

2009 CCPRC Annual Meeting
Plenary 3
Thursday, October 29, 2009, 4:00 p.m. – 5:30 p.m.

Understanding Parental Decisions about Children’s Care: Theoretical, Methodological, and Practical Insights

Description

Parents play a pivotal role as decision makers about their child’s care and early education. Accurate understanding of the decision making process can provide a foundation for child care policy making. This overview of research on parent child care decision making began with a discussion of relevant policy which was followed by an overview of multiple theoretical perspectives available for studies of decision making.

Measurement options and issues were addressed and the plenary ended with findings from a study designed to assess the impact of subsidy policy on child care decisions.

Moderator

Roberta Weber, Oregon State University

Presenters

Julia Henly, University of Chicago
Ajay Chaudry, Urban Institute
Elizabeth Davis, University of Minnesota
Ann Collins, Abt Associates, Inc.

• Scribe:

Colleen Vesely, University of Maryland

1. Documents in Session Folder:

- “Understanding Parental Decisions about Children’s Care: An Introduction,” Roberta Weber.
- “Theoretical Models of Child Care Decision Making,” Ajay Chaudry, Julia Henly, and Marcia Meyers, University of Washington.
- “Understanding Parental Decisions about Children’s Care: Theoretical, Methodological, and Practical Insights,” Elizabeth Davis.
- “Study of the Effects of Making Families Eligible for Subsidies in Illinois, Draft Report,” Ann Collins.

2. Summary of Presentations

- **Summary of Presentation #1: Roberta Weber**
 - *Policy relevance of parental decision-making and graphic description.*
 - What is the policy relevance of parental decision-making?
 - Subsidy policy: How does it fit with the decision-making process? Constrain employment?

- Work/family policy: schedules, sick leave, parental leave, and economic strengths of families.
 - Quality information initiatives: Does information that parents need get to them? Does it fit and support their decision-making process?
 - There are many common and uncommon assumptions regarding parents' child care. Parents' decisions are shaped by the environment in which they live and the opportunities and constraints they face at the time of decision making. Parent decisions are supported by access to good information.
- Presentation of the process of parental decision-making regarding child care:
 - Graphic description does three things:
 - Depicts the complexity of relationships.
 - Organizes existing research.
 - Helps build a research agenda.
 - The impact of family (beliefs and values) and community (social networks and child care supply) on preferences captures how dynamic the decision-making process is. As family and community characteristics change, parents' preferences change. Financial assistance reduces constraints and increases opportunities (parental employment options, child, and parent options).
- **Summary of Presentation #2: Ajay Chaudry and Julia Henly**
 - There are challenges to figuring out parents' child care decision-making because:
 - They are complex and sometimes invisible processes.
 - We confound “use” and “preference.”
 - We need to interpret choices that are often constrained and the constraints are not always apparent.
 - Access and use of child care is stratified by demographic characteristics.
 - *Four conceptual frameworks of child care decisions:*
 - *Economic choice model:* “Rational choice” model from basic economic theory; decisions are based on maximizing satisfaction. These are appealing because they are well structured, empirically testable, and have good predictive capacity. However, they are less effective at getting at how quality affects parents' choices of care, and how child care supply reacts to demand.
 - There are some limitations of the choice model: classic economic model assumes preferences do not change, parents have all the information they need to make a decision, and decisions are only based on the parents' discrete choice when, in fact, these decisions are social in nature, and interact a lot with other actions/decisions. Many economic models relax these classic assumptions however.
 - *Social network model:* Individual choices are mediated by social relationships. Parents approach child care decisions rationally; however, these decisions are influenced by social norms and information as filtered through network members; social networks provide information, material, and financial support—and thus support the supply and ideas about child care. Not all networks are the same; they can be opportunity supporting or limiting depending on certain characteristics (size, quality of relationship, distance, SES, gender, etc.), which highlights the

importance of social relations, particularly in terms of transmitting information to families and networks. Also, these networks are critical to supply.

- *Psychological/behavioral economic approaches*: Decisions are the result of psychological processes interacting with social contextual factors. Individuals construe their environment; systematic biases in cognitive processes. We tend to over attend to accessible information, often sticking to what we know. We rely on cognitive short cuts/heuristics to make decisions and decisions are sensitive to the way information gets presented. There are some policy insights from this model: Policies can serve as “nudges” depending on how they are structured and implemented; one way to encourage people to take advantage of policies is to make the policy the default, and provide opportunity to opt out rather than in; people make better decisions when they have fewer rather than more options, when information is simplified, when hassles are minimized, and when feedback is provided on decisions. People rely on what is easiest, what is the most familiar.
- *Accommodation model of decision-making*: Comes from Meyers and Jordan (2006). Decisions are made as parental accommodations rather than as choices. The greater the number of constraints, the more likely it is that the parent will make accommodations in their decision-making. Market, family, and social realities are accommodated. Choices are linked to structures. The model considers the importance of social networks, social structures, contexts, and interactions in decision-making.
- *Next steps: How does all this apply to child care decision-making?*
 - Important to policy because the four frameworks get at some of the key ways parents make decisions:
 - Emphasizes individual and social contexts as aspects of decision-making.
 - Implies the benefits of multiple conceptual lens and mixed methods to understand parents’ child care decisions.
 - Policy levels should reflect the complexity of parents’ decision-making.
 - All of these frameworks are important to understanding parents’ decision-making.
- **Summary of Presentation #3: Elizabeth Davis**
 - *Methodological: Relationship between empirical and theoretical models*:
What do we want to know about parent decision-making and how can we study it? Empirical models help us test theoretical models, and to understand the effects of policy. Various foci of research on parental decision-making: Studying what parents do versus what they say; focus on process rather than outcomes.
 - Example: Social network framework encourages us to use an empirical methodology that helps to understand parents’ networks and the processes of making decisions. On the other hand, the consumer choice model tends to focus on outcomes of the decision-making process. With the correct data, we can use these two theories together.
 - *Problems and issues with research on parents’ decision-making: Complexity, on-going, constraints and multiple dimensions*.
 - What happens if we don’t have enough data or enough information on characteristics or variables? How can we include everything of importance in the

model and use statistical techniques to account for the correlation? For example, how do we measure parents' access to and use of information *or* how do we measure parents' social networks?

- Decisions regarding child care and employment are intertwined and may lead to biased findings if they are not accommodated. However, econometric methods can be used to adjust for this and account for correlation between child care and empirical decisions. Bayesian methods are one example of this.
 - What can we say about causality? Random assignment is the gold standard, but without this standard, there are statistical techniques that can account for not having random assignment.
 - Need to link methods with the research questions and the importance of mixed methods.
 - Interdependent decisions: Which ones need to be considered jointly and which do not?
 - Developing a model for child care decision-making is challenging because these decisions are complex and data is limited; linking the theoretical with empirical evidence is the goal.
- **Summary of Presentation #4: Ann Collins**
 - *The effect of receiving child care subsidies on child care, employment, and income. What is the effect of extending the redetermination period on the stability of receipt?*
 - Study used administrative records from the University of Illinois, public assistance, child care subsidy program and interviews with parents; n=1884.
 - Random assignment, but not able to generalize (a trade off).
 - Sample: Majority female, majority African American, 65% received child care subsidies, working consistently at \$12.50/hour.
 - Illinois serves all eligible families that apply; 50% of SMI to qualify.
 - 20% of control group received subsidies.
 - Found:
 - Yes--extending eligibility receipt did impact stability of receipt, type of care, amount paid for care, satisfaction, and job-related problems.
 - No--impact of extending eligibility receipt on employment or earnings.
 - Subsidy allowed parents to have different options of care than they would have had otherwise.
 - Families that received subsidies were more satisfied with care and reported fewer issues with employment.
 - Need more experimental and quasi-experimental tests of the conceptual model.
 - The "selection of care" factor should always be included in our research.

3. Summary of Discussion with Presenters and Participants

- Question was asked about what is meant by making preferred options the default for child care policy. An example was given: at the time a parent is given a subsidy, they are also given a center they can get into. They can opt out of it if they want to (for example, use the subsidy for relative care). However, parents shouldn't be nudged into one arrangement or another. They should be nudged toward quality rather than toward making specific arrangements.

- The group discussed if there would ever be agreement that one theoretical model is correct. Several possibilities were discussed: It isn't a matter of a standard model; it's a matter of benefitting from all theoretical approaches. Some perspectives make better sense depending on the question being asked.
- The graphic provided by Bobbie Weber is a description of what is in real life a very dynamic and complex process. It is not a theoretical model. The graphic is useful for policymakers and practitioners, and it pushes people to clarify the questions being asked.

4. Key Themes and Issues

- Importance of testing what we are doing and using more experimental and quasi-experimental designs.
- Empirical research should reflect a conceptual framework or draw from an integrated set of frameworks.
- There is value to thinking of other outcomes related to child care subsidy use (beyond employment).