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Microfinance Loan Repayment Obligations and Teachers' Psychological Well-Being and Job Concentration in Public Secondary Schools in Kasulu Town Council, Tanzania

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Abstract: *This study examined the relationship between microfinance loan repayment obligations and teachers' psychological well-being and job concentration in public secondary schools in Kasulu Town Council, Tanzania. The study was guided by Herzberg's Two-Factor Motivation Theory and Conservation of Resources Theory and adopted a pragmatist philosophy, mixed-methods approach, and convergent design. The study targeted 380 respondents from 25 public secondary schools, from whom a sample of 92 respondents, comprising 84 teachers and 8 Heads of Schools, was selected using simple random and purposive sampling. Data were collected through questionnaires and interviews. Quantitative data were analysed using descriptive statistics in SPSS Version 22, while qualitative data were analysed thematically and integrated with quantitative findings. The findings indicated that microfinance loan repayment obligations negatively affected teachers' psychological well-being and job concentration. The quantitative results showed that 72.6% of teachers agreed or strongly agreed that loan repayment caused stress and anxiety, 64.2% reported that loan worries affected their concentration during teaching, 58.4% sometimes thought about loan problems while teaching, and 63.0% reported reduced motivation to work. The overall grand mean was 3.64, indicating general agreement. Qualitative findings corroborated these results, highlighting stress, anxiety, distraction, reduced motivation, absenteeism, and diminished concentration. The study concludes that excessive repayment obligations may undermine teachers' well-being and concentration and recommends affordable repayment arrangements, financial literacy, counselling, and effective management of loan obligations.*

Keywords: *Microfinance loans; loan repayment obligations; psychological well-being; job concentration; teachers; public secondary schools; financial stress.*

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1. Introduction

Globally, teachers' psychological well-being and ability to concentrate on their professional responsibilities are important conditions for effective teaching and quality educational outcomes. Teachers' financial conditions are closely connected to their welfare, motivation, and effectiveness at work. UNESCO (2021) emphasises that competent and motivated teachers are indispensable for achieving Sustainable Development Goal 4 (SDG 4), while UNICEF (2022) argues that teachers' effectiveness depends not only on pedagogical competence but also on favourable socio-economic conditions and supportive working environments. Similarly, the International Labour Organisation (ILO, 2020) maintains that decent working conditions, fair remuneration, and access to financial resources are essential for sustaining teacher motivation and reducing attrition. The World Bank (2022) further highlights that teachers' welfare and financial stability are closely associated with instructional effectiveness and educational quality. Within this context, microfinance has become an important source of financial support for salaried employees, including teachers. Although access to microfinance loans may help teachers meet household expenses, manage emergencies, invest in income-generating activities, and finance professional development, the obligation to repay such loans may create financial and psychological pressure. In particular, high interest rates, multiple borrowing, and rigid repayment schedules may generate repayment stress that can affect teachers' psychological well-being and concentration on their professional responsibilities (Churk et al., 2021).

Across Africa, teachers' financial well-being has become an important concern because financial conditions influence their motivation, welfare, and professional effectiveness. The African Union's Continental Education Strategy for Africa (CESA 2016–2025) recognises improved teachers' living and working conditions as fundamental to achieving educational quality (African Union, 2016). In response, African countries have introduced salary reforms, housing schemes, cooperative credit arrangements, and teacher-specific financial support programmes. However, the benefits of financial support may be affected by the conditions attached to borrowing and the ability of teachers to meet loan repayment obligations. In Ghana, the Teacher Housing Scheme and microfinance initiatives under the Teachers' Fund expanded teachers' access to credit, but high interest rates, administrative delays, and repayment difficulties reduced the expected welfare benefits (Akinbami, 2020; Ameyaw & Asare, 2021). In Nigeria, inflation, weak programme implementation, and macroeconomic instability limited the effectiveness of cooperative credit programmes and left teachers financially vulnerable despite access to borrowing opportunities (Omondi, 2020). Similarly, in Ethiopia, inadequate financial literacy, weak institutional management, and limited borrower support increased repayment difficulties and reduced the potential benefits of borrowing (Mensah & Adomako, 2019). These experiences indicate that although access to microfinance can provide financial relief, repayment difficulties may increase financial pressure and potentially affect teachers' psychological well-being and ability to concentrate on their professional responsibilities.

Within East Africa, SACCOS and microfinance institutions have become significant sources of financial support for teachers. Evidence from Kenya indicates that teachers who obtained SACCOS loans experienced improvements in household welfare, investment opportunities, job satisfaction, and professional commitment (Atieno, 2019). Similarly, improved financial stability through microfinance borrowing in Uganda was associated with reduced absenteeism and better classroom preparation (Namusoke & Rukundo, 2022). In Rwanda, partnerships between teacher unions and microfinance institutions have strengthened teachers' access to financial services, although the success of such programmes depends largely on institutional capacity and teachers' financial literacy (Mukamana & Habimana, 2020). Conversely, evidence from Burundi shows that excessive borrowing, weak financial management, and over-indebtedness increase repayment stress and negatively affect teachers' welfare and work performance (Ndayishimiye, 2021). These findings suggest that the effects of microfinance borrowing depend not only on access to loans but also on the obligations associated with repayment. Excessive debt, multiple borrowing, and repayment stress can increase financial pressure, reduce teacher motivation, and limit concentration on teaching responsibilities (Kakuru, 2021). Nevertheless, existing East African studies have rarely examined specifically how microfinance loan repayment obligations are related to teachers' psychological well-being and job concentration within public secondary schools. Furthermore, differences in institutional arrangements, economic conditions, and teacher remuneration systems across East African countries limit the generalisability of existing findings to Tanzania.

In Tanzania, teachers' financial well-being continues to be affected by low remuneration, delayed payments, rising living costs, and delays in allowances and other employment benefits. Although initiatives such as salary adjustments, clearance of salary arrears, and performance-based incentives including the KiuFunza programme have been implemented to improve teachers' welfare (Twaweza, 2024), persistent financial challenges continue to undermine teachers' financial stability and overall well-being (World Bank, 2005; Twaweza, 2023). These financial pressures may affect teachers' concentration, commitment, and effectiveness in performing their professional responsibilities and may encourage teachers to seek alternative sources of financial support, including microfinance loans. Microfinance borrowing may provide teachers with financial resources for household needs, education expenses, emergencies, and small investments and may therefore reduce immediate economic stress and support concentration on teaching responsibilities (Pantaleo & Chagama, 2023). However, the same borrowing may create additional financial burdens when teachers face high interest rates, strict repayment schedules, or multiple loans. Such conditions may result in over-indebtedness and repayment stress, which can manifest through emotional strain, absenteeism, reduced classroom productivity, and divided attention during working hours (TanzaniaInvest, 2025; Juma, Mpuya & Churk, 2023). Continued delays in responsibility allowances, housing allowances, transfer payments, and promotion-related payments may further contribute to financial uncertainty and declining morale (Anadolu Agency, 2021; Mugisha et al., 2022). Thus, within the Tanzanian context, the financial relief obtained through microfinance borrowing may be accompanied by repayment obligations that have implications for teachers' psychological well-being and concentration on their professional responsibilities.

Teachers in public secondary schools in Kasulu Town Council increasingly rely on microfinance loans to meet household needs amid inadequate income, rising living costs, and financial pressures (URT, 2021; Mugisha et al., 2022; Bakari, 2023). Although microfinance services, SACCOS, and loan programmes can provide financial relief, excessive borrowing, high interest rates, demanding repayment conditions, and administrative challenges may expose teachers to financial stress. Such repayment obligations may negatively affect teachers' psychological well-being and their ability to concentrate effectively on teaching and other school responsibilities.

Despite studies examining microfinance in relation to financial inclusion, household welfare, and teachers' general economic conditions (Mwakajumilo, 2017; Mgaya, 2019; Mwombeki, Magwana, & Enow, 2022; Pantaleo & Chagama, 2023), limited empirical evidence exists on how loan repayment obligations relate specifically to teachers' psychological well-being and job concentration. This gap is particularly important in Kasulu Town Council, where teachers face contextual socio-economic and institutional challenges. Therefore, this study seeks to examine the relationship between microfinance loan repayment obligations and teachers' psychological well-being and job concentration in public secondary schools in Kasulu Town Council, Tanzania.

2. Literature Review

2.1 Theoretical Review

The study is anchored in Herzberg's Two-Factor Motivation Theory (1959) and Conservation of Resources (COR) Theory (Hobfoll, 1989), which complement each other in explaining how microfinance loan repayment obligations influence teachers' psychological well-being and job concentration. Herzberg's theory suggests that financial stability, salary, and working conditions can reduce dissatisfaction, while high interest rates, multiple loans, and demanding repayment schedules may create stress and anxiety that reduce motivation and concentration. COR Theory explains that teachers seek to acquire and protect resources such as income, time, self-esteem, and emotional energy; therefore, manageable loans may provide resources for household needs and reduce financial pressure, whereas heavy repayment obligations may deplete financial and psychological resources, increasing stress and reducing concentration on teaching responsibilities. Together, the theories provide a useful framework for understanding how microfinance loan repayment obligations may either support or undermine teachers' psychological well-being and job concentration.

2.2 Empirical Literature Review

At the global level, empirical evidence shows that teachers' financial obligations can influence their psychological well-being and ability to concentrate on work. The Learning Policy Institute (2020) found that teachers with outstanding student loans experienced higher stress and job dissatisfaction, while Field et al. (2022) found that flexible loan repayment schedules reduced borrowers' financial stress and preoccupation with debt. Similarly, Senevirathne et al. (2025) reported a significant relationship between economic hardship and psychological distress among government school teachers. These findings suggest that the nature and burden of loan repayment can affect psychological well-being and the ability to remain focused on professional responsibilities.

At the African level, studies indicate that teachers commonly use loans to address financial difficulties, but repayment obligations may create additional financial and psychological pressures. Chituta (2024) found that teachers in Zambia used loans for household needs, assets, and emergencies, but many experienced indebtedness, psychological distress, reduced take-home pay, and social problems. Similarly, Munshi (2019) reported that teachers experienced high lending rates, unsustainable repayment schemes, double deductions, delayed refunds, and persistent indebtedness. In South Africa, Ntshangase and Maraswa (2024) found that limited financial literacy contributed to cycles of debt among teachers. These findings show that although loans provide short-term financial relief, difficult repayment conditions may threaten teachers' well-being and work-related functioning.

At the East African level, evidence also demonstrates the importance of loan repayment conditions in teachers' financial well-being. Nshimiyimana and Nkurunziza (2024), in Rwanda, found that poor loan repayment management was associated with economic losses and increased costs of managing loan delinquency. In Tanzania, Tegambwage and Kasoga (2022) found that relationship quality did not significantly influence group loan repayment, highlighting the importance of financial and repayment arrangements in microfinance services. These studies provide useful evidence on loan repayment in East Africa, but they focus mainly on financial performance and repayment behaviour rather than teachers' psychological well-being and job concentration.

At the Tanzania level, studies show that loan repayment obligations can influence teachers' welfare and financial stability. Kunguru, Lamu Amos, and Komba (2024) found that salary loan repayment amounts significantly influenced the welfare of secondary school teachers in Songea District, with manageable repayment structures supporting financial stability, career development, and overall well-being. Kambuga (2023) also found that teachers' financial conditions, including salary and benefits, influence morale and performance. However, existing Tanzanian studies have largely examined teacher welfare, motivation, financial inclusion, or general job performance, with limited attention to the specific relationship between loan repayment obligations, psychological well-being, and concentration on teaching responsibilities.

At the Kasulu Town Council level, teachers' reliance on loans is associated with financial pressures arising from household needs and living costs. Local education evidence indicates that many public secondary school teachers rely on loans to meet daily household needs and maintain their standard of living (Bakari, 2023). Although microfinance services and SACCOS provide financial support, repayment conditions may expose teachers to financial pressure that affects their psychological well-being and concentration on teaching responsibilities. Despite the relevance of this issue, there is limited empirical evidence specifically examining how microfinance loan repayment obligations relate to teachers' psychological well-being and job concentration in public secondary schools in Kasulu Town Council.

3. Methodology

The study adopted a pragmatist philosophy, mixed-methods approach, and convergent design to examine the relationship between microfinance loan repayment obligations, teachers' psychological well-being, and job concentration in public secondary schools in Kasulu Town Council, Tanzania. Quantitative and qualitative data were collected concurrently, analysed separately, and integrated during interpretation to enhance triangulation and credibility (Tashakkori & Teddlie, 1998; Creswell & Plano Clark, 2022; Creswell, 2023; Cohen et al., 2018). The study involved 380 respondents from 25 public secondary schools, comprising 355 teachers who had accessed microfinance loans and 25 heads of schools, from whom a sample of 92 respondents (84 teachers and 8 heads of schools) was selected using simple random and purposive sampling. Data were collected through questionnaires, interviews, focus group discussions, and documentary analysis, with quantitative data analysed using SPSS Version 22 through descriptive statistics and qualitative data analysed thematically. Ethical considerations included research clearance, informed consent, voluntary participation, confidentiality, anonymity, secure data management, and APA 7th edition referencing.

4. Results and Discussion

The study examined the relationship between microfinance loan repayment obligations and teachers' psychological well-being and job concentration in public secondary schools. The researcher collected data for this study from key informants, including Heads of Schools (n = 8) and teachers (n = 84). The questionnaire method was used to collect information from teachers regarding this study. This study was measured using a five-point agree-disagree scale: Strongly Disagree, Disagree, Undecided, Agree, and Strongly Agree. In addition, the interview method was used to obtain qualitative information from Heads of Schools to complement the quantitative findings. The findings are presented and analysed in Table 1.

Table 1: Relationship between microfinance loan repayment obligations and teachers' psychological well-being and job concentration in public secondary schools

NO	Statement	SD		D		U		A		SA		
		F	%	F	%	F	%	F	%	F	%	MEAN
1	Loan repayment causes me stress and anxiety.	11	13.1	5	6	7	8.3	37	44	24	28.6	3.69
2	Loan worries affect my concentration during teaching.	15	17.9	6	7.1	9	10.7	16	19	38	45.2	3.67
3	I sometimes think about loan problems while teaching	17	20.2	6	7.1	12	14.3	15	17.9	34	40.5	3.51
4	Loan pressure has reduced my motivation to work.	16		7	8.3	8	9.5	16	19	37	44	3.61
GRAND MEAN												**3.64**

Source: Field Data (2026)

The findings show an overall positive response towards the statements, as indicated by the grand mean of 3.64. Specifically, 72.6% of teachers agreed or strongly agreed that loan repayment causes stress and anxiety (M = 3.69), while 64.2% agreed or strongly agreed that loan worries affect their concentration during teaching (M = 3.67). Similarly, 58.4% agreed or strongly agreed that they sometimes think about loan problems while teaching (M = 3.51), and 63.0% agreed or strongly agreed that loan pressure has reduced their motivation to work (M =

3.61). Since all items are above the neutral midpoint of 3.00, the Likert-scale results indicate that teachers generally agreed that microfinance loan repayment obligations contribute to psychological stress and interfere with their concentration and motivation at work. Overall, the grand mean of 3.64 further confirms a general agreement that loan repayment obligations are associated with negative effects on teachers' psychological well-being and job concentration.

The quantitative findings presented in Table 1 were further complemented and triangulated with qualitative evidence obtained through interviews with Heads of Schools, which provided deeper insights into four key themes: teachers sometimes thinking about loan problems while teaching, loan pressure reducing motivation to work, loan worries affecting concentration during teaching, and loan repayment causing stress and anxiety.

Sometimes think about loan problems while teaching

The data in Table 1 show that 58.4% of teachers occasionally think about loan-related problems while teaching, with a mean score of 3.51 indicating general agreement with this sentiment. In contrast, 14.3% were undecided, and 27.3% disagreed. These findings suggest that loan repayment obligations significantly affect teachers' focus and psychological state in Kasulu Town District's public primary schools. Financial concerns may distract teachers, impacting lesson preparation and classroom interaction, ultimately reducing their engagement during teaching.

Teachers facing fewer financial pressures tend to focus more on their professional duties, effectively preparing lessons and engaging in classroom interactions. The impact of loan-related concerns varies based on the amount borrowed, repayment schedules, financial management skills, and additional income sources. Findings suggest that microfinance loan repayment obligations can distract teachers, negatively impacting their job concentration and teaching effectiveness. Notably, over half of respondents reported thinking about loan problems while teaching, highlighting that financial issues can affect classroom performance and educational quality.

The quantitative findings were supported by qualitative data from interviews with Heads of Schools, which revealed how loan repayment obligations affect teachers' psychological well-being and work concentration. These interviews highlighted school leaders' insights on the impact of financial pressures on teachers' professional performance. One Head of School reported:

> Microfinance loan repayment obligations have a direct relationship with teachers' psychological well-being and job concentration. Teachers with loan obligations spend considerable time thinking about how to repay their debts and meet their daily needs, as a significant portion of their salary is deducted for loan repayments. As a result, their work performance declines. Loan-related financial burdens also lead to frustration, discouragement, absenteeism, burnout, and reduced commitment to work" (HOS-3, Personal Communication, May 19, 2026).

Similarly, another Head of School reported:

> There is a strong relationship between microfinance loan repayment obligations and teachers' psychological well-being and job concentration. Loan repayment responsibilities often become a burden for teachers, leading to stress, anxiety, and reduced work performance. The pressure associated with loan repayment negatively affects teachers' efficiency and concentration in the classroom. In some cases, teachers have been observed leaving their workstations to avoid encounters with loan collectors" (HOS-1, Personal Communication, May 15, 2026).

The responses from HOS-1 and HOS-3 support the questionnaire findings, showing that loan repayment pressures impact teachers' emotional well-being and professional behavior. High repayment stress can lead to anxiety, frustration, and fatigue, reducing classroom performance. Salary deductions for loan repayments may worsen financial strain, limiting disposable income and heightening concerns about basic needs. Additionally, prolonged financial stress can result in negative workplace outcomes such as reduced motivation, absenteeism, burnout, and diminished commitment to teaching. In some cases, teachers may avoid loan collectors, further disrupting their work routines. Overall, excessive financial obligations affect individual well-being and can hinder institutional effectiveness.

Differences in how teachers experience loan repayment pressures highlight the influence of individual circumstances. Teachers with manageable loans, effective financial coping strategies, or additional income sources may face fewer negative effects than those with significant repayment obligations. The impact of microfinance borrowing on teachers' concentration and well-being is largely determined by the financial burden of loan repayments. This aligns with Nyagaka and Kennedy (2022), who found that financial stress from loan obligations harms employees' psychological well-being and productivity. While microfinance loans offer financial support, excessive repayment pressure can hinder teachers' ability to perform effectively in their roles.

Loan pressure has reduced my motivation to work

Table 1 shows that a significant 63% of teachers agreed or strongly agreed that loan pressure has diminished their work motivation. Only 9.5% were undecided, and 27.3% disagreed or strongly disagreed. With a mean score of 3.61, it is clear that teachers feel that microfinance loan repayment obligations negatively impact their motivation. These financial pressures can lead to frustration, emotional exhaustion, and discouragement, reducing enthusiasm and commitment to teaching. Balancing repayment schedules alongside household financial needs creates ongoing stress that lowers morale and job satisfaction.

The findings suggest that financial strain from loan obligations can impact teachers' engagement in professional activities. Teachers burdened by repayment concerns may be less motivated to prepare lessons, participate in school programs, and focus on classroom responsibilities. This indicates that the effects of microfinance borrowing extend beyond financial issues, influencing teachers' attitudes, commitment, and effectiveness. However, the impact of loan pressure on motivation varies; some teachers may cope better due to manageable loans, effective financial management, extra income, or lower household demands. In contrast, those with larger debts and fewer resources may face greater psychological pressure and reduced motivation. Ultimately, the effect of loan repayment on work motivation largely depends on individual financial situations and coping strategies.

The quantitative findings were further supported by qualitative data obtained through interviews with Heads of Schools, which provided deeper insights into how loan repayment obligations influence teachers' motivation and professional commitment. One Head of School reported, *"Microfinance loan repayment obligations are associated with stress among teachers, which makes them easily distracted and less focused on their teaching responsibilities. This reduces their concentration and lowers their motivation to carry out their professional duties effectively"* (HOS-8, Personal Communication, May 26, 2026).

Similarly, another Head of School reported, *"Loan repayment pressure creates stress among teachers, which reduces their commitment and concentration at work. Teachers often become preoccupied with managing loan obligations, which affects their motivation to perform their duties effectively"* (HOS-6, Personal Communication, May 22, 2026).
Responses from HOS-6 and HOS-8 highlight that loan repayment pressures negatively impact teachers' emotional states, concentration, and engagement in their roles. Teachers with significant repayment obligations often experience stress and mental distraction, diminishing their enthusiasm for teaching. Prolonged financial pressure can lead to weakened motivation and dissatisfaction with their financial situation. When a large part of teachers' income goes to loan repayments, it limits their ability to address other personal needs, increasing financial anxiety and reducing workplace morale. As a result, teachers may show decreased commitment, productivity, and effectiveness in their duties.

The findings indicate that microfinance loan repayment pressure negatively impacts teachers' motivation in public primary schools in Kasulu Town District. This financial stress can undermine their commitment, productivity, and quality of service delivery. Similar results were noted by Asiedu Addo and Acheampong Yeboah (2021) in Ghana, showing that loan obligations significantly reduce motivation and job commitment among public sector workers. Although microfinance loans provide financial support, excessive repayment pressure can harm teachers' psychological well-being and job performance.

Loan worries affect my concentration during teaching

Table 1 shows that 64.2% of teachers agreed that loan worries affect their concentration during teaching, while 10.7% were undecided and 25% disagreed. With a mean score of 3.67, it is evident that concerns about microfinance loan repayment impact teachers' focus in public primary schools in Kasulu Town District. Persistent financial worries can distract teachers from effective lesson delivery, classroom interaction, and management.

The findings suggest that financial stress from loan obligations can distract teachers during instruction. Concerns about salary deductions and repayment deadlines may hinder their focus, impacting lesson quality and their responsiveness to students' needs. In contrast, teachers with less financial pressure tend to concentrate better, prepare lessons effectively, and engage more actively with learners. The variation in impact illustrates that loan worries affect teachers differently, influenced by factors like loan size, repayment schedules, financial management skills, and alternative income sources. Thus, teachers experiencing greater financial pressure face more significant distractions.

The quantitative findings were further supported by qualitative data obtained through interviews with Heads of Schools, which provided additional insights into how loan repayment concerns affect teachers' concentration and classroom effectiveness. The interview findings reinforced the survey results by illustrating the practical experiences of school leaders regarding teachers' financial-related distractions. One Head of School reported, *"Loan repayment obligations make many teachers constantly worried. Even during lesson delivery, some teachers remain preoccupied with how they will meet their monthly repayments. This reduces their concentration and affects the quality of teaching in the classroom"* (HOS-2, Personal Communication, May

18, 2026).

Similarly, another Head of School reported:

> It is common to observe that teachers under loan pressure are mentally distracted during teaching. They sometimes lose focus in class because they are thinking about salary deductions and how to manage their remaining income. This affects their attention and classroom effectiveness" (HOS-4, Personal Communication, May 20, 2026).

The responses from HOS-2 and HOS-4 support the questionnaire findings, highlighting that loan repayment concerns distract teachers and hinder their concentration during lessons. Teachers facing financial pressure may be preoccupied with repayment issues, leading to reduced attentiveness and engagement. This financial stress not only affects their ability to teach effectively but also impacts lesson organization and student participation.

Differences in financial situations influence how significantly these worries impact concentration. Teachers with manageable loans may cope better, while those with heavy debts experience greater strain and distraction. Overall, concerns about microfinance loan repayments adversely affect teachers' focus in public primary schools in Kasulu Town District. These findings align with Ogunleye Adeyemi and Oluwaseun Bamidele's (2020) research in Nigeria, which demonstrated that loan repayment pressures lead to persistent worry and distraction, ultimately reducing productivity and effectiveness in public sector workers.

Loan repayment causes me stress and anxiety

Table 1 shows that a significant number of teachers (72.6%) feel that loan repayment causes them stress and anxiety, with only 8.3% undecided and 19.1% disagreeing. The average score of 3.69 indicates general agreement that microfinance loan obligations contribute to stress among public primary school teachers in Kasulu Town District. This stress can arise when loan deductions lower available income, making it difficult to meet other financial obligations. As a result, teachers may experience persistent worries and emotional discomfort, impacting both their work and personal lives. The psychological effects of loan repayment extend beyond finances, potentially decreasing emotional stability and affecting teaching effectiveness. Those with manageable loans tend to experience less financial stress. Ultimately, the impact of loan repayment on stress varies based on individual financial circumstances.

The quantitative findings were further supported by qualitative data obtained through interviews with Heads of Schools, which provided deeper insights into the psychological effects of microfinance loan repayment obligations on teachers. The interview responses reinforced the survey findings by highlighting the emotional challenges experienced by teachers facing repayment pressure. One Head of School reported, *"Most teachers under loan repayment pressure experience constant stress and anxiety. They worry about salary deductions and how to meet their remaining household needs, which affects their emotional stability and well-being"* (HOS-1, Personal Communication, May 15, 2026).

Similarly, another Head of School reported, *"Loan repayment obligations are a major source of stress among teachers. The pressure to repay loans creates emotional strain, and some teachers become visibly anxious, especially when their salaries are reduced after deductions"* (HOS-3, Personal Communication, May 19, 2026).

The responses from HOS-1 and HOS-3 support the questionnaire findings, showing that loan repayment obligations significantly increase psychological pressure on teachers. Salary deductions often lead to concerns about meeting basic needs, heightening emotional strain and reducing well-being. Prolonged repayment pressure can create a cycle of financial anxiety, negatively impacting teachers' confidence and outlook on their responsibilities.

While all teachers face some stress, individual circumstances, such as smaller debts or better financial management, can mitigate these effects. Overall, the findings indicate that microfinance loan repayments contribute to stress and anxiety among public primary school teachers in Kasulu Town District. This persistent financial stress can harm their emotional stability, concentration, and job performance. These conclusions align with the research of Ogunleye Adeyemi and Oluwaseun Bamidele (2020) in Nigeria, which highlighted that personal loan repayments affect public sector workers' mental well-being and performance.

5. Conclusion and Recommendations

5.1 Conclusions

The study concludes that microfinance loan repayment obligations have a negative influence on teachers' psychological well-being and job concentration in public secondary schools in Kasulu Town Council. The quantitative findings, with a grand mean of 3.64, indicate general agreement that loan repayment causes stress and anxiety, affects concentration during teaching, occupies teachers' thoughts while teaching, and reduces motivation to work. Qualitative findings from Heads of Schools further confirmed that repayment pressure, salary deductions, and financial worries contribute to stress, anxiety, distraction, reduced motivation, absenteeism, and lower concentration in classroom activities. However, the extent of these effects varies according to teachers' loan burden, repayment conditions, financial management capacity, and availability of alternative income sources. Overall, the findings demonstrate that although microfinance loans provide important financial support, excessive or difficult repayment obligations can undermine teachers' psychological well-being and concentration, with potential implications for teaching effectiveness and quality of educational service delivery.

5.2 Recommendations

Based on the findings, microfinance institutions and SACCOS should provide teachers with flexible and affordable repayment arrangements, including reasonable interest rates and repayment periods that correspond to their income levels. School management and education authorities should strengthen financial literacy and counselling programmes to help teachers manage borrowing, repayment obligations, and household finances effectively. Teachers should also be encouraged to assess their repayment capacity before taking multiple loans and seek appropriate financial advice to avoid excessive indebtedness. Furthermore, education authorities should strengthen mechanisms for monitoring the effects of salary deductions and financial stress on teachers' psychological well-being and concentration. Finally, future studies should examine other financial and institutional factors that may influence teachers' psychological well-being and job concentration in different regions and school contexts in Tanzania.

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