

2008 CCPRC Meeting
Opening Plenary, Session 2
Wednesday, July 31, 9:00 am

Determinants of Parental Decisionmaking

Description

Building on the framework described in an article she wrote with Marcia Meyers, “Choice and Accommodation in Parental Child Care Decisions,” Lucy Jordan set the context for the exploration and conceptualization of the determinants of parental child care decisionmaking. This presentation synthesized this framework with an update of what we know from recent studies and with information about the U.S. system within the context of other Organization for Economic Cooperation and Development (OECD) countries across the world. Participants were engaged in a discussion about the current and future directions for researchers and policymakers.

Moderator

Susan Jekielek, Office of Planning, Research and Evaluation, ACF/HHS

Presenter

Lucy Porter Jordan, University of St. Andrews, United Kingdom

Discussant

Roberta Weber, Oregon State University

Scribes

- Pia Divine, Consultant
- Anna Johnson, Columbia University

Documents in Session Folder

Determinants of Parental Child Care Choice, Dr. Lucy Jordan

Discussion Notes

Announcement

The Office of Planning, Research and Evaluation has funded new projects to learn more about parent decisions and usage patterns:

- Focus on Latino families
- Design of a new national study of child care supply and demand.

Lucy Porter Jordan

Lucy Porter Jordan provided an overview of a child care choice and policy framework for supply and demand.

Early Childhood Education and Care

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- Includes all arrangements providing the care and education of children under compulsory school age regardless of the setting, funding, opening hours, or program content.
- Issues of equity, access, and quality affect both the well-being of children and the employment of parents.

Policy Tools and Child Care

- Parental leave and associated benefits: In the United States, the Family Medical Leave Act does not guarantee wage replacement and is stratified by occupational sector and job classification.
- On the supply side early care and education (ECE) is supported with Federal and State funds through capital and operating grants or contracts and tax incentives.
- On the demand side, ECE is supported through tax credits and deductions and through income-conditional subsidies, such as vouchers or sliding-fee opportunities.

Hypotheses About Labor Supply and Child Care Choices

- Parents will choose the best quality of care based on perceived needs and preferences.
- Higher price or lower perceived quality will depress maternal employment and/or the use of care.

Contextualized Patterns of Action or Accommodations

- Observed choice of an arrangement occurs within the context of financial, market, and social constraints.
 - It is both an economic and social transaction.
 - It includes a calculus about cultural expectations for gender roles.
 - It is an accommodation to, and an engine for, the reproduction of other forms of stratification (e.g., racial and ethnic).
- Preferences and beliefs involve tradeoffs that attempt to balance being good financial providers and good parents.
 - Does a decision reflect a choice about quality, or does it reflect satisfaction with having made the best choice given the circumstances?
 - What preferences, beliefs, and tradeoffs underlie ethnic differences in choice of care?
- Information is important for consumers, but it is imperfectly available.
 - Reliance on social networks limits and filters information.
 - New information may not filter down to those who need it.

Child Care Demand and Choice

- Demand-side policies and parental choice reflect a chicken-and-egg problem: Which drives which?

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- Cost and other supply-side factors intersect with parent preferences, child care needs, and family structure in parents' decisions.
- Dynamic and contextualized patterns in parent beliefs interact with flexibility in employment, child care, and family circumstances. All three factors are important.
- Information is an important facet in contextualized patterns of action or accommodations, but it is limited and filtered by social networks.
- New research findings demonstrate that quality makes a difference.
 - Hispanic children benefit more from center care and dual-language classroom experience.
 - High quality affects language scores in fifth grade.
- There is a need for a more effective dissemination of such findings to help parents become informed consumers and to better able them to evaluate their options.

Child Care Supply and Resources

- Actual and perceived constraints affect supply.
- There is an especially limited and uneven supply of care in rural communities and for families needing nonstandard hours.
- Informal care may be decreasing.
- There are issues of equity across forms of care.
- Cost constraints and subsidies affect access to different forms and qualities of care.
- Knowledge is unevenly assembled and disseminated.
- There is not enough money to serve all eligible families, even with State supplements to the Federal dollars.

Where Do We Go From Here? What Might a National Strategy Involve?

What is the best solution? We may need to consider the following:

- Expanding ECE services across the board. However, universal prekindergarten (preK) is not necessarily the best option. (Public schools are only one model, and they are struggling.)
- Expanding leave and associated benefits, especially considering research on children younger than age 1.
- Expanding supply-side subsidies.
- Expanding demand-side support, paying attention to:
 - Knowing the endogeneity of preferences and beliefs.
 - Reducing information asymmetries.
 - Understanding the interrelationships and dynamics of supply and demand.
- Targeting services with attention to the employability of parents.

Bobbie Weber

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Bobbie Weber responded to the Lucy's presentation with an overview of conceptual issues and current research related to parental choice and decisionmaking.

What do we know, and not know, about the deterrents of parental choice? Where are the discussions taking us?

- Child care research is multidirectional and is related to endogeneity. We do not know the causal direction, even for preferences and values. New parents making an arrangement for the first time come with a set of values and preferences, make accommodations, and end up with an arrangement that may then drive these values and preferences. Thus, an arrangement can have an effect of preferences and values. Our designs have to capture both directions.
- Interdependence—we are talking about how systems, quality and parent decisionmaking are happening. If we support higher quality in home-based care, that policy action will affect parental preferences and values for this type of care. We need to consider multiple effects and the directions of effects.

How is the work of the consortium helping define and answer these questions?

We are looking at multiplicity and interdependence, although we all work on individual projects with specific questions:

- New studies are looking at the continuum of care.
- Research is under way to identify practices that support parents and to understand the dynamics of parent choice from a parent's perspective. Temple University is reporting on new findings about parent preferences in the workshop that follows this plenary.
- Studies are also looking at employment policies and the evaluation of sick leave.
- There is an evaluation of employers trying to improve their scheduling of low-wage workers. How does this affect both employment and child care?
- Other studies focus on supply, with an eye toward quality—professional workforce, measurement issues, and the process of how to train and work with providers (for example, the QUINCE project that just ended).
- Studies by Chapin Hall, Abt Associates, and the University of Texas are trying to understand the impact of subsidy policies.
- States are struggling to understand what mix of supply and demand they should be making; for example, when and under what conditions are contracts versus vouchers most effective? We need to refine the questions and do research to advise States about what would be most beneficial.
- Lucy spoke about the importance of contextual factors. Studies by the Urban Institute and the State of Massachusetts are looking in this direction.

Where do we need to go in the future?

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- It is important to look at multidirectional factors and not to jump to conclusions as to causality.
- We also need to understand more about the complexity of ethnicity in relation to parental decisionmaking.
- The role of qualitative information is increasingly important, and we need to build more qualitative data into our designs. However, we need to carefully think through what research questions and methodologies will help us get at the richness of qualitative information.
- In the past few years we have begun to learn more about what providers can do to support families that will affect the outcomes for children. For example, sensitivity to the issues with which families are struggling indirectly supports parents in their parenting role. We need to know more about how providers and parents interact to improve outcomes for children.
- We are trying to come up with a conceptual model of how parents use information. That model will be a topic for discussion in the workshop on “The Role of Information in Parental Decisionmaking” following this plenary session.

Discussion From the Floor

Comment: About the devolution of decisions to the local level. Kentucky has worked hard to move the Child Care and Development Fund (CCDF) program so that it is consistent statewide. It was being applied locally although we have only one State plan. It is an issue of parental choice vs. Federal accountability.

Lucy: Why? What drove that? Was devolution causing unanticipated consequences in quality or availability? Were you having vertical communication problems?

Comment: The issue was pressure from the Federal level to identify every dollar and to show that decisions are made across the board consistently. It is easier to manage with one system rather than struggling with how to ensure that the program is still parent- and child-focused when it is administered under differing local priorities.

Lucy: Some important contextual considerations may be lost in the focus on fiscal accountability. We need continuous feedback loops of information at various levels. A coordinated system may cost less in the long term but more in the short term.

Comment: To what extent are States offering contracts as opposed to vouchers? What is known about the effectiveness of these two approaches? How are they affecting children?

Bobbie: We are trying to understand how the child care markets operate. There are geographic areas in which we do not even have a priced market. In others, it is working so poorly that the prices could not sustain a program. The American model of buyers and sellers does not work. Vouchers do not work where the supply is poor. We have not talked about the strategy of using contracts in areas where the market is not working.

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Lucy: We have a natural laboratory of cross-State comparisons here in the United States. The prior emphasis on vouchers is declining.

Comment: What are the generational issues? Today's parents probably were in child care. How does this affect their child care choices and decisions?

Lucy: It surely influences them. For example, both the United States and Australia have issues in the assimilation of immigrants. Depending on the situation of the first-generation immigrants, their patterns may be reproducing whatever inequities were already part of the society when they were children.

Comment: Bobbie Weber mentioned that we do not have a conceptual handle on the relationship between reimbursing providers by means of vouchers and a recent movement for States to develop contracts with provider organizations. This issue of moving to contracts is related to other conversations that are going on in the field. Lucy suggested that U.S. policy tends to focus more on demand than on supply; contracts reflect a focus on supply. A large share of the ECE market is moving in this direction in the form of contracts for Head Start, preK, and other services. Furthermore, contracting reflects a conversation about moving from price-based reimbursement to cost-based or quality-based reimbursement. The Federal requirement to relate reimbursement rates to market prices is an equity-related concept, intended to ensure that low-income children are not restricted to care in the lowest price segment of the market. One problem is that the limited research base on the relationship of price to quality indicates a minimal relationship between price and quality. Another problem is that if the entire system is underfunded and underpriced, then even 75th-percentile reimbursement may not be sufficient to buy high-quality ECE. In K-to-12 policy, there has been a shift of emphasis over the past decade from "equity" of funding (low-income children get what everyone else gets) to "adequacy" (the funding provided for low-income and other children is sufficient to pay for high-quality learning opportunities. Tiered reimbursement linked to a quality rating is the beginning of an adequacy- or quality-based payment system; to do this right, tiered reimbursement should be based on estimates of what it costs providers to meet higher standards of quality.

Lucy: These are many problems in the definitions of contracts and vouchers, and there is some overlap. We need to look at what was done in the past, see how we understand it, and then do research to see what should be done next. We should use the archive of history and knowledge to inform our thinking.

Comment: Are there any forms of care that are contraindicated for 1-year-olds? If so, what should the policies be?

Lucy: Smaller, more intimate forms of care are better for infants, but there are issues of quality in family child care. We need to consider the comparative risks and benefits of child care and parental leave policies. We have the opportunity to examine other countries. What works? Where are the challenges? Where are other countries going now?

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Bobbie: Parents may choose something that is not their preference and does not fit their value system. In a short time, choice becomes their value and preference. If we measure preference at the second point in time, it could look different than if we measure it at first.

Lucy: Parents want the best quality care that meets their child's needs and supports their own employment. When asked what they would choose, they generally say what they chose. They get the best care they can.

Comment: The results regarding infant care suggest that there is good infant care that does not harm children. Large-group infant care where caregivers do not have an opportunity to provide care in an intimate way may be harmful, but the evidence does not show that. It may be an overstatement to say that center care for infants is bad.