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Economic Hardship, Academic Performance and Psychological Well-Being among University Students

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ABSTRACT

The current study aimed to explore the relationship between economic hardship, psychological well-being, and academic performance among university students. A sample of 230 university students was taken out and they belong from different universities of Faisalabad. Academic Performance Scale by Joo et al. (2008), Psychological Well-Being Scale and Economic Strain Questionnaire were used to collect data. The results reveled that there is a significant negative correlation between the psychological well-being and the academic performance suggesting that higher psychological well-being is associated with lower academic performance. Additionally, there was a significant positive correlation between the psychological well-being and the economic hardship indicating that greater economic hardship is linked to better psychological well-being. The results showed that economic hardship was a significant predictor of academic performance with higher economic hardship associated with lower academic performance. Psychological well-being was also a significant predictor, with higher psychological well-being associated with higher academic performance.

Introduction

Economic hardship is something that affects everyone globally which is deeply concerning and has a negative impact in a lot of areas especially in education and mental health. Economic hardship is a significant challenge that affects many university students, creating financial stress that influences their academic performance, mental well-being, and overall university experience. The pressure to meet financial obligations often forces students to take on part-time jobs, which can

reduce the time available for studying and participating in university activities. Incorporating part-time work into a student's schedule can be detrimental to his or her well-being and academic performance due to burnout and anxiety (Joo et al., 2008).

Difficulties with finances can create a lack of engagement and sense of belonging in students. Economically disadvantaged students often feel to be socially marginalized in comparison to their peers, especially when there are no resources available to partake in social and extracurricular activities. Such disengagement leads to feelings of alienation, disenfranchisement, and isolation from the university, which potentially culminates in increased stress and lowered motivation for academic success Walto & Cohen, 2011). There is strong evidence that feeling of acceptance in the academic environment correlates with higher motivation, enhanced performance, as well as better health and well-being. On the other hand, students who have to deal with financial burden, often fail to form social networks and receive the necessary academic support, which may negatively impact their educational attainment (Stephens et al., 2014).

Economic struggle is more than a single person's concern, for it is also a symptom of structural injustice within the society. Many students from economically disadvantaged families suffer a great deal because they do not possess the requisite finances and social networks which richer students have (Phulpoto, Oad, & Imran, 2024; Oad, Zaidi, & Phulpoto, 2023). These students are therefore less likely to complete their education which perpetuates the poverty cycle and reduces their chances of economic mobility (Kahu et al., 2014). Economic disappointment produces physical reactions that affect sleep quality and weaken immunity while causing mental health problems. (Simonse et al., 2024).

At the institutional level, universities could implement emergency grant programs, textbook affordability initiatives, and subsidized meal plans (Khan & Haq, 2025; Haq & Khan, 2024). Academic policies could become more flexible to accommodate working students through asynchronous course options and understanding attendance policies. Finally, if economic hardship is considered a systemic issue rather than individuals' failing, then students from all economic levels will benefit more effectively from the solutions that aim to support student success (Russell et al., 2025).

Low academic self-efficacy is a lack of confidence that hinders their motivation to undertake tasks that would otherwise be difficult or when faced with difficulties. This leads to a cycle over which time the students lose hope in improving their performance itself. Take a student who is gloomy with financial stress, and he or she will give up on difficult assignments, or give up in the face of setback leading him or her to lose out on academic progress (Walton & Cohen, 2011).

A person's mental health problems encourage them to put off assignments and they become less active in class while also making it more difficult to learn. Students in mental distress tend to lose their drive to work harder and stick with difficult academic tasks. Students successfully handle academic pressure because they develop emotional senses and effective coping methods. Education institutions now understand that helping students with mental health needs is necessary to help them achieve better study results (Gotlib & Joormann, 2010).

Psychological well-being is a major component of overall health encompassing emotional, mental, and social aspects of life. For university students, good psychological well-being is key to achieving academic goals and improving self-development. Financial strain is a common risk for other mental health illnesses like depression, anxiety, and suicidal ideation. Students facing financial hardships are prone to these issues, adversely affecting their academic progress and

personal lives (Ali, et al., 2023). For instance, a student who is stressed about how to pay for rent or groceries often does not have the luxury of leisure or focusing on their coursework. As a result, they can become overwhelmed and hopeless (Kiely et al., 2015).

The two concepts of economic distress and psychological health are critically interrelated and reciprocally influencing. The former refers to monetary difficulties restricting mental health, for example through inducing anxiety, depression, or inferiority complex. The latter refers to a lack of proper mental health causing further financial issues, for example poor budgeting, lack of employment, or lack of drive. This leads to a negative spiral where the financial burden worsens the mental health concerns and vice-versa resulting in, in this case, the student losing control. For instance, a student suffering with anxiety tends to steer clear of job applications and budget management which combines into further financial burden and subsequently, compounded stress (Crosier et al., 2007).

To improve students' psychological well-being, universities need to adopt a holistic model. They need to provide financial aid, resources, and construct an ecosystem that embraces students. Students need to feel more empowered to seek help through mental health services, peer support groups, and stigma reducing programs concerning financial struggles (Ahmad, et al., 2021; Ali, et al., 2020; Ahmad, 2018). Economic hardship tends to have a disturbing impact on students' psychological well-being, resulting in a vicious cycle of financial stress and mental health challenges. Universities can promote students' mental health, social engagement, and academic achievement by addressing both the financial and social aspects of these challenges (Chaudhry et al., 2024).

The mental well-being of students is influenced both positively and negatively by environmental factors consisting of the campus socio-psychological climate and the availability of nature as well as the institutional support structures. The combination of biological and environmental factors contributes to student's success or failure, and in the worst-case lead to anxiety or depression (Chaudhry et al., 2024).

Students develop psychological resilience owing to protective factors that function at the individual level, social relationship level, and even at the institutional level. Emotional support is provided by social support networks characterized by close friendships among students together with family bonds. This category also includes mentor relationships. An open environment is created by accessible counseling services, as well as academic policy change together with mental health promotion activities Psychological well-being goes beyond individual responsibility in that it needs a communal responsibility support system in which there are protective factors a number of levels to fulfill (Zaheer and Khan, 2022)

Academic policies need to incorporate wellbeing within deadlines for mental health days and the inclusion of trauma informed teaching practices. Using assistive technology for virtual therapy and mental health applications can increase service accessibility, however, proper implementation must be stressed. Universities can change from being anxiety inducing institutions to ones that permit students to thrive by using an all-encompassing strategy that prioritizes their mental health (Aloka et al., 2023).

Rationale of the Study

University students' achieving and psychological wellbeing gets affected much by economic hardship. Increased stress, anxiety and emotional distress as a result of poor finances can affect students' ability to focus on studying. The ability to secure future career opportunities depends on

academic performance and economic hardship can constitute a serious barrier for students' motivation and cognitive abilities. Financial insecurity has been studied to trigger increased academic pressure, poor concentration, less problem-solving abilities, which contribute to lower academic achievement. One's psychological wellbeing is directly associated with the ability to succeed in the academic sense as well as in the financial sense. The study of the relations between economic hardship and psychological well-being can enhance designing institutional policies for providing better mental support to students in need of mental support. The findings of this study will inform current literature and offer recommendations for bettering student wellbeing and academic success given circumstances of financial limitation.

Objectives of the Study

1. To examine the relationship between economic hardship, psychological well-being and academic performance among university students.
2. To identify potential interventions and support mechanisms that can help students manage economic hardship and improve their academic and psychological outcomes.

Hypothesis of the Study

1. There is a significant relationship in economic hardship and psychological well-being among university students
2. There is a significant relationship in economic hardship and academic performance among university students
3. There is a significant relationship in psychological well-being and academic performance among university students
4. There is a demographic difference in economic hardship, psychological well-being and academic performance among university students

Literature Review

The research study conducted among 1,500 U.S. college students demonstrated that financial distress directly diminished their executive functioning capabilities and working memory abilities. Students who faced food and housing issues performed 23% lower in cognitive tests than group mates who maintained secure food access (Shah, et al., 2025). The stress caused by limited financial resources absorbed mental capacity which academia normally utilized for learning activities. Financial anxiety produced a powerful negative impact on both student class attendance rates and their ability to finish assignments. Prior academic performance variables were included in the study which confirmed economic difficulty as the only reason students showed decreased academic results. Cognitive taxation caused by financial pressure diminishes learning capacity no matter what level of intellectual ability individuals possess (Joo et al., 2020).

A study on working students attending public universities who spent more than 20 hours each week on their jobs earned average GPAs that rated 0.5 points below their peers who did not work. Graduate students who performed full-time work while studying full-time faced a 350% increased risk of discontinuing their courses during the semester. Research data showed a critical limit where college students working more than 15 hours weekly saw clear deterioration in their academic involvement. Nighttime work shifts presented the worst performance outcomes because they interfered with rest patterns and scheduling demands. Students who worked on campus experienced neutral academic results thus demonstrating that employment conditions affect how work-study impacts academic performance. Economic requirements put students into positions

where they must sacrifice time spent on academics to earn money as demonstrated by this study (Darolia, 2020).

A multi-institutional study on documented how lacking basic needs translates to academic struggles. Students experiencing homelessness had 65% lower semester-to-semester retention rates. Those unable to afford textbooks averaged 1.2 letter grades lower in affected courses. Food-insecure students reported 40% more missed deadlines due to competing survival priorities (Fatima, et al., 2024; Rana, et al., 2021; Khan, et al., 2021; Sarmad, 2016). The research introduced the Material Hardship Index, showing each additional deprivation factor (transportation, healthcare, etc.) predicted incremental GPA declines. These quantitative findings validate qualitative reports that economic deprivation creates logistical barriers to academic participation beyond psychological stress alone (Broton & Goldrick-Rab, 2021).

A longitudinal study of 2,000 university students found that financial stress predicted 37% of variance in anxiety symptoms and 28% in depressive symptoms. Students reporting food insecurity were 3.2 times more likely to screen positive for depression compared to food-secure peers. The study identified a dose-response relationship where each additional financial stressor increased psychological distress scores by 15%. Notably, financial anxiety mediated the relationship between objective economic hardship and sleep disturbances. These findings highlight how economic struggles trigger both immediate and chronic mental health consequences that extend beyond temporary worry (Richardson et al., 2021).

Research across 12 universities revealed that housing-insecure students showed 42% higher cortisol levels, indicating chronic stress activation. Students lacking reliable internet access reported 2.5 times greater feelings of isolation during remote learning periods. The study introduced the concept of "survival mode cognition" - where constant resource scarcity depletes emotional regulation capacity. Participants described economic hardships as "psychological quicksand" that made ordinary academic stresses feel unmanageable. These physiological and qualitative findings demonstrate how material deprivation becomes embodied as psychological distress through multiple pathways (Goldrick-Rab et al., 2022).

A national survey of working students found those working over 30 hours weekly had 58% higher burnout scores than non-working peers. Students balancing employment with academics reported feeling "emotionally bankrupt" by mid-semester, with 72% meeting clinical thresholds for emotional exhaustion (Zaheer, et al., 2021; Haq, 2017; ul Haq, 2012). The research identified a vicious cycle where work demands increased stress, which then impaired job performance and academic work simultaneously. Hours worked alone did not appear to have big consequences for workers' psychological distress, but workplace inflexibility (denying study time requests) exacerbated psychological distress more than hours worked alone. This kind of finding emphasizes the unsustainable double roles that economic necessity forces students in to and how it endangers mental health (Lipson et al., 2023).

Students who lost their jobs during the pandemic developed PTSD symptoms to the same extent as veterans serving in combat positions. Single incidents of lost income led students to become more observant about their finances and experience emotional detachment which are trauma symptoms usually observed following life-endangering situations (Ali, et al., 2023; Yasmin, et al., 2020). Economic shocks made students four times more likely to dissociate during classes compared to students without financial hardships. The research presented financial trauma as an explicit psychological wound needing specialty-based support protocols. These findings challenge

conventional views of economic hardship as solely a stressor rather than potential trauma source (Ciciurkaite & Brown, 2022).

A study examined how students' psychological wellbeing is affected by academic performance. Students who received better grades in school reported less stress, anxiety and more depression. In contrast, academically struggling participants were more emotionally distressed and less satisfied with life (Ali, et al., 2021; Muhammad, et al., 2020; Farooq, et al., 2019). It stressed that the self-efficacy and motivation had a bearing on the success in the academic and had a direct correlation with the improvement in wellbeing. It also helped to contribute to better social interactions as well as overall mental health if a positive academic experience was present (Janjua, et al., 2025; Shah, et al., 2024; Naseer, et al., 2018). The results suggested that there should be an effort of the educational institutions to improve students in psychological resilience. Offering academic support services will in some way assist students in dealing with challenges (Reddy et al., 2018).

A study conducted a study on the correlation of social support to academic productivity in students. These findings suggest that social networks strong among friends, family and mentors were associated with rises in students' academic achievement. The students had less stress and were emotionally stable when they had support from their relationships. Consequently, the research shows that poor academic motivation and greater distress occurs when a person feels isolated or unsupported (Garcia et al., 2019).

Research Methodology

Participants

A sample of 230 university students was selected from different universities of Faisalabad.

Research Design

A cross-sectional research design was used to perform the present study's examination.

Sampling Technique

The study used a convenience sampling technique, which is a type of non-probability sampling.

Inclusion and Exclusion Criteria

Inclusion Criteria

1. The current research accepts participants who are spending their time at university as students working in postgraduate levels.
2. Adult participants with ages between 21 and 40 will take part in the research if they give their informed consent to participate voluntarily.
3. The participants need to demonstrate English literacy skills because all research materials including questionnaires are provided in the English language.

Exclusion Criteria

1. Participants both under 21 years old and older than 40 years will not participate in the study research.
2. The research excludes all students from participation who either have academic leave status or are suspended or do not attend classes at university.

3. The study eliminates participation by those who previously received a diagnosis of severe psychiatric illness such as schizophrenia or bipolar disorder because of possible limitations in consent ability and questionnaire understanding.
4. Participants who cannot understand English or need help with the questionnaire along with those who do not finish the survey or send incomplete results will not take part in the final research evaluation.

Measures

Academic Performance Scale

This 8-item scale measures students' academic outcomes through self-reported GPA, grade on courses, and level of academic engagement. This measure is Likert type response format with scoring categories of 1–5 (1 is strongly disagree), 5 is strongly agree); higher scores indicate better academic performance. In validation studies, the scale has been shown to have strong internal consistency with Cronbach's alpha coefficients generally between .82 and .89 for different student populations. Separate subscale scoring is not required to obtain a reliable composite measure of academic functioning with the total score (Joo et al., 2008).

Psychological Well-Being Scale

Psychological well-being measure are a multidimensional framework for evaluating how overall mental health and life satisfaction measure. This brief survey version contains 8 items that are rated on a 6-point Likert scale (1 = very disagree; 6 = very agree) whose total scores are greater indicating higher level of psychological wellbeing. The composite scale has been well established psychometrically via analyses in college student samples establishing good reliability with alpha coefficients consistently above .85. The global and valid total score provides a valid global well-being indicator suitable for research applications relying on an efficient assessment (Ryff & Singer's, 1998).

Economic Strain Questionnaire

Financial stress related to educational expenses and basic needs insecurity is what 8 item measures are assessing among students. The frequency of economic hardship is scored on a 5-point measure (1 = never to 5 = always) and total scores indicate how severe the economic hardship is. Results of validation studies show reported alpha reliability coefficients for the scale in the range from .86 to .91. The composite score meets the desirable property of being a reliable unitary measure of financial strain without constituent parts, which allows for its use in survey research concerned with financial stressors (Kahu et al., 2014).

Trust and Rapport with Participants

The investigator introduced herself to the assessment participants and discussed and outlined what was going on with the goal of the inquiry. The researcher also notified people who took part in the study that the psychological evaluations would be kept private. During the administration of the psychological tests, the investigator positively replied to and explained each participant's concern and question. Participants were promised that they would receive any information they sought on this subject. All of the tactics mentioned above benefited the analyst in acquiring the participants' trust and affinity.

Ethical Considerations

In this study, the following ethics were considered. The complete information regarding the questionnaire and topic were explained to the participants. The dignity of the research participants was prioritized. Informed consent was also be obtained from the participants to take part in the research. The participants and their data were ensured to be confidential. For quantitative research, prior permission from authors of scale and anonymity was considered. Moreover, formal permission was also being taken for this research.

Research Procedure

After the necessary consent has been obtained, participants were selected using the previously described sampling approach, and rapport was established with them. They were provided with written informed consent and was informed about the study's purpose. Participants will be assured of confidentiality and was informed that they can withdraw from the study at any time. To ensure consistency in the methods, the measures were administered using standardized instructions suggested by the authors. A "questions/answers session" will follow the testing, which was last for 35- 40 minutes. Data analysis, including regression analysis and Pearson Product Moment Correlations, were conducted using the Statistical Package for Social Sciences (SPSS v-27).

Scoring and Statistical Analysis

Statistical analysis for calculation will be performed using SPSS version 27 in the study. Both descriptive and inferential statistics, including Pearson Product Moment correlation, Regression analysis, independent sample t-test, and analysis of variance, were used to examine the relationship and predictors of outcomes.

Results

Table 1

Demographics Characteristics of Research Participants (n = 230)

Variable	Category	N	%
Age	21-25	104	45.2
	26-30	88	38.5
	31-35	34	14.8
	36-40	4	1.7
Gender	Male	115	50
	Female	115	50
CGPA	2.5-3.5	106	46.1
	3.5-4.0	124	53.9
Education Level	MPhil	195	84
	PhD	35	15
Type of University	Government	94	40
	Private	136	59
Financial Support	yes	131	59
	no	99	43

In this Table, the majority of the students fall within the 21-25 age range (45.2%), suggesting that most of the participants are in the early stages of their university education. Following that, 38.5%

of the students are aged 26-30, with a smaller percentage in the 31-35 (14.8%) and 36-40 (1.7%) age groups, indicating that older students are less represented in the sample. The sample is evenly split between males and females, each representing 50% of the respondents, ensuring a balanced gender representation. Regarding academic performance, 53.9% of students have a CGPA between 3.5 and 4.0, suggesting that the majority are performing well academically, while 46.1% fall within the 2.5-3.5 CGPA range, indicating that many students are performing at an acceptable level. In terms of education level, 84% of the students are pursuing M Phil degrees, while only 15% are enrolled in PhD programs, with the M Phil being the dominant level of study. When considering the type of university, 59% of the students attend private universities, compared to 40% who study in government universities, indicating a slight preference for private institutions. Finally, 59% of the students receive financial support, highlighting the significant role of financial assistance in their education, while 43% do not receive any form of financial aid. Overall, these trends suggest that the majority of students are younger, perform well academically, and are enrolled in M Phil programs, with many attending private universities and receiving financial support.

Table 2

Showing the Descriptive Statistics of Different Variables (n=230)

Variables	***M***	***SD***	**Range**
Academic Performance	17.4	5.7	8-34
Economic Hardship	11.3	4.4	1-29
Psychological Well Being	83.8	9.9	57-114

Note. *M = Mean, SD = Standard Deviation*

This table shows the descriptive statistics of all the clinical variables that are included in this research work. From the result the Academic Performance Scale had a mean score of 17.4 (SD = 5.7), with scores ranging from 8 to 34, indicating a moderate level of academic performance among participants. The Economic hardship had a mean score of 11.3 (SD = 4.4), with scores ranging from 1 to 29, reflecting a moderate level of perceived economic strain. The Psychological Well-Being Scale had a mean score of 83.8 (SD = 9.9), with scores ranging from 57 to 114, indicating generally high levels of psychological well-being in the sample.

Table 3

Reliability Statistics Cronbach's Alpha Details

Scale	***K***	***a***
Economic Strain Questionnaire	6	.79
Psychological Well Being Scale	17	.606
Academic Performance Scale	8	.82

Note. *K= No of items, a= Cronbach alpha*

The reliability analysis was carried out for each scale using Cronbach's alpha. The Economic Strain Questionnaire had good reliability (α = .79), the Psychological Well-Being Scale showed moderate reliability (α = .606), and the Academic Performance Scale had high reliability (α = .82).

Table 4

Descriptive Statistics and Correlations for Study Variables

Variable	***n***	***M***	***SD***	**1**	**2**	**3**
1. Psychological Well Being	230	83.84	9.97	-		
2. Academic Performance	230	17.43	5.74	-.396**	-	
3. Economic Hardship	230	11.39	4.41	.356**	.276**	-

Note. ***p< .01*

Table presents the descriptive statistics and correlation for the study variables. A moderate negative correlation was found between the Psychological Well-Being and the Academic Performance ($r = -0.396$, $p < .01$), suggesting that higher psychological well-being is associated with lower academic performance. Additionally, there was a moderate positive correlation between the Psychological Well-Being and the Economic hardship ($r = 0.356$, $p < .01$), indicating that greater economic strain is linked to better psychological well-being. Furthermore, a small positive correlation was found between the Academic Performance Scale and the Economic hardship ($r = 0.276$, $p < .01$), suggesting that higher economic strain is associated with slightly better academic performance.

Table 5

Economic Hardship Predicts Psychological Well-being and Academic Performance in University Students.

Variable	***B***	***β***	***SE***	***t***	***R^2***
Academic performance	-0.122	*-0.158*	*0.052*	*-0.235*	*0.146*
Psychological Well Being	0.129	*0.292*	*0.03*	*4.35*	*0.146*

Table regression analysis, was conducted to predict academic performance based on Economic hardship and psychological well-being. The overall regression model was statistically significant, $F (2, 227) = 4.56$, $p = 0.01$, and explained 14.6% of the variance in academic performance ($R^2 = 0.146$). The results showed that Economic hardship was a significant predictor of academic performance ($B = -0.122$, $\beta = -0.158$, $t = -2.35$, $p = 0.019$), with higher Economic hardship associated with lower academic performance. Psychological well-being was also a significant predictor ($B = 0.129$, $\beta = 0.292$, $t = 4.35$, $p < 0.001$), with higher psychological well-being associated with higher academic performance.

Table 6

Mean Comparison of Males and Females on Economic Hardship, Psychological Well-being and Academic Performance Among University Students.

Variables	**Male**		**Female**				
	M	***SD***	***M***	***SD***	***t***	***p***	***Cohen's d***
Academic Performance	18.8	5.4	16.05	5.7	-3.7	.46	0.50
Economic Hardship	10.7	4.1	12.0	4.6	2.1	.48	0.29
Psychological Well Being	82.5	9.9	85.08	9.91	1.92	.61	0.36

Mean comparisons between male and female university students on national economic hardship, psychological wellbeing, and academic performance are apparent. On the scales of academic performance, males ($M = 18.8$, $SD = 5.4$) were higher than females ($M = 16.05$, $SD = 5.7$), $t (44.8) = -3.7$, $p = .46$, ns. A moderate effect size is suggested by the effect size (Cohen's $d = 0.50$). Based on an analysis of economic hardship, females ($M = 12.0$, $SD = 4.6$) reported higher levels of economic hardship than males ($M = 10.7$, $SD = 4.1$) as indicated by a t-value of 2.1 and a $p = .48$ which is not significant, but the effect size (Cohen's $d = 0.29$) indicates small effect. Lastly, female's ($M = 85.08$, $SD = 9.91$) response to well-being were slightly higher than male's ($M = 82.5$, $SD = 9.9$), which was $t (24) = 1.92$ $p = .61$, not significant. ES (Cohen's $d = 0.36$) is a small to moderate ES. On a whole, there is no specific difference in these variables between the sexes because none of the comparisons reach statistical significance in this sample.

Table 7

Mean Comparison of Study Level on Economic Hardship, Psychological Well-being and Academic Performance Among University Students.

Variables	MPhil		PhD				
	M	**SD**	**M**	**SD**	***t***	***p***	**Cohen's *d***
Academic Performance	17.08	5.7	19.42	5.2	-2.24	.241	5.69
Economic Hardship	11.4	4.4	10.85	3.9	.753	.439	4.42
Psychological Well Being	84.1	10.10	82.08	9.3	1.10	.527	9.9

Differences across some variables such as economic hardship, psychological wellbeing and academic performance are seen between MPhil and PhD students when their mean are compared. However, PhD students (M = 19.42, SD = 5.2) performed significantly better than MPhil students (M = 17.08, SD = 5.7) in terms of academic performance (t (179) = -2.24, p = .241, d = 5.69), even though a large effect size is generated (Cohen's d = 5.69). With regard to how much economic hardship there is, M Phil students (M = 11.4, SD = 4.4) report slightly more about their financial difficulties than their PhD counterparts (M = 10.85, SD = 3.9) but this difference is not statistically significant (t = 0.753, p = 0.44), with a large effect size (Cohen's d = 4.42). Once again, PhD students (t (172) = .1, pd = .527) were just slightly more psychologically well (M = 82.08, SD = 9.3) than MPhil students (M = 84.1, SD = 10.10), indicating no significant difference, but with a large effect size (Cohen's d = 9.9).

Discussion

The first hypothesis of the study was there is a significant relationship between economic hardship, academic performance and psychological well-being among university students. The results reveled that there is a significant negative correlation between the psychological well-being and the academic performance suggesting that higher psychological well-being is associated with lower academic performance. Additionally, there was a significant positive correlation between the psychological well-being and the economic hardship indicating that greater economic strain is linked to better psychological well-being. Furthermore, a significant positive correlation was found between the academic performance and the economic hardship suggesting that higher economic hardship is associated with slightly better academic performance.

There have been mixed findings in research concerning the relationship between psychological well-being and academic performance. Psychological wellbeing is frequently involved with smaller learning achievement as students who put extra effort on being psychologically healthier tend to dedicate less time to scholarly actions. In their study, they stressed that academically speaking, stress and pressure to perform often fall on both hands for healthy wellbeing, which was expressed in inverse. This alignment with the current study supports that students' having higher psychological wellbeing are more likely than other students to have lower academic performance perhaps as a result of reduced stress driven motivation (Pascoe et al., 2020).

Unexpected improvements in psychological wellbeing have been linked to economic hard ship in some cases. They investigated that Economic hardship results in intricate psychological effects. Research shows financial problems lead to stress yet certain students establish effective coping methods and adaptive strength which results in better overall well-being. People who experience economic burden often depend on their ability to regulate emotions strongly while also having higher self-confidence to manage their challenging situation. The present study demonstrates economic hardship creates meaningful links between psychological well-being despite proving

financial stress brings substantial stress to individuals as reported in these results (Newman et al., 2018).

They find the correlation between economic hardship and academic performance. Financial struggles were a motivating factor in the work that the low-income students did in order to bring in a stable future. Based on the result, their study indicates that when students have financial difficulties, they will behave more in a goal directed and persistent way which may contribute to better academic performance. This provides support to the study's current results that there is a connection between higher economic hardship and slightly improved academic outcomes (Mistry et al., 2021).

Also, the research found that students face economic problems allocate their time and make maximum use of the resources to ensure they meet the academic success as the article says. It confirmed students who struggle financially can develop or attain discipline as well as motivation for better academic results, notwithstanding the most precarious conditions. These findings suggest that the results of the current study are in accordance with positive relation between academic performance and economic hardship (Shah et al., 2019).

It was hypothesized that economic hardship predicting academic performance and psychological well-being among university students. The results showed that economic hardship was a significant predictor of academic performance with higher economic hardship associated with lower academic performance. Psychological well-being was also a significant predictor, with higher psychological well-being associated with higher academic performance.

And of course, research has shown time and time again that economic hardship has a negative impact on grades. Financial stress negatively affects cognitive functioning and poor outcomes in terms of academic performance among students. Moreover, their study showed that the presence of economic hardship enhances anxiety, which along with distractibility could be a problem to focus on study among the students. This result is consistent with the current study's finding that greater economic hardship is linked with a worse performance in academic subjects Evans et al., 2012).

On the other hand, psychological wellbeing matter in a great way in the betterment of academics. Thinking about it, it turns out that was not wrong: in their study, students with higher psychological well-being had better problem-solving skills, greater motivation and better academic achievement. By leveraging the present study's results that demonstrate a significant link between academic performance and psychological well-being, their study suggests that emotional stability enables individuals to focus and stay on track in academic tasks (Lyubomirsky et al.,2005).

They researched the connection between mental health and academic achievement and found that students having a better psychological wellbeing also, do better in their academics. In their research, they focused on the fact that positive emotions and mental stability foster cognitive flexibility and resilience, which enables the students to deal with academic challenges better. This finding adds support to the conclusion that psychological well-being is associated with better academic performance (Keyes et al., 2010).

The last hypothesis of the study was there is a significant gender difference in terms of economic hardship, academic performance and psychological well-being among university students. Results revealed that there is no specific difference in these variables between the male and female because none of the comparisons reach statistical significance in this sample. There are several studies that study gender differences in economic hardship, academic performance, and psychological well-being, which, often without any significant differences found. A study emphasizing gender-based

differences in the average college students' academic outcomes and well-being found out that the stress differed between the sexes, but the performance and wellbeing were evident that males and females don't distinguish any difference. The authors note that their findings are consistent with the present study's finding that gender does not predict these variables (Sax, 2008).

He also proposed Gender Similarities Hypothesis that in contrast with the previous statement contends that males and females are not different from one another on the majority of psychological and cognitive domains. A few meta-analyses were reviewed, and very little was found in gender differences in academic performance and wellbeing. This provides support to the conclusion of the current study that economic hardship, psychological well-being and academic performance do not differ statistically according to gender (Hyde, 2005).

The results of a gender difference study between academic performances showed that in spite of this, the overall average performance from boys and girls are nearly identical. The research further corroborates the findings of the present study, showing that both genders were affected equally by socioeconomic factors as mentioned in the research (Stoet & Geary, 2013).

He indigested that females recorded higher stress levels according to participants but their psychological state matched men's psychological state. Statistical analysis reveals no substantial differences between male and female psychological well-being outcomes according to the present research results (Matud, 2004).

Conclusion

The results reveled that there is a significant negative correlation between the psychological well-being and the academic performance suggesting that higher psychological well-being is associated with lower academic performance. Additionally, there was a significant positive correlation between the psychological well-being and the economic hardship indicating that greater economic hardship is linked to better psychological well-being. Furthermore, a significant positive correlation was found between the academic performance and the economic hardship suggesting that higher economic hardship is associated with slightly better academic performance. The results showed that economic hardship was a significant predictor of academic performance with higher economic hardship associated with lower academic performance. Psychological well-being was also a significant predictor, with higher psychological well-being associated with higher academic performance. Results revealed that there is no gender difference in economic hardship, psychological well-being and academic performance among university students.

Limitations

- The sample of present study was collected from Universities from Faisalabad, which is not true representative of all young adults. In future, it would be more appropriate to select the sample from different cities as well.
- The present study was done by cross-sectional research design, in future longitudinal study can be conducted on this topic, help to generate rich data and have more comparability in the study.
- Another limitation of the study is that only self-reported information was used for analysis which can be biased.

Recommendations

- The current study used a cross-sectional research design; however, in the future, longitudinal research on these variables can be used.
- The interview method can also be utilized to obtain a more thorough and in-depth understanding of a phenomenon.
- To improve the generalizability of the study's findings, data can also be gathered from other cities as well.

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