



*The Cradle of Knowledge: African Journal of  
Educational and Social Science Research  
AJESSR - ISSN 2304-2885-p, 2617-7315-e  
Volume 8, Issue 3, 2020  
P.O. Box 555 (00202) Nairobi, Kenya  
editor@serek.or.ke*

**SOCIETY OF  
EDUCATIONAL  
RESEARCH  
AND  
EVALUATION  
IN KENYA**

## **Access to Higher Education in Tanzania: Experiences from Students Who Are Not Beneficiaries of Higher Education Loans**

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### **Abstract**

*The aim of this study was to explore the experiences of students who do not benefit from higher education loans in their education. Although the government declared free education for primary and ordinary secondary education, yet the majority of the students who complete secondary education find it difficult to access higher education. The government through her scheme of loans has supported some students through Higher Education Students' Loans Board (HESLB). This Board has the objective of assisting needy and eligible Tanzania students to access loans and grants for higher education. Because of tough eligibility criteria, there are many students who secure chance for Higher Education, and yet they are not qualified for loans. Some of these students get to the university with the support of their parents or guardians. This study was particularly geared to explore their experiences in the university life and to compare their performance with those who are the beneficiaries of the loans. This study used parallel concurrent triangulation design, targeting university students and university loan officers. The findings indicate that students who are not beneficiaries of the loans experience various challenges such as failure to register as students, social isolation, stress, stigma, prostitution, pregnancy and others. The findings also indicate that students who are the beneficiaries of loans perform better than none beneficiaries of the loans. This study suggests that the government should find ways to allocate more funds for students who qualify to access higher education and find other ways of supporting students who qualify for higher education.*

**Key words:** *Access to Education, Higher Education Students' Loans, Life Experience, Performance*

### **1. Introduction**

Although higher education is valuable for the individual and beneficial to an economy and society, its access is a challenging truth. In most countries, higher education has become a large, complex enterprise. Perhaps most important is the fact that postsecondary education is recognized as a central element in modern society in relation to economic development (Altibach, 2007). This view is seconded by Schultz (1981) who observes the acquired abilities of people, their education, experience, skills and health are basic in achieving economic progress. This is to say, university education and economic development are inextricably linked (Makulilo, 2012). Academic institutions employ thousands of people and educate tens of thousands or in some cases hundreds of thousands. Higher education has become big business. In other words, this implies university education has become a huge economic activity.

Although Higher education is important, yet not everyone can afford higher education. This is true particularly when one considers the developing countries where the majority of the poor families are located. It is from this basis that the governments from many developed and developing countries have established loan schemes where students from the poor families get loans for their studies in universities or colleges based on established standards and eligibility criteria. Woodhall (2007) argued that the ever-increasing need for students' loans all over the world have led into a need to establish a sustainable higher education students' loan schemes to manage the public allocated



funds. Students' loan schemes exist in many countries, including developed countries such as Japan, Scandinavian countries and the U.S.A. Johnstone (2009) argued that Students' loans are becoming more important in this century due to ever increasing costs for higher education, due to the fact that most governments fail to fund costs for higher education through grants.

Tanzania through her scheme of loans has supported some students through Higher Education Students' Loans Board (HESLB). Nyahende Veronika (2013) found that students' loans in financing Higher Education in Tanzania is successful as it increases enrollment of students in higher learning institutions. The study also revealed that Higher Education Students' Loans Board (HESLB) is employing enough efforts to recover loans granted to loans beneficiaries since 1994 as well as the guidelines and criteria for granting loans were found to be satisfactory. However, this stand is refuted by some other researchers. Although hailed as a success by some researchers, argued that the decrease in the percentage share of the budget poses a threat to the ability of the fund to sustainably finance students for higher education, which is vital measure in the development of human capital (Ally, 2015; Nyahende, 2013a, 2013b; Makulilo, 2012).

### **Eligibility Criteria for Allocation of Loans in Tanzania**

HESLB Act 9 of 2004 and regulations provide for General Eligibility and Criteria for applicants seeking loans. Needy and eligible applicants may apply for loans and/or grants to meet part, or all costs of their education.

#### **Needy**

In addition to general eligibility, additional criteria define NEEDY applicant who should not exceed 30 years of age at the time of application, who may: -

- (i) Be an orphan who has lost parents;
- (ii) Have disability to be certified by District Medical Officer (DMO), Regional Medical Officer (RMO) or any entity authorized to certify such cases;
- (iii) Have parents with disability to be certified by District Medical Officer (DMO), Regional Medical Officer (RMO) or any entity authorized to certify such cases;
- (iv) Be from lower income household and/or marginalized community whose secondary or diploma education was sponsored by intuitions, required to provide written and authenticated evidence of such sponsorships.

#### **General Eligibility Criteria as Pronounced by the Act**

General Eligibility criteria requires an applicant to meet the following conditions: –

- (i) Must be a Tanzanian;
- (ii) Must have applied for a loan through the Online Loan Application and Management System (OLAMS);
- (iii) Must not have funding from other sources;
- (iv) Must be a continuing student with results/progress to continue with studies.

#### **Other Eligibility Criteria**

- (i) Eligibility for loan shall be granted by order of neediness and programs clusters;
- (ii) Applicants must have graduated their ACSE and/ other equivalent qualifications within three (3) years (HESLB, 2019).

#### **Statement of the Problem**

Although higher education is important for individuals and for the economic development, yet to access higher education is a challenge to most of the children from the poor families. The government has established scheme of loans for needy students but not all needy students can qualify the eligibility criteria. Many students fail to meet the eligibility criteria and find themselves in a situation where they have to sponsor their own education. Many studies have been done to explore about the Higher Education Loans board and the way it relates to the beneficiaries of the loans but little has been done to explore about those who are not the beneficiaries of the loans. The aim of this study was to explore the lived experiences of the needy students who find themselves in university without allocation of loans.

#### **Research Questions**

1. What are the experiences of students who are not beneficiaries of higher education loan in education?



2. To what extent students who are beneficiaries of higher education loan differ in performance from those who are not beneficiaries of Higher education loan?

### **Hypothesis**

Ha: There is a significance differences in performance mean scores between the students who are the beneficiaries of higher education loans and those who are not the beneficiaries of higher education loans.

### **Theoretical Framework**

This study was informed by the Human Capital Theory, which assumes that individuals and societies invest in higher education for assumption of yielding better benefits in the future (Al-hajry, 2002). The study focused on the Higher Education Students' Loans and the effects of not financing other needy students to access higher education.

### **2. Methodology**

Mixed research method was applied in this study. Specifically, this study applied Parallel Triangulation Design. Parallel Triangulation design is a one-phase design in which researchers implement the quantitative and qualitative approaches. The purpose of this design was to obtain different but complementary data on the same research to best understand the research problem. Mixed research method is flexible in collecting data from diverse situations (Cresswell, 2014). This study was targeting four universities in Kilimanjaro and all students who are not beneficiaries of Higher Education Loans. It was also targeting the loan officers who deal with students who apply for loans from the Higher Education Loans Board (HESLB). Sampling was done by purposive sampling procedure, where twenty (30) students from poor families who were not beneficiaries of loans were sampled. The loans officers from the selected universities were included in the study automatically by the virtue of their office.

This study used in-depth interview guides for both university students and the loan officers. Document analysis schedule was used to get university examination results for both loan beneficiaries and non loans' beneficiaries for the sake of comparison. Experts were used to validate the research instruments. Research credibility and trustworthiness was established by member checking, prolonged engagement and triangulation. Qualitative data was analyzed by transcription of data from the in-depth interviews and coding of data was done accordingly and themes, categories developed and interpretation was done according to the context. Quantitative data was analyzed to test the hypothesis at 0.05 significance level.

### **3. Results and Discussion**

#### **3.1 Lived Experiences of Students Who Are Not Beneficiaries of HESLB Loans**

This research question was explored qualitatively to find out the lived experiences of university students who are not beneficiaries of higher education loans. The researcher decided to take this approach because many studies focus on the students who are the beneficiaries of Higher Education Students' Loans. Understanding of the lived experience of the university students without loans is considered potential towards policy formulation and for the general awareness of the public about the effects of the lived experiences of the needy university students who have qualified but yet they find it difficult to handle live in higher education. After coding the transcripts various recurring themes emerged including: failure to enroll for studies in universities, social isolation, fatigue or stress, stigma, postponement of studies, engagement in casual labor activities and other illegal activities, prostitution and pregnancy.

##### **i. Failure to register as student**

The findings indicate that most of the students, who come for the first year, come with the anticipation of getting loans. Unfortunately, those who do not have loans cannot afford paying the registration and university tuition fee. During the interview with one student he said:

I failed to register for the courses because I was expecting to get support from the loans board but unfortunately, I did not get any support. I want to go back home and reapply for a loan next academic year (Interview: 12/11/2019).

Moreover, one of the loans officers reported that they have many cases of students who come to the universities and they fail to register as students due to lack of funds. "Some of students come without registration fee and so it is difficult to register them as students. If they do not register in time they are penalized and thus they have to pay extra money of fifty thousand". ( Interview, 7 January, 2020).



Bridget Terry Long (2014) argued that there are many barriers to college access and success. One major barrier is affordability, as college prices and student debt levels have risen to alarming heights. This study's findings show that finance, transport to the higher education institutions and, to a lesser extent, unplanned pregnancies, are some of the main factors that affect the enrolment rate of students. This is a clear indication that lack of financial support to needy students may lead to failure to register for higher learning education and this may lead to termination of studies.

## **ii. Social Isolation**

The findings also indicate that students who do not have Higher Education Loans are socially isolated from their counterparts, the beneficiaries of higher education loans. Students in university create social groups whereby those who are the beneficiaries of government loans team together. When one student was asked about the way they interact with those who have loans had this to say:

If you do not have a loan you have very few friends who can trust you. Those who have loans have their gild where they even share the recourses (boom). They believe that if you have loan you will in turn share your loan with them when a member is broke. They eat together, they drink together and enjoy life while we are looking at them as dogs without food... this hurts me because I know I come from poor family, to my surprise to see those who come from good families have loans (Interview 14/ 11/2019).

Another student from another university argued:

When my fellow students who are beneficiaries of loans receive their money, I find it difficult to join them because if you join them in the club for instance, everybody orders a round of drinks. You can't accompany them if you have nothing to contribute (Interview 12/ 11/2019).

Another student complained, "Life here is like heaven and hell. Those with loans really enjoy their life as though they are in heaven and those without loans suffer as though they are in hell (Interview:5/ 11/2019). These findings imply that life in the university is light for the students who benefit from the loans while those without loans struggle to manage a day. This stigma extends even into serious life relationships. One student when interviewed said:

If you do not have a loan some students isolate you as though you are suffering from communicable disease. This is particularly for the boys. If you do not have loan you can hardly even get a girlfriend. The first question you will be asked by a girl is if you a beneficiary of a loan. You have loan, then the second question is how much percent. If you have 100% then you may qualify with the hook (Interview:15/ 11/2019).

Another student added:

We are always despised by our fellow students simply because we do not have loans and our life look miserable. I wish I were not a part of this university, but I am here to stay because at least we get encouragement when we meet some good staff members who care and sometimes support us with some little coins to buy lunch (Interview:20/ 11/2019).

Moreover, one of the loans' officers confirmed that most of the poor students without loans are socially isolated. "Students who are not the beneficiaries of loans they visit my office but they look miserable, helpless and hungry. I have nothing to do because I am not the one who allocate loans". (interview, 7<sup>th</sup> January 2020). The findings indicate that apart from social isolation and stigma, some students find it difficult to cater for their daily meals and accommodation.

## **iii. Stress**

Stress arises when the combination of internal and external pressures exceeds the individual's resources to cope with their situation. The findings indicate that most of the university students without loans suffer from stress and blood pressure because of the continuous challenges they face in the university life. One student argued:

I always think why I did not qualify for a loan but I don't get an answer. I feel stressed and I cannot concentrate in my studies. I feel like I am not a Tanzanian but a foreigner in my own country. Why?... Why?... I feel sick ahaa!!! (Interview:20/ 11/2019).

An interview with the loans' officer confirmed the same that there are many students without loan, who continuously visit his office to continue asking him to find possibilities or to appeal for them to the Loans' Board. During the interview with one of the loans' officer he argued:



We are doing a very difficult task to deal with desperate students who always come to our office to seek assistance to secure loans from the government. When we appeal to the Loans' Board there are some students who are lucky and they can secure loans but majority are disqualified by the stringent legibility criteria set by TCU for acquisition of loans.

Sathya and Mohan (2015) addressed the issue of stress in university life. Their findings indicate that financial problems and lack of interest in study have negative impact on stress in University students. They suggested that there is need to minimize this stress to resolve these problems.

iv. **Dropout/ postponement of studies.**

The findings also indicate that there are many cases of students postponing their studies because of the failure to meet the costs for studying. Others postpone for one academic year to allow them to continue processing the appeals for their loans but some are successful while others fail completely and so they just drop from studies. During the interview one student said:

I want to postpone my studies because I don't have a loan and my parents can't pay for my university fees. My parents are very poor but the government does not care about it. I have applied several times but in vain (Interview :17/ 11/2019).

Another student said, *"I am postponing my studies not because I failed my studies, but simply because my anticipation to get allocation from the Loans Board has failed (Interview :17/ 11/2019).*

These findings concur with what researchers like Araque, Roldán, and Salguero (2009) established, that Socio-economic variables are also related to dropout, as it is more frequent in students from more disadvantaged socio-economic and cultural backgrounds.

While some students from the poor families were complaining about missing allocation of loans some students from rich families were comfortable with life and would prefer to continue with their studies without the loans. One student from a rich family argued:

Students who receive loans misuse the money and they don't think about paying back the loan. The loans' Board has developed stringent measures to ensure that those who take loans have to pay back the debt so as to make the scheme sustainable and that more students may benefit from the funds (Interview:20/ 11/2019).

One of the loans' officers was asked about the reality of postponement of students who fail to secure loans and he responded, *"There are many cases of postponement especially during the first few weeks of the semester when students see that they can no longer afford the costs of living"*(Interview:20/ 11/2019). However, there were some complaints that in some cases student loan money is being used by some students to pay for amenities and luxuries that are not tied to educational success. Student loans, as the name implies, should be used to support educational efforts.

v) **Engagement in casual labor activities and other illegal activities**

This study also found that there are many poor university students who miss classes and engage in casual labor activities and other illegal activities. Most of the poor students resort to earn some little income by working in the maize plantations round the university, picking coffee in coffee plantations and many other activities such as hawking. During the interview, one student argued:

I sometimes miss classes and get involved in casual labor activities outside the university to get some money for university fees and for self- sustenance. There are several activities we do outside the university such as weeding maize plantations, harvesting, building activities, picking coffee from the coffee plantations around the university... (Interview:8/ 01/2020).

The Tanzanian labour law as stipulated in the Employment and Labour Relations Act 2004 is silent about students in the world of work. It explicitly prohibits the practice of child labour where the child under the age of 14 is prohibited to work. Those aged 14 and above can-do light work which is not harmful to the child's health and development; and does not prejudice the child's attendance in school. Thus, from this law, it is implied that students aged above 18 can engage in the world of work provided that such engagement does not conflict with their learning process. The best arrangement for students is flexible working hours, which unfortunately is not provided for in the current laws. This depends very much on the discretion of the employer. However, this does not justify the



university students to miss classes and go to work. It is believed that the success of student depends upon the regularity and attending all the meeting of the classes in which the student is enrolled. The attendance is a significant contributor of the student course grades (Hidayah & Sarah, 2018). The findings are also supported by another researcher who argued that in the developing countries the economics is a big contributor in absenteeism because less attention is paid to improve the education quality. The low-income family background students have higher rate of absenteeism (Latif, Choudhary, & Hammayun, 2015).

#### **vii) Prostitution and pregnancy**

The findings also indicate that there are some university students who engage themselves in prostitution to raise money for their university charges. These students put themselves in risk of deceases and pregnancy. During the interview with students one argued:

I had no loan and I thought the only way to get assistance was to submit myself to a boyfriend who would support my survival at the university. But when I got pregnant, he abandoned me. I do not have any assistance to provide for my kid (*Interview:20/ 11/2019*).

These findings concur with what ItaiMafa and Kang'ethe (2017) found that poverty and lack of a viable financial support system; sexual permissiveness; cultural fusion; and peer media pressure to be the major factors for prostitution among university students. Prostitution may lead to Prevalence of STDS; the dangers of backstreet abortion; loss of academic focus; and passion related crimes.

Oyeoku, Nsukka Ngwoke, Eskay, Nsukka Obikwelu (2019) in their study about the impact of prostitution found that examination failures, course carry over, involvement in examination malpractice, repeating of classes, skipping of class assignment/group work, poor concentration, irregular attendance to classes, missing examinations, dropout of school, over staying prescribed maximum course duration, and other attendant academic problems. These were some of the negative impact of prostitution tendencies on the academic performance of university undergraduates in South East, Nigeria. Therefore, lack of finance for university charges is associated with many other consequences that may affect students to access quality education in their higher learning.

#### **3.2 The extent to which students who are the beneficiaries of Higher education loans differ in performance from those who are not the beneficiaries of Higher education loans**

The aim of this research question was to establish whether or not there were differences in the performance of students who are the beneficiaries of the loans and those who were not the beneficiaries of loans. The researcher sampled the results of 892 students according to their GPA performance from different combinations and classes. The findings are presented in table 1:

Table 1: **The descriptive summary of the means scores**

	GROUP	N	Mean GPA	Std. Deviation
GPA	NO-LOAN	346	3.1448	.44414
	WITH-LOAN	546	3.2361	.52364

The findings indicate some slight differences in the GPA performance mean scores whereby the students with loans had higher GPA of 3.2 (0.52 SD) while the students without loans had a lower GPA of 3.1 (0.44SD). The researcher wanted to establish whether or not the differences were statistically significant or were by chance. A null hypothesis was tested by independent T- test at 0.05 significance level.

#### **Hypothesis Testing**

Ho: There is no significance differences in performance mean scores between students who benefits from loans and those who do not get loans. The hypothesis was tested at 0.05 significance level.



**Table 2: Independent Samples T-Test**

		Levene's Test for Equality of Variances		t-test for Equality of Means						
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	95% Confidence Interval of the Difference	
									Lower	Upper
GPA	Equal variances assumed	7.215	.365	-2.687	890	.007	-.09128	.03397	-.15795	-.02462
	Equal variances not assumed			-2.788	818.471	.005	-.09128	.03275	-.15556	-.02701

An independent-samples t-test was conducted to compare students who receive loans and those who do not receive loans. There was a significant difference in the scores for loans beneficiaries (M=3.2, SD= 0.52) and non-beneficiaries of loans (M=3.14 SD=0.44);  $t(890) = -2.68, p = 0.007$ . These results suggest that loans for students positively affect their academic performance. Specifically, the results suggest that when students are allocated loans, they are motivated to settle in their studies and consequently they have better performance.

#### 4. Conclusions

This study concludes that students who are not beneficiaries of Higher Education loan experiences challenges in their university life ranging from failure to register as university students, social isolation and stigma, involvement in illegal activities, prostitution, stress, and drop out from studies. This study also concludes that students who are the beneficiaries of loans perform better than those who do not have loans.

#### 5. Recommendations

Many parents save money for the education of their children from lower levels to advanced levels but not for higher education. They believe it is the responsibility of the government to take care of the Higher education by providing loan to students. That is why even in a situation where the parents could support their children, they do not do so. There is a need of educating parents to take their responsibility where they can do so to support the education of their children in Higher learning than solely depending on loans.

There is also a need of involving other agents in supporting Higher education. This is important because the government might not be able to give loans to all students but by involving other stakeholders such as banks, SACCOS, Vikoba, Education Trustee Funds and others could mitigate the challenge of students missing loan.

The eligibility criteria put stringent conditions which may hinder many poor students to benefit from the loan. The government should be considerate especially segregating students who did their secondary education in private schools. All children are Tanzanians and thus criteria of being in public or private in secondary school serves to segregate and discourage contribution of private sector in education.

The university counselors should also be very close to the needy students and help them to cope with their situation without involving themselves into illegal activities. Students could be advised on how to handle their challenges within their families or in other positive ways.

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