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Implication of Teachers' Loan Experiences on Their Professional Conduct in Public Secondary Schools in Monduli District Council, Tanzania

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Abstract: *This study investigated the implication of teachers' loan experiences on their professional conduct in public secondary schools. Specifically, the study assessed the factors for loan application among teachers and the effects of teachers' loan experiences on their professional conduct. Social Exchange Theory and convergent mixed methods design guided the study. Targeted population of 578 comprised of 544 teachers, 16 school heads from 16 public secondary schools, 16 WEOs, TSC officer and 1 DSEO. Sample size of 94 consisted of 82 teachers selected by stratified and simple random sampling, while 5 school heads, 5 WEOs, TSC officer and 1 DSEO were selected by criterion purposive sampling. Questionnaires, interview guide and document analysis helped in data collection. Validity was established through expert judgment. Reliability (TQ; r=0.838) was determined using Cronbach's Coefficient Alpha method. Trustworthiness of qualitative data was established through peer debriefing and triangulation. Quantitative data were analyzed by descriptive statistics in the SPSS version 25 and results were presented in tables, while qualitative data were analyzed thematically. From the findings, inadequate salary, school fees, emergency needs, medical expenses and supplementing income-generating activities were factors that influenced teachers' borrowing decisions. Loan obligations created financial stress among many teachers and affected lesson preparation, classroom concentration, job satisfaction, punctuality, and relationships with students. In conclusion, excessive borrowing and heavy repayments reduce teachers' concentration, lesson preparation, punctuality, job satisfaction, and classroom commitment, while well-planned borrowing may improve welfare and strengthen motivation. In recommendation, school heads should strengthen internal guidance and verify loan-related documents before signing.*

Keywords: *Loan, Loan Repayment, Loan Experiences, Loan Policy Requirements, Professional Conduct, Tanzania*

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1. Introduction

Teachers' professional conduct remains a cornerstone of educational success since it directly influences teaching quality, motivation, and personal dedication. The professional conduct of teachers is seen in the way they manage their welfare through different approaches including application for loan from financial institutions. Teachers' loan experiences encompass their encounter and perceptions regarding acquiring, using, and repaying loans and their financial and professional effects (Rwigema, 2022). When teachers enjoy financial stability, they are better positioned to focus on instructional duties without distractions linked to unmet personal needs (Mabignay et al., 2022). In the same line, consistent repayment structures for loans support career development and overall well-being, confirming that it strongly connects with professional conduct (Kunguru et al., 2024).

Economic hardships and low salaries continue to be major drivers of financial stress that push teachers into borrowing. For example, experiences from the Philippines reveal that teachers often struggle with repayment, leaving them uncertain about their ability to recover from debt burdens (Doroy, 2025). In Metro Manila and Cebu City, teachers' take-home pay is significantly reduced by mandatory loan repayments, leading to persistent financial hardship and, many teachers resort to high-interest and short-term loans from loan sharks to meet daily needs (Garcia et al., 2021). The impact of such financial stress has been linked to increased absenteeism, lower instructional quality, and reduced engagement in professional development (Delos Santos et al., 2020). In Philippines, Mabignay et al. (2022) noted that persistent use of loans had weakened the financial capability of teachers and reduced their professional stability. In the same context, indebtedness to informal lenders was shown to negatively influence teaching performance and classroom engagement (Turillas, 2025).

In Zambia, teachers use loans to purchase assets, but the outcome is reduced income at hand and rising indebtedness (Chituta, 2024). In Uganda, reliance on multiple loans was associated with weakened classroom delivery, poor preparation, and reduced effectiveness in assessing learners (Kharunda, 2024). The National Bureau of Statistics (2023) reports that although gross monthly salaries range between TZS 900,000 and TZS 1,500,000 for degree holders, statutory deductions can reduce take-home pay by 30–50%, leaving some teachers with less than TZS 600,000. The Bank of Tanzania (2023) indicates that personal loans account for over 35% of commercial bank lending to salaried employees, with teachers forming a large share due to payroll-based lending.

The Tanzania Teachers' Union (2022) further notes that more than 60% of public-school teachers have at least one loan to service and nearly 25% hold multiple loans. The Controller and Auditor General (2022) documented cases of excessive loan deductions beyond the recommended one-third salary threshold. Regionally, over 70% of teachers in Songea had active salary loans, while about 65% in Mwanza experienced moderate to severe financial stress (Kunguru et al., 2024). While in Monduli District, statistics show that medium term (1 to 3 years) loans taken by teachers accounts for 52%, long term (above 3 year) loans accounts for 26% and short term (below one year) is 21% (Nyakeko et al., 2023). This demonstrates that most teachers in the district are financially indebted, consequently, their take-home pay is below minimum threshold. It is from this background that this study investigated the implication of teachers' loan experiences on their professional conduct in public secondary schools in Monduli District Council.

1.1 Research Questions

The study was guided by the following research questions:

1. What are the factors for loan application among teachers in public secondary schools in Monduli District Council?
2. How do teachers' experiences on loans affect their professional conduct in public secondary schools in Monduli District Council?

2. Literature Review

This study was built on Social Exchange Theory. The theory was developed by Homans in 1958 and later expanded by Blau in 1964.

2.1 Social Exchange Theory

The theory posits that social relationships are built on reciprocal exchanges where individuals evaluate interactions based on perceived costs and benefits (Homans, 1958). When individuals perceive fairness and mutual benefit, they are more likely to respond with positive attitudes and behaviours. Conversely, when they perceive imbalance or exploitation, negative attitudes and reduced commitment may result.

2.1.1 Strengths of Social Exchange Theory

Social Exchange Theory clearly explains employment as a reciprocal relationship in which teachers evaluate their relationship with the government based on the balance between effort invested and rewards received (Homans, 1958; Blau, 1964). The theory is widely applied in organizational and educational research to explain job satisfaction, organizational commitment, and employee performance, making it appropriate for examining teachers' professional conduct in public secondary schools based on their financial stability (Blau, 1964). It emphasizes perceived fairness, institutional support, and reciprocity, which are critical in understanding how salary adequacy, loan deductions, and financial management support influence teachers' morale and workplace behaviour (Homans, 1958).

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2.1.2 Application of Social Exchange Theory

The theory can be applied to explain heavy reliance on loans as a sign of perceived imbalance in the employment exchange relationship, where teachers may view their salaries as inadequate relative to their effort and responsibilities (Fernando et al., 2022). Such perceived imbalance may negatively influence their attitudes toward their employer and reduce organizational commitment. Teachers who experience financial strain due to loan repayments may feel that the benefits received from their employer do not adequately compensate for their efforts. According to Social Exchange Theory, such perceived imbalance can reduce organizational commitment, job satisfaction, and adherence to professional norms.

2.2 Empirical Review

The study reviewed empirical studies that aligned to the themes generated from research questions.

2.2.1 The Factors for Loan Application among Teachers in Secondary Schools

Tang et al. (2023) conducted a study in the United Kingdom. The study employed a policy analysis design using modelling techniques to estimate the potential impact of a Teacher Student Loan Reimbursement scheme on teacher retention, drawing on existing administrative data and cost simulations rather than primary data collection instruments. The study found that financial incentives linked to loan reimbursements can improve teacher retention, as the proposed scheme was projected to increase the number of teachers remaining in service and provide a cost-effective approach when compared with other financial incentives such as early-career retention payments. Doroy (2025) conducted a descriptive-correlational study in the Philippines involving 84 public-school teachers selected through snowball sampling to examine teachers' debt experiences using an online survey. The study found that teachers were generally willing to repay debts ($M = 3.7 \pm 0.47$) though uncertain about remaining debt-free after repayment. Also, the study revealed that loan addiction tendencies were rarely acknowledged ($M = 1.96 \pm 0.77$), and that a significant moderate positive correlation ($r = 0.372$, $p < 0.001$) suggested loan addiction may coexist with a psychological drive to eliminate debt. The use of snowball sampling (non-probability) limited representativeness

Moreover, Julius et al. (2020) conducted a study on influential factors to financial management in Chegutu district secondary schools in Zimbabwe using an interpretive paradigm and qualitative approach. A case study design was applied with purposively selected participants including five school heads, five School Development Committee chairpersons, five treasurers, and five bursars. Data were collected through semi structured interviews and document analysis and analyzed thematically. The study found that working relationships among stakeholders and limited financial knowledge influence how financial duties are performed. Kassegn et al. (2021) conducted a study in Ethiopia to examine factors affecting loan repayment among smallholder farmers who obtained credit from the Amhara Credit and Saving Institution. The study used both primary and secondary data and applied a multi stage purposive and stratified sampling technique to select 384 borrowers. Data were analyzed using the Tobit model to determine the influence of different variables on repayment rates. The study showed that socio-economic factors such as education level, land size, livestock ownership, non-farm income, and purpose of borrowing positively influenced loan repayment, while factors such as age, household size, and distance to roads negatively affected repayment performance. However, the study focused on smallholder farmers rather than salaried professionals such as teachers. This limitation could have reduced the applicability of the findings to contexts where income structures and financial obligations differ significantly.

Kombo (2022) examined factors contributing to the accumulation of primary teachers' debts to the government in Dar es Salaam Region, Tanzania, using a case study design with questionnaires and interviews to collect both quantitative and qualitative data. The study found that salary inadequacy, delays in promotions and arrears payments, limited financial management skills, misunderstandings regarding payroll adjustments, administrative inefficiencies, and lack of awareness of repayment procedures significantly contributed to debt accumulation and financial strain among teachers. However, because the study focused only on primary school teachers in the urban Dar es Salaam Region, its findings may not be generalizable to rural districts with different economic conditions and financial service access thus, the need to conduct this study to fill the gap.

2.2.2 The Effects of Teachers' Loan Experiences on Their Professional Conduct

Flagg et al. (2023) conducted a study in the United States to provide an overview of personal loans within the consumer credit market. The study relied on secondary data drawn from financial records and national credit statistics to examine the size, structure, and usage of personal loans across different lending institutions. The study indicated that personal loans have expanded significantly and are used for multiple purposes such as debt consolidation, medical expenses, and large purchases, while finance companies play a notable role in lending to individuals with limited creditworthiness. These patterns reflect the growing reliance on borrowing to meet diverse financial needs. In addition, Postranoeta.l (2025) conducted a descriptive - quantitative study in the Philippines to examine the relationship between financial challenges and teaching effectiveness among 116 teachers from Maramag Central Elementary School. The study employed a structured questionnaire and analyzed data through weighted mean, standard deviation, frequency counts, percentages, and Pearson correlation. The study found that teachers experienced a moderate level of financial challenges and that increased financial strain was significantly associated with reduced teaching effectiveness. However, the study's confinement to a single elementary school limits the representativeness and generalizability of its findings to a larger scope of respondents. To address this gap, the current study included multiple public secondary schools to enhance contextual understanding of the implication of teachers' loan experiences on their professional conduct.

Chituta (2024) conducted a mixed-methods study in Zambia to examine the effects of personal bank loans on the livelihood of teachers in selected public schools. The study involved 100 teachers who completed questionnaires and 10 key informants (head teachers and Credit Reference Bureau officers) who participated in interviews. The respondents were selected through convenience and purposive sampling across 15 schools. The study found that teachers primarily accessed loans due to economic hardships, asset acquisition, and financial emergencies, but faced challenges such as reduced net salaries, indebtedness, and psychological stress, highlighting the need for transparent lending practices, financial literacy programmes, and teacher-specific loan products to ensure sustainable borrowing conditions. Rwigema (2021) conducted a study in the East African Community to examine the impact of teacher welfare on the quality of education. The study adopted a descriptive cross-sectional design and obtained information from a selected population, with the intention of representing the wider population. The study showed that teacher welfare, including timely salary payment, promotion, incentives, and professional development, is closely linked with teacher motivation, commitment, and performance, which contribute to improved quality of education. It also showed that provision of welfare packages encourages positive work behaviour and supports professional growth among teachers. In order to fill the existing gap on research design and instruments, the current study was guided by convergent mixed methods design, used validated questionnaire, interview guide and documentary review to collect various data sets that enabled the researcher to explore the study problem in details.

3. Methodology

Convergent mixed methods research design was adopted. The design allowed the researcher to employ mixed research approach where both quantitative and qualitative data were collected and analyzed in a single study. The data was analyzed separately and the findings were integrated in the discussions (Creswell & Creswell, 2023).In the current study, the target population included 544 teachers from 16 public secondary schools (TSC, 2025). Also, it comprised of 16 head of schools and 16 ward education officers (WEOs), one Teachers' service commission (TSC) officer and one District secondary education officer (DSEO). The inclusion of heads of schools provides insight into policy implementation, teacher welfare monitoring, and performance trends across multiple schools within their jurisdiction. Besides, they also supervise teachers and monitor their professional conduct and performance (MoEST, 2025). Teachers formed the largest group because they are the primary subjects of the study. They directly experience the phenomenon under investigation. Including TSC officers and other officials from the Ministry of Education Science and Technology (MoEST) ensured access to institutional and regulatory perspectives regarding teachers' professional conduct and employment conditions. Gay and Airasian (2021) noted that a sample of 10% to 30% of the target population as representative enough for a research study. The researcher selected five public secondary schools which is equal to 30% of all public secondary schools, five heads of public secondary schools which is 30% of the target population, 82 public secondary school teachers which is 15% of the target population, 5 (30%) ward education officers, District education officer and teachers' service commission officer were also involved. Therefore the total sample size was 94 respondents.

The researcher employed simple random sampling and stratified sampling to select teachers, and criterion purposive sampling procedures to get the head of schools, WEOs, DSEO and TSC officer. This study utilized questionnaires and interview guide in primary data collection from respondents and documentary review for secondary data collection from analyzed documents. The questionnaire administered to teachers was divided into four sections. The questionnaire was constructed in the form of 5-Likert Scale responses. In addition, interview guide was administered to school heads, WEOs, DSEO and TSC officer because they provided the researcher with an opportunity to sought clarification from the respondents (Raajeswari, 2024). All interviews were done in Swahili and English language in accordance with respondents' interest so as to allow maximum freedom for the respondents to express their views, attitudes, perceptions and feelings. According to Dziak (2024), documentary data refers to any information that is collected from recorded documents or records, and other media. Based on this, the researcher requested for teachers' files from head of schools and from WEOs and TSC in order to review teacher's cases related to Loans and implication on their professional conduct.

For the purpose of validity, research instruments were refined through the comments from financial experts from TSC, researcher's supervisor and researcher's fellow candidates. Opinions from experts were used to make necessary correction on the instruments to ensure its validity. The purpose was to make the instruments focus on capturing required information from respondents who answered the questions (Scribbr, 2024). Content validity was used to check the representation of the contents on a particular concept of the study while face validity specifically dealt with appearance, correct grammatical sentences and clarity of language that was used in the research instruments. Therefore, questionnaires and interview guide were validated by observing the face and content validity and by exposing them to Head of schools, WEO, DSEO, TSC experts and later to the research supervisor who provided recommendations and suggestions that were taken into consideration by the researcher. To check for the reliability of quantitative research instruments, the researcher conducted a pilot study on 10% of the sample size not included in the actual study. The data was tested in the Statistical Package for Social Science (SPSS) version 25. In order to obtain the reliability, the results were correlated in the Cronbach coefficient alpha (α) and the coefficient ($r = 0.838$) value was found. According to George &Malley (2023), if Cronbach coefficient value $r>0.5$ then the instrument is reliable for the study. In establishing the trustworthiness of qualitative instruments peer debriefing and triangulation was carried out.

Before data collection, and after obtaining research permit from District Secondary Education Officer (DSEO) of Monduli District Council,the researcher requested for appointment on the date and time to collect data from respondents. On the date of appointment, the researcher administered questionnaires, gave respondents time to fill them and collected them on the agreed date while personal interview was conducted the same day of visit. The researcher audio recorded the conversation for later transcription with the consent of the interviewees. The researcher analyzed the quantitative data from closed ended questionnaires by using descriptive statistics techniques in the SPSS version 25 then the result were presented in the table of frequencies and percentages. On the other hand, qualitative data were analyzed thematically for easy narration. By using thematic analysis techniques, major concepts or themes were identified with reference to the research questions and objectives which had been formulated (Braun and Clarke, 2017).

During data collection, the researcher observe confidentiality of the responses in order to ensure privacy; interviews were conducted in an isolated area to ensure confidentiality of the information obtained from the respondent involved as well as providing room for freedom of expression which helped in getting relevant information. Also, all research respondents were asked to participate voluntarily and anonymity was observed. Issues of plagiarism were addressed through making sure that all sources of information including literature reviewed were properly acknowledged in the reference list.

4. Results and Discussion

This section includes presentation of the results and the discussion of the findings on the Implication of Teachers' Loan Experiences on Their Professional Conduct in Public Secondary Schools in Monduli District Council

4.1 Findings on the Factors Motivating Teachers to Apply for Bank Loansin Public Secondary Schools in Monduli District Council

The first research question for this study aimed to assess the factors for loan application among teachers in public secondary schools in Monduli District Council. Data were collected from teachers through closed and open-ended questionnaire. The Likert scale used was a 5 - point system: 5 = strongly Agree (SA), 4 = Agree (A), 3 = Undecided (U), 2 = Disagree (D), Strongly Disagree (SD). Also, f = frequencies and %=percentage of responses. Following Warmbrod (2024), a mean score above 3 indicated factors that are more compelling for loan application, while a mean below 3 suggested otherwise. A mean score exactly equal to 3 reflected uncertainties about the factors for loan application among teachers. Responses for teachers were summarized in Table 1.

Table 1: Factors Motivating Teachers to Apply for Bank Loans in Public Primary Schools in Monduli District Council (n=82)

Statement	SA		A		U		D		SD		Mean
	f	%	f	%	f	%	f	%	f	%	
Insufficient salary to meet basic needs.	40	48.8	29	35.4	5	6.1	6	7.3	2	2.4	4.21
Loans to pay school fees for dependents	14	17.1	49	59.8	7	8.5	7	8.5	5	6.1	3.73
I apply for loans to meet medical expenses	13	15.9	29	35.4	20	24.4	12	14.6	8	9.8	3.33
Loans to construct or renovate a house.	17	20.7	52	63.4	4	4.9	4	4.9	5	6.1	3.88
Loans to invest in business activities.	26	31.7	44	53.7	3	3.7	7	8.5	2	2.4	4.04
Easy availability of salary-backed loans encourages borrowing	21	25.6	41	50.0	12	14.6	4	4.9	4	4.9	3.87
Peer influence contributes to my decision to apply for loans	11	13.4	22	26.8	24	29.3	11	13.4	14	17.1	3.06
Emergency situations push me to apply for loans.	24	29.3	46	56.1	5	6.1	3	3.7	4	4.9	4.01
Grand Mean											**3.7**

Source: Field data (2026)

Regarding salary insufficiency, 40 teachers which is 48.8% strongly agreed and 29 teachers which is 35.4% agreed that salaries were not enough to meet basic needs hence was a driving factor towards borrowing. The obtained mean of 4.21 falls within the agreement range which reflects strong agreement and makes salary pressure the most pronounced factor in this section. This indicates that it is a factors that is more compelling for loan application. The responses suggest that many teachers seek loans because monthly income does not fully cover household demands. While lending support to this finding, Casingal and Ancho (2021) found that financial difficulty among teachers can restrict lifestyle and normalize borrowing behaviour. Only 6 teachers accounting for 7.3% of the respondents disagreed, 2 teachers accounting for2.4% strongly disagreed and 5 teachers accounting for6.1% were neutral showing that salary pressure did not affect every teacher. Differences in family size, additional income, family background and personal budgeting may explain why some respondents did not share the dominant view. Otherwise, salary insufficiency therefore appears as a major push factor for borrowing within public secondary schools in Monduli District Council.

While giving written response concerning factors for borrowing, a respondent noted that; *"salary pressure is a direct push towards bank loans and from informal lenders". Another respondent noted that;If the salary level is lower and not enough, it is likely that the teacher will want to borrow*.

During face to face interviews with head of school from school "D". Salary insufficiency as a reason for borrowing was also raised. This was evidenced by head of school from school "D" who said:

> Regarding salary levels, the salary is always not enough. We have many responsibilities, so we apply for loans in order to meet other responsibilities that cannot be met by the salary alone.Also, family responsibilities and personal needs exert pressure on teachers' budget hence causing the need for extra income (Interview with the HOS from school "A" on 18th May 2026).

The salary pressure was further interpreted by the TSC officer who stated:

> The baseline point is that public salaries are often perceived as insufficient to match shifting economic realities; teachers frequently look for financial remedies.Since salaries are generally perceived as insufficient to cover everything. Consequently, teachers frequently turn to loans to bridge the gap. The real problem arises when their low net pay blocks them from standard commercial bank loans due to the one-third protection rule. (Interview with the TSC officer on 22nd May, 2026)

The interview findings place borrowing within the gap between salary and actual living demands. The teacher emphasized daily responsibilities that exceed monthly income. The TSC officer added that low net pay may push teachers towards riskier financial remedies when formal loans are blocked. This implies that salary insufficiency motivates both regulated and unregulated borrowing. The qualitative findings agree with the survey data where salary insufficiency had the highest mean under factors motivating loan application. The findings agrees with Social Exchange Theory which contents that heavy reliance on loans is a sign of perceived imbalance in the employment exchange relationship, where teachers may view their salaries as inadequate relative to their effort and responsibilities (Fernando et al., 2022).

Regarding school fees for dependents, 14 teachers making 17.1% of respondents strongly agreed and 49 teachers making 59.8% of respondents agreed that this responsibility influenced loan application decisions. This shows that agreement that education costs are significant household responsibility among teachers with a Mean rating of 3.73which falls within the agreement range. This indicates that it is a factors that is alsomore compelling for loan application. The evidence indicates that teachers use bank loans to meet obligations beyond their own professional needs. Concerning this aspect, Pinzon (2022) observed that family demands such as education expenses can push teachers into repeated borrowing. Extremely low (7) teachers who make 8.5% disagreed, 5 teachers making 6.1% of respondents strongly disagreed, and 7 teachers making 8.5% who remained neutral suggest that not all teachers carry the same dependent-related responsibility. Some may have fewer dependents or may use other income sources to finance schooling. Borrowing for school fees therefore reflects the social responsibility carried by teachers as parents, guardians, and family supporters.

During face to face interviews with WEO from Ward "4"on education costs for dependents, the respondent said that:

> Most teachers come from extended families. Teachers find there are nieces, nephews, and young siblings who need to go to school. Maybe the parents are poor, and the salary is just not enough. Some apply for loans to meet the school fees of their children. (Interview with WEO from Ward "4" on 19th May 2026)

These remarks show that education-related borrowing was tied to family responsibility rather than personal preference alone. Most teacherssupported their relatives whose schooling depended on borrower. The second respondent identified school fees as one of the direct reasons teachers requested loans. This implies that teachers carry financial obligations that extend beyond their own households. The qualitative accounts support the quantitative result because many teachers agreed that loans helped them to pay school fees for dependents.

Focusing on medical expenses, 13(15.9%) teachers strongly agreed and 29 (35.4%) teachers agreed that health-related costs led them to apply for loans. The average score of 3.33 falls within the agreement range indicating moderate agreement, showing that medical needs affected some households more strongly than others. This pattern suggests that health emergencies create unpredictable borrowing pressure when savings are inadequate. On this one, Fernando and Arrieta (2022) reported that teachers often borrow from lending institutions when ordinary income cannot meet expenses such as health-related costs. Moreover, 12(14.6%) teachers disagreed and 8(9.8%) teachers strongly disagreed that medical costs were not a borrowing trigger for all respondents. While20 (24.4%) teachers were neutral that medical borrowing often depends on whether a household recently faced illness. Medical expenses therefore represent an uneven but important factor in teachers' loan decisions.

Response to the open-ended question further indicates that; *loan application is connected to sickness and urgent family care.*

During face to face interviews with head of school from school "E", medical expenses as a driver for borrowing was also raised. This was evidenced by head of school "E" who said:

> Teachers apply for loans if they have an emergency, or because of sickness. It is one of the major factors that influence teachers to borrow. Nowadays, medical issues are very expensive in such a way that teachers cannot handle it easily (Interview with the HOS from school "E" on 20th May 2026).

A similar observation was made by WEO from Ward "5" who said that;

> Most teachers apply for loans to manage emergency and healthcare bills for their family members. This is a serious loan driving factor for teachers. For instance, if the teacher has parents who are sick and he/she is in need of money to send them to the hospital for check-up, he/she will need to borrow some money to fulfil this family obligation (Interview with WEO from Ward "5" on 20th May 2026).

The quotations alongside quantitative findings show that health-related borrowing occurs when urgent family needs exceed available savings. The first respondent linked borrowing to medical check-ups for sick parents. Teacher placed sickness within a wider group of emergencies that force them to seek credit. This implies that medical costs create sudden pressure rather than a permanent motive for every teacher to borrow. The qualitative findings explain the moderate quantitative mean because medical borrowing depends on whether a household recently faced illness.

4.2 Findings on the Effects of Loan Experiences on Teachers Professional Conduct

The second research question aimed to investigate the effects of teachers' loan experiences on professional conduct in public secondary schools in Monduli District Council. Data were collected from teachers on classroom preparation, punctuality, motivation, relationships, and concentration, The Likert scale used a 5 - point system: 5 = strongly Agree (SA), 4 = Agree (A), 3 = Undecided(U), 2 = Disagree (D), 1=Strongly Disagree (SD), f = frequencies and percentage = % responses. According to Warmbrod (2024), a mean score above 3 indicated loan experiences that have greater effect on teachers' professional conduct, while a mean below 3 suggested otherwise. While a mean score exactly equal to 3 reflected uncertainties about the effect on teachers' professional conduct. Responses for teachers are summarised in Table2.

Table 2: Influence of Bank Loans on Teachers Classroom Performance (n=82)

Statement	SA		A		U		D		SD		Mean
	f	%	f	%	f	%	f	%	f	%	
Loan repayment obligations cause financial stress	41	50.0	35	42.7	4	4.9	2	2.4	0	0.0	4.40
Financial stress affects my classroom preparation	20	24.4	48	58.5	4	4.9	8	9.8	0	0.0	3.90
Loan deductions reduce my job satisfaction	20	24.4	48	58.5	5	6.1	6	7.3	3	3.7	3.93
Financial pressure affects my punctuality at work	26	31.7	38	46.3	9	11.0	9	11.0	0	0.0	3.99
Loan-related stress affects my relationship with students	26	31.7	40	48.8	7	8.5	8	9.8	1	1.2	4.00
Loan burdens affect my concentration during teaching	23	28.0	42	51.2	7	8.5	9	11.0	1	1.2	3.94
Access to loans has improved my living standards	17	20.7	41	50.0	9	11.0	9	11.0	6	7.3	3.66
Improved financial stability enhances my professional commitment.	31	37.8	40	48.8	7	8.5	2	2.4	2	2.4	4.17
Grand Mean											4.0

Source: Field data (2026)

Regarding financial stress from repayment, 41 teachers equal to 50.0% strongly agreed and 35 teachers equal to 42.7% agreed that loan obligations created stress among teachers. A mean rating of 4.40indicate that loanexperience has greater effect on teachers' professional conduct. The result points to the possibility that loan repayment becomes a professional issue when financial pressure follows teachers into their work routines. While lending credence, Plaza and Jamito (2021) reported that financial hardship affects both personal wellbeing and professional responsibilities among teachers. Only 2 teachers equal to 2.4% disagreed and none strongly disagreed, while 4 teachers equal to 4.9% remained neutral, showing that few respondents rejected the link between loan repayment and stress. The limited disagreement may come from teachers with manageable deductions or productive loan use. Repayment stress therefore emerges as a central pathway through which loan experiences can affect professional conduct.

From open-ended questions, it was reported that; *heavy salary deductions to make loan repayment causes mental strain and reduced professional stability. This connection results in mental torture that negatively affect teachers' professional conduct.*

During face to face interviews with HOS from school "E", WEO from Ward "4"and DSEO, repayment stress was also raised as a major effect of loan experiences. First, this was evidenced by HOS from school "E" who said that:

> The situation is sometimes critical where teachers give their ATM cards to lenders after heavy borrowing as a proof for little earning. The lenders now use the card for withdrawal in order to service the loan on behalf of the teacher. When teachers realize a massive chunk of their salary is being deducted every single month, and that this will continue for five or six years, they become deeply discouraged and stressed. When a teacher is mentally broken by debt, delivering a good lesson ceases to be important (Interview with the HOS from school "E" on 19th May 2026).

Also during face to face interview with the WEO from Ward "4", the respondent noted that:

> Yes, and some of it is deeply tragic. We have seen cases where the financial stress becomes so unbearable that some teachers turn to alcohol to escape, or worse they attempt or commit suicide. It breaks families apart and creates severe domestic conflict. (Interview with the WEO "4" on 20th May 2026).

The stress created by reduced salary was further described by DSEO who added:

> Loan repayment affect teachers in a great way because the net salary becomes so low compared to how it was earlier, the teachers are constantly thinking about how to meet their responsibilities with less money. This can cause stress to teachers who can engage in alcoholism and abscond duty (Interview with the DSEO on 22 May 20206).

The interview accounts show that repayment pressure affected teachers through continuous worry over reduced income. The head of school linked long repayment periods with discouragement and declining lesson commitment. The teacher explained that low net salary redirected attention towards survival needs. This implies that repayment stress can become a professional problem when teachers cannot separate debt concerns from work. The qualitative findings strongly support the quantitative result where repayment obligations recorded the highest mean in the professional conduct section.In light of this finding, Plaza and Jamito (2021) reported that financial difficulty influences personal and professional life among teachers.

In the open-ended question, while responding to the question on how teachers' loan obligations influence their classroom performance and preparation for lessons, the study found that;*"debt-related stress result in weak lesson planning and reduced readiness for teaching which ultimately affect teachers' professional conduct*".

During face to face interviews with HOS from school "B", response on classroom preparation under loan pressure was also raised. This was made evident by the HOS from school "B" who said that:

> Loan obligations absolutely affect classroom performance and lesson preparation. When the teacher sees that the remaining amount of money paid is too small to take care ofthe family, they opt for moonlighting activities that reduce their concentration from teaching responsibilities. The teacher gets stressed up. That stress does not allow him/her to settle down, prepare well for teaching, or deliver lessons effectively (Interview with the HOS from school "B" on 18th May 2026)

Another respondent from DSEO confirmed the same issue by saying:

> Actually, this affects them because they face a lot of financial demands and begin suffering from loan-related stress. This directly affects their class attendance and lesson preparation. Sometimes, they are so emotionally disturbed such that the sound of a moving vehicle arriving in school scares them.In other words, they are alwaysworried. (Interview with the DSEO on 22nd May 2026)

These statements connect poor preparation with anxiety produced by loan repayment. The HOS pointed out that settling down for lesson preparation when salary could not meet family needs becomes difficult. The respondent added that emotional disturbance affected both attendance and preparation. This implies that lesson preparation is weakened when financial pressure consumes teachers before classroom work begins. The qualitative evidence agrees with the quantitative finding that most teachers reported financial stress affecting classroom preparation.

Focusing on job satisfaction, 20 teachers that is equivalent to 24.4% strongly agreed and 48 teachers accounting for 58.5% agreed that loan deductions reduced job satisfaction. The observed mean of 3.93 falls within the agreement range which indicates agreement and points to the emotional cost of reduced take-home pay. In this context, the result means that when salary is already committed to repayment, teachers may feel less rewarded for their professional effort. Here, Rwigema (2021) links teacher welfare with motivation, commitment, and performance in educational settings. It is imperative to note that 6 teachers making 7.3% disagreed and 3 teachers making 3.7% strongly disagreed suggesting that some teachers separated loan deductions from their attitude towards work. Still 5 teachers making 6.1% were neutral representing teachers whose loan obligations were neither heavy nor fully absent. Job satisfaction therefore depends partly on whether borrowing improves welfare or leaves teachers feeling financially constrained.

The documentary review indicates a consistent pattern of deterioration in teachers' professional conduct after obtaining loans from banks, private lenders, VICOBA groups, SACCOs, and other financial institutions. Across all five schools (A, B, C, D, and E), teachers who had borrowed loans exhibited similar behavioral and professional challenges. The findings revealed that the most common behavioral changes after borrowing loans included reduced punctuality, poor attendance, low commitment to work, and changes in professional behaviour**.** These patterns suggest that loan obligations may have increased teachers' financial and psychological burdens, leading to distractions from their core teaching responsibilities. These findings aligns with Postrano et al. (2025) who connected financial challenges with teaching effectiveness, which makes emergency borrowing relevant to professional stability.

Furthermore, the reviewed files showed evidence of absenteeism and truancy among teachers in all schools. This may indicate that some teachers spent working hours managing loan-related activities, seeking additional income sources, or coping with financial pressures arising from loan repayment obligations. Such practices can negatively affect school operations and students' learning experiences. The documentary evidence also demonstrates that teachers' classroom performance was adversely affected. Records from all schools reported poor lesson preparation and poor job performance following loan acquisition. This suggests that financial stress and increased commitments outside the workplace may have reduced the time and energy available for instructional planning and effective teaching. In Schools B and E, the situation appeared more severe, as records additionally noted financial stress and involvement in drunkenness. These findings imply that excessive indebtedness may contribute to personal and social problems that further undermine teachers' professional conduct and effectiveness. In this regard, Chituta (2024) reported that personal bank loans can create psychological stress and reduce net salaries among teachers.

Overall, the documentary review suggests a strong association between multiple borrowing practices and declining professional conduct among teachers. The recurring issues of reduced punctuality, absenteeism, low commitment, poor lesson preparation, and poor performance across all reviewed cases indicate that financial indebtedness may negatively influence teachers' work ethics and productivity. These findings support the view that unmanaged loan burdens can affect teachers' professional responsibilities and ultimately compromise the quality of education delivered to learners.

5. Conclusion and Recommendations

5.1 Conclusion

The study concludes that teachers majorly apply for loans because their salary income does not adequately meet household and personal needs. Borrowing therefore serves as a financial coping mechanism for school fees, medical expenses, emergencies, housing, and business investment, while peer influence and lifestyle pressure also contribute to some loan application decisions.

It is further concluded that teachers' loan experiences affect professional conduct in both negative and positive ways. Excessive borrowing and heavy repayments reduce concentration, lesson preparation, punctuality, job satisfaction, and classroom commitment, while well-planned borrowing may improve welfare and strengthen motivation.

5.2 Recommendations

Based on the conclusion of the study, the researcher recommended the following:

1. Education authorities need to ensure that teachers receive regular financial literacy training before and after accessing bank loans. Such training should focus on loan terms, repayment schedules, interest rates, salary deductions, budgeting, saving, and investment planning.
2. Heads of schools need to strengthen internal guidance by verifying loan-related documentsbefore signing. This guidance need to help teachers assess whether the loan purpose is productive and whether the remaining salary can support family needs after deductions.
3. Banks and microfinance institutions should provide clear pre-loan counselling to teachers and avoid aggressive loan marketing that encourages unnecessary borrowing. Loan information should be presented in simple language that shows total repayment cost and monthly deduction implications.
4. Teachers need to be encouraged to use loans for productive and welfare-improving purposes such as housing, land purchase, education, health needs,

and sustainable income-generating activities. Borrowing for peer competition or short-term consumption should be discouraged through continuous professional counselling.

5. The TSC and district education offices should strengthen monitoring of loan-related absenteeism, truancy, and professional misconduct. Such monitoring should be paired with support mechanisms that help financially distressed teachers recover before disciplinary action becomes necessary.

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