreasing purchasing power (Ibrahim, 2008). Students experience these challenges firsthand and find it difficult to pay for fees, housing, textbooks, and other educational expenses (Mitchell 2015). Consequently, an economic recession can lead to

frustration, irritability, depression, lack of motivation, and poor concentration among students (Ibrahim, 2008; Bello et al., 2018).

A broad definition of economic recession, as opined by the National Bureau of Economic Research (NBER, 2009) is a significant decline in economic activity spread across the economy and lasting more than a few months, normally visible in the real Gross Domestic Product (GDP), real income, employment, industrial production, and wholesale-retail. The economic recession trait is conceptualized as when an individual eagerly laments how hard-hitting things have been in the last few months owing to the current financial crisis in Nigeria. An individual student exhibits economic recession when he/she can hardly afford one meal per day and worries about their inability to afford the rise in the prices of foodstuff, hostel accommodation, relevant textbooks, and other essential commodities on campus.

According to Ibrahim (2008), students manifest economic recession traits when they are unable to satisfy needs, wants, drives, or inability to achieve certain ambitions due to the long-term effects of the economic crunch, the results of which are usually frustrations, irritability, depression, hostility, exhaustion, and absentmindedness. Likewise, students' inability to satisfy academic needs refers to their experience of financial hardship, which makes it impossible to pay for some fee items payable by students in some faculties, accommodation charges, and purchase of indispensable educational materials such as books, laboratory sets, calculators, typing, photocopy,

printing, and other educational resources as prices increased owing to the decrease in currency value. Also, undergraduate students' inability to satisfy daily needs is conceptualized as the inability to meet physiological needs on campus culminating into sort of means of earning instead of focusing attention on learning. The inability to meet physiological needs leads to a lack of motivation and concentration among the students. Mitchell (2015) reported that 87% of students who come to school experience lack of energy and motivation as a result of hunger and food insecurity associated with economic recession. In fact, the alarming rise in the prices of foodstuffs and other essential commodities is worrisome and has become so unbearable to many categories of undergraduate students who live on campus and off-campus accommodations. Therefore, undergraduate students' experience of hardship and inability to endure such hardships as a result of current economic challenges in the country is a symptom of economic recession.

Bello, Oniye, Okafor, & Ajayi (2018), observed that students are reported motivated to learn in times of economic buoyancy than in the face of economic recession. Finally, in this study, another primary factor contributing to financial stress among students in Nigerian higher institutions is the incessant increase in tuition fees and school expenses. The escalation of tuition costs is influenced by various factors, including economic instability, inflation, and institutional budgetary constraints (Babatunde & Ajetunmobi, 2019). As institutions struggle to meet their financial obligations and

maintain operational standards, students often bear the brunt of rising tuition fees, which significantly affects their ability to afford quality education.

Nigerians have faced various economic challenges over the last few months. Earlier last year, there was scarcity of petrol and naira banknotes. Following President Bola Ahmed Tinubu's decision on May 29 to remove the subsidy on petrol and float the exchange rate of the naira, effectively devaluing the local currency, prices of petrol rose sharply. These events have caused an uptrend in the overall price level of goods and services in the economy. The latest items to be hit by inflation are charges payable by students in public universities. While tuition remains free in some institutions, charges for registration, laboratories, and hostel accommodation, among other items, have jumped in some cases by as much as 300%.

Universities have predicted increases in meager government funding amid an overall rise in operating costs. The average energy prices have increased by over 200% since the president made policy pronouncements. While not denying the reasons for the abrupt increases in various fee components, students across various universities embarked on protests in the last month. Several students expressed concerns that they might not be able to afford new charges. In addition, the Academic Staff Union of Universities (ASUU) has complained about the increase and called for urgent government intervention.

However, what is certain is that the universities will not reverse the increases. The government has given its tacit approval for the increases by not demanding that the decisions should be rescinded and also not indicating that it will address the issues the universities have been remonstrating about for ages.

One other thing that is now clear is that these increases were not just precipitated by the current inflationary environment and economic hardship in Nigeria. They have been in the making for 14 years. Parents and students are going to bear the brunt of it, marking the unravelling of an advantage Nigeria once offered its citizens from low-income families to pursue affordable higher education. (Martins, 2023)

As students grapple with the financial burden of higher education, they may experience heightened stress, anxiety, and psychological distress, all of which can detrimentally affect their concentration, motivation, and learning outcomes (Oyewole & Nwogu, 2017).

Another critical factor is the increase in tuition fees and school expenses. As institutions grapple with economic instability, inflation, and budgetary constraints, they often pass the burden on students through higher tuition costs and fees (Babatunde and Ajetunmobi 2019). This significantly affects students' ability to afford quality education, especially those from low-income backgrounds (Ajiboye & Nwogu, 2017; Ajiboye & Tella, 2016).

### **Relationship between Financial Stress and Students' Academic Achievement.**

Financial stress has emerged as a significant factor affecting Nigerian university students' academic success. Numerous studies consistently show an inverse relationship between financial constraints and academic performance (Oladele et al. 2020; Salami, 2015; Uhumwangho and Ekhosuehi, 2021). Students from low socioeconomic backgrounds or those experiencing financial difficulties tend to underperform compared to their affluent counterparts. Additionally, there is clear evidence that financial stress is associated with lower motivation levels, reduced self-efficacy, increased anxiety, impaired cognitive appraisal, and poor time management among students, which can negatively affect academic achievement (Popoola & Oluwole, 2019; Salami, 2015).

A comprehensive study by Animasahun and Oludipe (2011) categorized Nigerian university students' socioeconomic status as low-income (35%), middle-income (32%), high-income (22%), and extremely low-income (11%). This finding highlights that a substantial proportion of students face financial challenges that can adversely affect their academic pursuits. Financial stress can manifest in various ways, including inability to afford tuition fees, textbooks, accommodation, and other educational expenses (Aremu et al., 2021).

Oladipo and Adeogun (2020) conducted a study of several Nigerian universities to understand how financial stress affects academic success. They found a clear link between financial stress and academic performance, with higher levels of stress correlating with poor academic outcomes.

Similarly, Adeyemo (2018) explored the relationship between financial constraints and academic performance among Nigerian university students. His research revealed that students facing financial difficulties often struggle academically, experiencing lower grade-point averages and higher rates of course withdrawal.

Owoeye and Aluede (2017) investigated the role of financial stress in shaping the academic performance of Nigerian university students. They highlighted the various ways in which financial stressors such as worries about tuition fees and living expenses can affect students' ability to perform well academically.

These studies consistently demonstrated a negative correlation between levels of financial stress and academic performance. In other words, as financial stress increases, academic achievement decreases. Students who experience higher levels of financial stress are more likely to perform poorly academically, exhibiting lower grade point averages, higher rates of course withdrawals, and overall academic underachievement than their peers who are not financially stressed.

Therefore, the evidence strongly suggests that financial stress significantly affects the academic achievement of Nigerian university students. This relationship underscores the importance of addressing financial challenges and implementing support mechanisms to help students manage their financial stress and succeed academically

### **Impact of Financial Stress on Students' Academic Achievement.**

This section examines how financial stress affects students' academic performance, as understanding these impacts is essential to effectively address financial stress among undergraduates.

One of them was students' reading culture. Study skills are influenced by learners' motivation and psychological balance. In addition, learners' desire to study or not, difficulties in studying conditions, resistance against frustration, and intimidation when faced with failure are factors influencing learning. An assessment of reading culture among students in tertiary institutions found that apart from a lack of reading habits, many factors - hunger, inadequately furnished library, high cost of books, inadequate instructional facilities, and poverty - militate against good reading habits. Many students eat only a meal per day, which affects their general performance as they lack the energy to read. Poor accommodation also affects students' reading culture. If a room meant for two students ends up housing 8-10 students at night, the discomfort would certainly have a chain effect.

Kanwai (2010, p. 43) in his studies found that facilities in the institution such as hostel accommodation, lecture rooms, textbooks, etc. are not in proper condition. The hostel accommodation is not conducive for the students; in the lecture rooms, you find some students hanging on windows and some sitting on a bare floor during lectures. If a student is not psychologically balanced, this may lead to low academic performance. Also, in the libraries, there are not enough textbooks for students to use, even if there are,

they are not recent publications. Because of constant power failure, the library is often hot, and most reference books are not available. The reading chairs are also unable to meet up with the geometric increase in the school enrolment (Zainal., Kamaruddin & Saiful-Nathan, 2009, p.171).

Thus, by mitigating financial burden and providing adequate resources, educational institutions can enhance students' academic achievement by nurturing their motivation to learn and facilitating access to essential educational materials.

Furthermore, is the rate of absenteeism. According to the Faucet theory, students improve their skills through frequent exposure to schooling and stop making educational gains once the exposure is turned off (i.e., the faucet is turned off). Students who receive fewer hours of instruction during the school year are disadvantaged in their learning, perform more poorly on exams, receive lower grades, and are more likely to drop out of school before reaching compulsory education (Attendance Works, 2022). Support for this argument comes from empirical studies showing that more time spent on classroom instruction is related to better academic achievement (Marcotte & Hemelt, 2008). Missing school will reduce the amount of time students can engage in instructional practices, which leads to lower levels of academic achievement. Several studies have shown that missing school, even for a limited number of days and regardless of the reason, negatively affects students' test performance and grade point averages (Gershenson et al., 2017; Kirksey, 2019; Klein et al., 2022).

The financial problems of students immensely contribute to low performance, thereby leading to a poor quality of education in a number of ways. First, most students cannot afford essential learning materials such as textbooks. Second, a student on —0-1-0 (i.e., one who takes lunch every day and cannot take anything again) cannot be expected to pay full attention to what is going on in class. All these lead to absenteeism, since the student may have to be out of school, trying to meet these needs (Bello, 1998, p. 21). Absenteeism, which could be due to transport fares, is rampant. The problem does not stop in the education sector, as some of those half-baked graduates find themselves in the classroom (at secondary or tertiary levels). Organized crimes on our campuses, such as cultism, drug dealing, and some form of protection rackets, also get very willing to participate from financially downcast students. Rich boys with cars and a lot of money —need girls, drugs, and protection; poor boys with natural gift muscles can provide one or a combination of these (Prince, 2009, p. 2). This sets the grounds for cultism and protection rackets. It is no longer shocking to hear that so many students from our tertiary institutions are caught among the gangs of armed robbers on highways.

Very often in our institution, we walk into half-empty classes, because the students meant to be in class are out *hustling* for their daily bread. It is well observed that a good number of students in tertiary institutions only come to school during tests and examinations, due to part-time jobs and the like, which obviously has a detrimental effect on their academics, as they have to place more priorities on one than the other, and in

many cases, they pick a source of livelihood, relegating academics to the background. A rippling effect is observed in poor academic performance.

In addition, it may lead to examination malpractices. Examination malpractices range from leakage of question papers to copying, changing answer books, impersonation, misconduct in examination centers, approaching invigilators/examiners, or any illegal behavior by a candidate before, during, or after the examination so that he/she can obtain an undue success. Some students go to any length in their efforts to meet ends. One lucrative area is examination malpractice. On campuses, some students are paid to collaborate with or even impersonate others. Although not all cases of examination malpractice emanate from financial problems, some cases definitely do. Students' financial problems even contribute to the examination of malpractice outside the campuses. Most of those who are paid to impersonate others in external examinations are students from tertiary institutions. Copying and using other unfair means/malpractice in examinations is a serious problem (Wilayat, 2009). 519). This problem is symptomatic of a disease in our educational system, which is eating in all facets of our society. This malaise is harmful to the moral and intellectual development of the youth. It afflicts the ethical and social fabric of our society. This state of affairs must not have been allowed to last long. There is a dire need to take measures to put an end this evil. One way to deal with this problem is to introduce effective and comprehensive legislation, providing stringent penalties against the use of unfair means in examinations.

Studies have shown that this also results in mental health challenges. Research indicates that experiencing finance-related concerns or stress is associated with worse mental health outcomes, which have been related to an increased likelihood of students suffering from emotional problems, depression, and anxiety (Jessop, Herberts, & Solomon, 2005; Lange & Byrd, 1998; McPherson, 2012; Richardson, Elliot, Roberts, & Jansen, 2017), and higher levels of financial concern are associated with worse overall mental health (Richardson et al., 2005; Richardson et al., 2017). Indeed, students experiencing financial concerns are twice as likely to report mental illness, with a rippling effect on their academics. (Stallman, 2010).

Financial challenges, such as low income, debt, and the cost of education, can negatively impact university students' mental health and well-being. Research shows that financial stress is associated with increased risks of anxiety, depression, sleep disorders, and other issues in students (Eisenberg et al., 2007; Richardson et al., 2017). Stress from financial hardship creates mental distress both directly and indirectly by reducing the time for healthy activities, social connections, and self-care (Brougham et al., 2009).

Mental health issues resulting from financial strain can in turn impair academic performance. Studies have found correlations between financial stress and mental health problems, such as depression and anxiety, and lower grade point averages among students (Andrews & Wilding, 2004; Mehrotra et al., 2020). Mental distress from financial concerns reduces the cognitive bandwidth necessary for learning by hampering

focus, comprehension, and retention of material (Robb et al., 2012). Poor mental well-being also diminishes motivation, self-efficacy, and engagement required for academic success (Richardson et al., 2017).

In summary, research indicates that financial stress negatively impacts university students' mental health and the resulting issues such as depression and anxiety contribute to poorer academic achievement (Eisenberg et al., 2009). Thus, universities should provide mental health and financial support to help mitigate these interconnected challenges for students.

Another impact is on the physical health of the students. Financial concerns predict deterioration in physical health among university students. The level of financial stress felt by individuals has demonstrated a strong and consistent link with physical health. Higher levels of perceived stress are associated with poorer short- and long-term physical health outcomes, including increased rates of cardiovascular disease (Richardson et al., 2012), reduced immune function (Godbout and Glaser, 2006), increased risk of chronic health conditions (Kulkarni, 2013), and even greater overall mortality risk (Nielsen et al., 2008). These associations are generally believed to be functions of the intermediary physiological stress response that tends to accompany psychological stress (Merz et al., 2002). The literature shows the consistent detrimental effects of economic downturns and financial strain on physical health.

In the context of students' physical health, financial concerns have been linked to varied outcomes such as worse general health, reduced physical function, increased pain, difficulty sleeping, and being more likely to experience general aches and pains (Cooke, Barkham, Audin, Bradley, & Davy, 2004; Jessop et al., 2005), and evidence indicates that financial strain may be linked to increased cortisol levels (Grossi, Perski, Lundberg, & Soares, 2001), increased ambulatory blood pressure (Steptoe et al., 2005), and lowered immune response (Halim, Kaplan, & Pollack, 2000).

Furthermore, financial difficulties have been associated with greater levels of alcohol consumption (Berg et al., 2009), smoking (Adams & Moore, 2007; Berg et al., 2009; Roberts et al., 2000), and cocaine and amphetamine use (Adams & Moore, 2007), which in turn lead to deteriorating health conditions.

Finally, in this study, we observed an increased risk of dropout. There is a link between financial stress and academic success, especially regarding student attrition. Studies have shown that students who experience higher levels of financial stress are more likely to discontinue their schooling than their financially secure peers. In addition, data from the National College Health Assessment indicate that almost a quarter of students (24%) reported that finances negatively impacted their performance in a class. This may be because of having to work more hours to pay bills or for living expenses, which subsequently reduces the number of hours that can be committed to studying. This could also be attributable to higher levels of stress or anxiety, among other factors, which

have a direct effect on academic performance. (Andrea, Annie, Sabrina, Ayah, Jarod and Lauren 2021).

Kevinofosnacht (2013) frequently cited financial difficulties as among the top reasons for dropping out. From a financial standpoint, student attrition can be contextualized in terms of personal circumstances and beliefs. Keenamer (2010) observed that the most obvious cause of financial stressor is the cost of due to attending college and most students rely upon substantial loans to cover their tuitions fees. He further established that student financial aid acts as a retention tool; in fact, it may serve low-income college students whose access is more vitally important than for choice. Although there are many reasons an individual may choose not to complete college education, financial factors are often a significant contributing factor.

With the rising cost of tuition and living expenses, students are forced to make difficult decisions that weigh the academic and financial benefits of pursuing higher education. This leads to substantial student attrition rates in higher education due to the lack of resources or finances necessary for successful completion. Thus, a serious consequence of financial problems is that some students are denied the opportunity to continue their education.

As Britt et al. research findings revealed, students with higher levels of financial stress were more likely to discontinue college education. Students with high financial stress may feel forced to leave college to address their immediate needs.

## **Coping Strategies Employed by Undergraduates.**

People react to stressors and stress by forming mental and behavioral strategies to manage or minimize the effects of conflicts that occur either within themselves or due to external demands (Lazarus and Folkman, 1984). These reactions, thought processes, and behaviors are often referred to as coping strategies.

Coping strategies for the same stressor can vary between and within individuals, and there is no direct causal relationship between the stressor and the coping strategy used. Coping is influenced by individual personality characteristics (Bolger, 1990; Friedman et al., 1992), situational demands (Heim et al., 1993), and the social characteristics of the environment (Mechanic, 1978). Coping occurs in three stages: appraisal of a stressor, evaluation of how a stressor should be managed, and execution of a coping strategy (Lazarus and Folkman 1984). Coping strategies often vary among individuals even for the same stressors.

Researchers have identified two major types of coping strategies: problem-focused and emotion-focused. Problem-focused strategies are used when individuals try to change their relationship with a stressor by modifying their behavior (Lazarus & Folkman, 1984). These strategies allow college students to alter stressful situations and increase their resilience and productivity. Emotion-focused coping strategies are used when individuals try to reduce emotional responses produced by interacting with

stressors (Lazarus & Folkman, 1984). Examples include exercising, watching TV, studying more, and talking to counselors about emotions.

Maladaptive emotion-focused coping strategies such as substance abuse, smoking, excessive drinking, and depressive behavior are becoming increasingly common among college students (Thomas et al., 2017). According to Mahmoud et al. (2015), maladaptive coping strategies that do not alleviate stress include drug and alcohol abuse, self-injury, poor eating habits, smoking, social withdrawal, and avoidant behaviors (Richardson, Elliott, & Roberts, 2013). Of particular concern is the association between stress and alcohol consumption among college students, with heavy binge drinking being a common coping mechanism (Pedersen, 2017; Harrell and Powell 2014).

Selye (1956) proposed that the ability to form successful coping strategies in response to stressors decreases the probability of individual experiencing negative effects of stress. Coping strategies are significantly related to stress and anxiety levels among college students (Mahmoud et al. 2015). The most common coping strategies used by college students to address these stressors include support groups comprising family and friends (Solis & Durband, 2015). Other strategies include participation in extracurricular activities, exercise, relational attachment with friends and significant others, religious affiliation, and avoidance (Solis & Durband, 2015). Research has revealed that drinking alcohol, smoking, asking for loans/debt from others, and committing suicide are the most commonly reported coping strategies for financial stress, labeled as less effective

strategies employed by young adults (Nathalie A. Vaughn, Britt et al., and Beall et al.). Financial stress is also linked to suicide.

As Othman and Sipon found, religiosity and spiritual practices are significant tools for coping with financial stress. Praying to God or Allah to provide strength and wisdom to escape stressful situations due to financial problems is a common strategy. Tesfaw et al. (2018) found that besides asking for loans from family/friends/others and sharing worries with others, praying to God/Allah was used by half of the participants as a coping mechanism for financial stress. This finding is supported by Othman and Sipon, who stated that religiosity contributes significantly to human well-being throughout life. Other research findings, such as those of Clark, Hill et al., and Park and Bonner, concluded that spirituality is a variable that helps people cope in various situations. Hence, religiosity may help young adult students cope with financial stress and perform better academically.

In addition, this research revealed that praying to God/Allah for strength and wisdom on coping with difficult situations, including financial strain, looking for better-paying jobs, and practicing good financial management, were found to be the most effective strategies for managing financial stress. This finding was supported by Bennett et al.

While every individual copes with stress differently, early research suggests that resilience helps individuals cope with stressful events (Lazarus & Folkman, 1984).

Houston (2018) found that college students using coping resources as interventions were effective in reducing stress. Learning how to increase resilience is a successful way to manage and reduce stress. Interventions such as workshops, courses, programs, or other training opportunities can increase resiliency by helping students develop coping mechanisms such as problem-solving skills (Beiter et al., 2015). However, these interventions need to be tailored to college students to help them form resilience and cope effectively with stressors.

### **Summary of Reviewed Literature**

This study reviewed the literature on the concept of financial stress and its impact on the academic achievement of undergraduate students in Nigerian higher institutions using the University of Benin as a case study. It began by defining the concept of financial stress among students and highlighting the psychological and emotional effects stemming from their inability to meet financial obligations.

This review identified various financial stressors faced by undergraduates, such as tuition fees, accommodation costs, food expenses, transportation, healthcare, textbook prices, and familial financial responsibilities. Socioeconomic factors such as parental income, economic recession, and rising education costs were examined as major contributors to financial stress.

Several studies have established a negative relationship between high financial stress levels and poor academic performance measures such as lower grades, higher

dropout risks, absenteeism, and a lack of motivation/concentration. The impact of financial stress on detrimental outcomes such as poor reading habits, examination malpractices, mental health issues, physical health problems, and dropout risks is discussed.

The review also explored the coping strategies employed by students to manage financial stress, categorizing them into problem-focused (changing behavior) and emotion-focused (regulating emotional response) approaches. Common strategies include seeking support, religious practices, employment, budgeting, and, in some cases, maladaptive behaviors such as substance abuse.

In summary, the literature highlights financial stress as a prevalent issue that poses significant challenges to undergraduate students' academic success and overall wellbeing. Understanding its causes, consequences, and coping mechanisms is crucial for developing effective interventions to support students in managing their financial constraints.

## **CHAPTER THREE**

### **RESEARCH METHODOLOGY**

#### **INTRODUCTION**

This chapter focuses on the methodology used in this study. This includes a discussion of the study area, the tools the researcher used to collect data for the study, and data analysis techniques. It shall be discussed under the following sub headings

- Research Design
- Population of the Study
- Sample and Sampling Techniques
- Research Instrument
- Validity of the Instrument
- Reliability of the Instrument

- Method of Data Collection
- Method of Data Analysis

### **Research Design**

The research design adopted in this study was a descriptive survey. This design was adopted because the study sought to elicit useful information across selected students with regard to the impact of financial stress among university students at the University of Benin; thus, the survey researcher was interested in the accurate assessment of the characteristics of the whole population through the study of a sample considered to be representative of the entire population.

### **Population of the Study**

The population comprised the total number of undergraduates at the University of Benin, Benin City, Edo State.

### **Sample and Sampling techniques**

A simple random sampling technique was used to select respondents for this study. It was considered suitable for this research because each member of the population in this study had an equal chance of selection to participate in the study.

The sample size for this study was one hundred and fifty (150) students selected from five major faculties in the University of Benin, which seemed to bear the highest population.

This was done for the appropriate representation of all students. The faculties used for the study were; Faculty of Education, Faculty of Engineering, Faculty of Management Sciences, Faculty of Life Sciences and Faculty of Engineering.

### **Research Instrument**

A questionnaire was used to collect the data. The questionnaires were administered only to undergraduates at the University of Benin, who were randomly selected from each faculty. The questionnaire is titled “Financial Stress and Students Academic Achievement” (FSASAA). This section consists of two sections. The first section contained five items aimed at obtaining personal information about the students, while the second section contained 20 items on the impact of financial stress on students’ academic achievement, making it a total of 25 items used to elicit information from the respondents. Items were structured to obtain information on the research questions raised to guide the study, using a modified Likert scale format of Strongly Agree, Agree, Disagree, and Strongly Disagree.

### **Validity of the instrument**

Content validity was assessed to validate the instrument. The instrument was validated by a project supervisor and two other experts in the Department of Educational Foundations to determine its validity before it was properly administered to the selected sample size.

### **Reliability of the instrument**

The reliability of the instrument was determined using test-retest reliability. This means that the researcher administered the same instrument twice to the same group of respondents, with an intervening period of two (2) weeks. The researcher used test-retest reliability to ensure that the instrument yielded consistent results. The results of the data were analyzed using the Pearson Coefficient formula, which reached 0.78, making the instrument reliable.

### **Method of Data Collection**

The questionnaire was administered to the students personally by the researcher, who assured them that any information they provided would be confidential and would be treated as such. The completed questionnaires were immediately collected to ensure a high rate of return.

### **Method of Data Analysis**

The responses to the questionnaire were analyzed using descriptive statistics and simple percentages.

## CHAPTER FOUR

### PRESENTATION OF RESULTS AND DISCUSSION OF FINDINGS

This chapter presents the analysis and interpretation of the data collected for this study. A total of 150 questionnaires were distributed to undergraduates from the selected faculties at the University of Benin. Section A of the questionnaire covered the bio-data of respondents, while Section B comprised questions presented to students in line with the research questions.

#### Section A: Demographic Data

**Table 1: Gender of Respondents**

<b>Gender</b>	<b>Respondents</b>	<b>Percentage %</b>
<b>Male</b>	45	70%
<b>Female</b>	105	30%
<b>Total</b>	150	100%

Table 1 shows a clear gender imbalance among the respondents, with 70% female and only 30% male. This could be due to the general trend of higher female enrollment in certain courses or faculties within universities.

**Table 2: Age Distribution**

<b>Age</b>	<b>Respondents</b>	<b>Percentage %</b>
<b>16-20</b>	30	20%
<b>21-25</b>	112	74.67%
<b>26 and above</b>	8	5.33%

Table 2 shows that 20% of the respondents were between the ages of 16-20, 74.67% were within the ages of 21-25 and 5.33% were between 26 and above, the ages of 21-25 which is the majority being the usual age frame for undergraduates.

**Table 3: Level Distribution**

<b>Level</b>	<b>Respondents</b>	<b>Percentage</b>
<b>100</b>	15	10%
<b>200</b>	17	11.33%
<b>300</b>	26	17.33%
<b>400</b>	76	50.67%
<b>500 and above</b>	9	6%

Table 3 shows that half of the respondents (50.67%) were in their final year (400 level), potentially indicating a higher level of financial stress as they approached the

completion of their studies. The distribution across the other levels is relatively even, with 17.33% at the 300 level, 11.33% at the 200 level, and 10% at the 100 level.

**Table 4: Employment Status**

<b>Employment Status</b>	<b>Respondents</b>	<b>Percentage</b>
Employed	22	14.67%
Unemployed	90	60%
Self employed	38	25.33%

Table 4 shows that a significant proportion of the respondents (60%) were unemployed, which could contribute to financial stress and difficulty in meeting educational expenses. Additionally, 25.33% were self-employed, possibly indicating a need to balance work and study, further adding to their financial burden.

**Section B: Impact of Financial Stress on Student’s Academic Achievement.**

**Research Question 1: Is Finance Important for Student’s Academic Achievement?**

**Table 5**

S/N	ITEMS	RESPONSE				PERCENTAGE			
		SA	A	D	SD	SA	A	D	SD
1.	Finance is very important for my academic journey	120	22	8	0	80%	14.67%	5.33%	0%
2	I have considered dropping out due to financial constraints	75	53	15	7	50%	35.33%	10%	4.67%
3	My grades will be better if I had more financial support.	73	54	12	11	48.67%	36%	8%	7.33%
4	I’ll perform excellently irrespective of my financial status.	10	16	56	68	70%	10.67%	37.33%	45.33%

The data clearly show that the majority of respondents (94.67%) agreed that finance is very important for their academic journey, with 80% strongly agreeing with this statement. This highlights the significant role financial resources play in supporting students' academic pursuits.

Furthermore, 85.33% of respondents considered dropping out due to financial constraints, indicating the severe impact of financial stress on students' ability to continue their education.

Additionally, 84.67% believed that their grades would be better if they had more financial support, further emphasizing the link between financial resources and academic performance.

However, it is interesting to note that a sizeable proportion (70%) strongly disagreed with the statement that they would perform excellently irrespective of their financial status, suggesting that they recognize the potential negative impact of financial stress on their academic achievement.

**Research Question 2: What Financial Challenges do Undergraduates Face?**

**Table 6**

S/N	ITEMS	RESPONSE				PERCENTAGE			
		SA	A	D	SD	SA	A	D	SD
5	Paying tuition is a struggle for me.	38	72	21	19	25.33%	48%	14%	12.67%
6	I struggle to afford my daily needs and other living expenses.	72	54	10	14	48%	36%	6.67%	9.33%
7	The cost of accommodation is a financial burden for me.	128	12	8	2	85.33%	8%	5.33%	1.33%
8	I am unable to meet up with studies because I cannot afford all the required textbooks.	89	33	15	12	59.33%	22%	10%	8%

The data revealed that a significant number of respondents face various financial challenges that can hinder their academic progress. For instance, 73.33% struggled to pay tuition fees, which is a fundamental requirement for continuing their education.

Moreover, 84% of the respondents reported struggling to afford their daily needs and other living expenses, highlighting the broader financial burden beyond just tuition fees.

An overwhelming 93.33% of respondents found the cost of accommodation to be a financial burden, indicating the high living costs associated with being a student.

Notably, 81.33% of the respondents were unable to meet their academic requirements due to the inability to afford the required textbooks, directly impacting their learning and academic performance.

**Research Question 3: What are the causes of financial stress among undergraduates?**

**Table 7**

S/N	ITEMS	RESPONSE				PERCENTAGE			
		SA	A	D	SD	SA	A	D	SD
9	I struggle with budgeting and financial planning.	75	42	26	7	50%	28%	17.33%	14.67%
10	I have to pay my own tuition.	52	28	31	39	34.67%	18.67%	20.67%	26%
11	I have to support my family financially in addition to my educational costs.	54	35	42	19	36%	23.33%	28%	12.67%
12	I always face unexpected or emergency expenses.	82	38	17	13	54.67%	25.33%	11.33%	8.67%

The data suggests that several factors contribute to financial stress among undergraduate students. A significant proportion (78%) struggled with budgeting and financial planning, which can exacerbate financial difficulties.

Additionally, 53.34% of the respondents had to pay their own tuition fees, placing a substantial financial burden on them and their families.

Interestingly, 59.33% of the respondents had to financially support their families in addition to their educational costs, further compounding their financial stress.

Furthermore, 80% of the respondents reported facing unexpected or emergency expenses, which can strain their already limited financial resources.

**Research Question 4: What are the effects of financial stress on academic performance?**

**Table 8**

S/N	ITEMS	RESPONSE				PERCENTAGE			
		SA	A	D	SD	SA	A	D	SD
13	I have missed classes due to financial stress	98	38	17	13	65.33%	25.33%	7.33%	2%
14	I struggle to concentrate on my studies due to financial worries	107	31	8	4	71.33%	20.67%	5.33%	2.67%
15	Worrying about finances takes a toll on my physical/mental health.	131	12	6	1	87.33%	8%	4%	0.67%
16	I am tempted to engage in unwholesome acts such as examination malpractices due to my financial constraints.	56	12	50	32	37.33%	8%	33.33%	21.33%

The data revealed the detrimental effects of financial stress on students' academic performance and well-being. A staggering 90.66% of respondents missed classes due to financial stress, which directly impacted their attendance and learning opportunities. Moreover, 92% of respondents struggled to concentrate on their studies due to financial concerns, potentially hindering their ability to perform well academically. Alarming, 95.33% of the respondents reported that worrying about finances takes a toll on their physical and mental health, highlighting the significant emotional and psychological impact of financial stress. Concerningly, 45.33% of respondents were tempted to engage in unwholesome acts, such as examination malpractices, due to their financial constraints, which could jeopardize their academic integrity and future prospects.

**Research Question 4: What are the possible solutions that will ease financial stress among undergraduates?**

**Table 9**

S/N	ITEMS	RESPONSE				PERCENTAGE			
		SA	A	D	SD	SA	A	D	SD
17	Having access to scholarships/financial aid will help ease my financial journey.	119	19	4	7	79.33%	12.6%	2.67%	4.67%
18	Flexible tuition payments will make fee payment easier for me.	121	18	4	7	80.67%	12%	2.67%	4.67%
19	Financial management workshops/counseling services will help me manage my money better and reduce financial stress.	86	29	17	18	57.33%	19.33%	11.33%	12%
20	Availability of part time jobs on campus will help reduce my financial burden.	118	19	5	8	80%	11.88%	3.12%	5.00%

The data suggests several potential solutions to ease financial stress among undergraduate students. An overwhelming 91.93% of the respondents believed that having access to scholarships or financial aid would help ease their financial journey, indicating the importance of such support systems.

Similarly, 92.67% of the respondents felt that flexible tuition payment options would make fee payments easier, allowing them to manage their financial obligations more effectively.

Furthermore, 76.66% of the respondents believed that financial management workshops or counseling services would help them better manage their money and reduce financial stress, highlighting the need for practical financial literacy initiatives.

Finally, 91.88% of the respondents agreed that the availability of part-time jobs on campus would help reduce their financial burden, providing them with an opportunity to earn while studying.

### **Discussion of Findings**

The findings of this study clearly demonstrate the significant impact of financial stress on students' academic achievement and overall well-being in higher institutions. The data presented in Table 5 reveal the extent of the challenges faced by students owing to financial constraints.

Table 5 highlights the importance of finance for students' academic journeys, with an overwhelming 94.67% (80% strongly agreeing) acknowledging its criticality. According to Table 5, an alarming proportion of 85.33% expressed the intention to discontinue education due to financial constraints, which highlights the significant implications of financial hardship on academic achievement.

The financial challenges faced by undergraduates are evident in Table 6, where 73.33% struggle to pay tuition fees, 84% have difficulty affording daily needs and living expenses, and 93.33% find accommodation costs a financial burden. Notably, 81.33% from Table 6 were unable to meet academic requirements because of the inability to afford the required textbooks, directly impacting their learning and performance. Egbule (2014) asserted that if financial needs are adequately met, student performance is enhanced. Thus, an increase in the price of educational materials is significantly correlated with low academic performance.

Table 7 sheds light on the causes of financial stress, with 78% of students struggling with budgeting and financial planning, 53.34% paying their own tuition fees, and 59.33% financially supporting their families in addition to educational costs. Additionally, 80% of the data in Table 7 face unexpected or emergency expenses, exacerbating financial strain.

Table 8 presents the detrimental effects of financial stress on academic performance. A staggering 90.66% from Table 8 missed classes due to financial stress, while 92% from the same table struggled to concentrate on their studies due to financial concerns. Alarming, 95.33% from Table 8 report that worrying about finances takes a toll on their physical and mental health, highlighting its significant emotional and psychological impact. Concerningly, 45.33% from Table 8 are tempted to engage in

unwholesome acts, such as examination malpractices, owing to their financial constraints, which could jeopardize their academic integrity and future prospects.

The findings underscore the urgent need for comprehensive support systems and initiatives to address financial stress among students in the University of Benin. Table 9 highlights potential solutions, with 91.93% of respondents believing that access to scholarships or financial aid would ease their financial journey. Similarly, 92.67% of students from Table 9 felt that flexible tuition payment options would make fee payments more manageable.

Furthermore, 76.66% from Table 9 believed that financial management workshops or counseling services would help them better manage their money and reduce financial stress, emphasizing the need for practical financial literacy initiatives. Notably, 91.88% from Table 9 agreed that the availability of part-time jobs on campus would help reduce their financial burden, providing an opportunity to earn while studying.

These findings align with previous research that has documented the negative impact of financial stress on students' academic performance, mental health, and overall well-being (Harding, 2011; Robb, 2017; Britt et, 2017). The results underscore the importance of addressing financial stress as a critical factor in promoting academic success and ensuring equitable access to higher education for students in the University of Benin, regardless of their financial background

## CHAPTER FIVE

### SUMMARY, CONCLUSION AND RECOMMENDATIONS

#### Summary

This study aimed to address how financial stress affects the academic achievement of undergraduate students at the University of Benin. It shows how socio-economic background, economic recession, and increasing cost of tuition and other expenses affect students' academic performance.

This study used a survey research design. Five research questions were designed, and 150 questionnaires based on these research questions were administered to students from selected faculties at the University of Benin. Data from the questionnaires are presented in tables and analyzed as a simple percentage.

The findings of this study are as follows:

1. Financial stressors are the leading cause of stress among undergraduate students at the University of Benin.
2. Financial stress has a significant negative impact on academic achievement and the overall well-being of students in higher institutions.
3. The high cost of tuition and living expenses, socioeconomic background, and rising economic recession are major contributors to financial stress.
4. Most students face various financial challenges, including the inability to pay tuition fees, afford basic necessities, and support their families financially.

5. Students from low-income families are more prone to financial stress than their affluent counterparts.
6. Financial constraints lead to detrimental effects, such as absenteeism, poor concentration, mental and physical health issues, and an increased risk of dropout.

## **Conclusion**

The impact of financial stress on undergraduate students' academic achievement at the University of Benin cannot be overstated. This research has shed light on the multifaceted challenges faced by these students, ranging from the inability to afford tuition fees and daily living expenses to the lack of access to essential educational resources.

The findings have revealed that financial stress is a pervasive issue, with a substantial proportion of students struggling to concentrate on their studies, missing classes, and experiencing adverse mental and physical health effects due to financial worries. Concerningly, some students are even tempted to engage in unethical practices, such as examination malpractices, as a result of their financial constraints.

Addressing financial stress among undergraduates is not only a matter of academic success but also a matter of ensuring equitable access to higher education and promoting overall well-being. The potential solutions identified in this study, including providing access to scholarships and financial aid, offering flexible tuition payment options, conducting financial management workshops, and facilitating part-time

employment opportunities on campus, represent crucial steps towards alleviating the financial burdens faced by students.

It is imperative that the University of Benin and relevant stakeholders prioritize the implementation of comprehensive interventions and support systems to address financial stress. By doing so, they can create an environment that fosters academic excellence, promotes mental and physical health, and empowers students from diverse socioeconomic backgrounds to pursue their educational aspirations without the debilitating effects of financial strain.

Ultimately, investing in initiatives that mitigate financial stress among undergraduates is an investment in the future of Nigeria's youth and the nation's overall development. By addressing this issue, the University of Benin can pave the way for a more equitable and inclusive higher education system, nurturing the potential of its students and contributing to the creation of a well-educated and prosperous society.

### **Recommendations**

1. Increase the availability of scholarships, grants, and financial aid programs to support students from low-income backgrounds.
2. Implement flexible tuition payment plans and loan schemes to ease the financial burden on students.
3. Establish on-campus employment opportunities and work study programs to enable students to earn money while studying.

4. Provide financial literacy workshops and counseling services to equip students with budgeting and money management skills.
5. Enhancing mental health support services to address the psychological impact of financial stress on students.
6. Collaborate with landlords around the campus to provide accommodation at fair prices to students.
7. Parents must understand the impact of financial stress on their children's education. Proper financial planning and family planning practices should be encouraged. This will enable families to have children they can adequately support, reducing financial constraints on academic pursuits.
8. Institutions should demonstrate an understanding of the detrimental effects of financial stress on students' academic performance and well-being. Efforts should be made to create a supportive and inclusive environment for every student.
9. Collaborate with stakeholders, including government, private organizations, and alumni networks, to develop sustainable funding models for higher education.

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**APPENDIX**

**DEPARTMENT OF EDUCATIONAL FOUNDATIONS**

**FACULTY OF EDUCATION,**

**UNIVERSITY OF BENIN, BENIN CITY, EDO STATE.**

**IMPACT OF FINANCIAL STRESS AND STUDENTS' ACADEMIC  
ACHIEVEMENT QUESTIONNAIRE. (IFSAAQ)**

**Dear Respondent,**

I am an undergraduate student of the above named department, carrying out a research study on, "The Impact of Financial Stress on Students' Academic Achievement in Higher Institutions". Kindly complete the questions as honest as you can.

Note that your response will be used for the purpose of this research only, and will be treated with confidentiality.

**Thank you for your cooperation.**

**Idorenyin Bassey Ituen.**

**Researcher**

**SECTION A**

(Demographic Information)

**Instruction:** Please, tick appropriately in the box/column as {

**SECTION A: Personal Data.**

1. Gender: Male{ }, Female{ }
2. Age: 16-20 years{ }, 21-25 years{ }, 26 and above{ }
3. Level: 100 { }, 200{ }, 300 [ ], 400, { }, 500 and above { }
4. Employment status: Employed{ }, Unemployed{ }, Self-employed{ }

## SECTION B

**Key:** SA {Strongly Agree}

A {Agree}

D {Disagree}

SD {Strongly Disagree}

S/N	Items	SA	A	D	SD
<b>IS FINANCE IMPORTANCE FOR STUDENTS ACADEMIC ACHIEVEMENT?</b>					
1	Finance is very important for my academic journey.				
2	I have considered dropping out due to financial constraints.				
3	My grades will be better if I had more financial support.				
4	I'll perform excellently irrespective of my financial status.				
<b>WHAT FINANCIAL CHALLENGES UNDERGRADUATES FACE?</b>					
5	Paying tuition is a struggle for me.				
6	I struggle to afford my daily needs and other living expenses.				
7	The cost of accommodation is a financial burden for me.				
8	I am unable to meet up with studies because I cannot afford all the required textbooks.				

<b>WHAT ARE THE CAUSES OF FINANCIAL STRESS AMONG UNDERGRADUATES?</b>					
9	I struggle with budgeting and financial planning.				
10	I have to pay my own tuition.				
11	I have to support my family financially in addition to my own educational costs.				
12	I always face unexpected or emergency expenses.				
<b>WHAT ARE THE EFFECTS OF FINANCIAL STRESS ON ACADEMIC PERFORMANCE?</b>					
13	I have missed classes due to financial stress.				
14	I struggle to concentrate on my studies due to financial worries.				
15	Worrying about finances takes a toll on my physical/mental health.				
16	I am tempted to engage in unwholesome acts such as examination malpractices due to my financial constraints.				
<b>WHAT ARE THE POSSIBLE SOLUTIONS THAT WILL EASE FINANCIAL STRESS AMONG UNDERGRADUATES?</b>					
17	Having access to scholarships/financial aids will help ease my academic journey.				
18	Flexible tuition payments will make fee payment easier for me.				
19	Financial management workshops/ counseling services will help me manage my money better and reduce financial stress.				
20	Availability of part-time jobs on campus will help reduce my financial burden.				