

Applying Exchange Theory to Understand Family Decision-Making in Context

Nicole A. Graves
South Dakota State University

ABSTRACT. The lesson *Applying Exchange Theory to Understand Family Decision-Making in Context* has been used in an undergraduate family theories course to introduce students to the history, concepts, basic assumptions, and propositions of exchange theory. A learning activity called *Daycare A, B, or C?* provides students an opportunity to work in a small group setting to apply exchange theory for enhanced understanding of family decision making.

Keywords: family theory, exchange theory, teaching strategies, collaborative group work

Direct correspondence to Nicole A. Graves at nicole.graves@sdstate.edu

Applying Exchange Theory to Understanding Family Decision-Making in Context

Background

HDFS 341: Family Theories is a junior-level college class designed to introduce undergraduate students to various theoretical approaches to marriage and family. Students apply theoretical concepts to gain further understanding of family life while comparing and contrasting theoretical approaches and exploring strengths and weaknesses of each theory. Before the lesson about exchange theory, students learn basics of theory and research methods and have opportunities to practice application of the family life course development framework.

Learning Objectives

Learning objectives of this three-hour lesson are (a) define exchange theory concepts; (b) discuss examples from personal experiences and/or observations that relate to the basic assumptions of exchange theory; (c) apply exchange theory concepts and propositions to understand, explain, and/or predict family decision making in context.

Before implementing the learning activity that empowers students to practice applying exchange theory, the instructor guides their learning through a combination of lecture, discussion, and reflection activities. The lesson begins with the instructor passing out index cards. Each card has a concept from exchange theory written on it. Students are asked to explore these concepts: rewards, costs, profit, comparison level (CL), level of alternatives (CL+), reciprocity, rationality, exchanges, distributive justice/fairness/equity, human capital, and social capital (Smith & Hamon, 2012; White, Klein, & Martin, 2015). First, each student is encouraged to define his/her assigned concept. After students define each concept, they are asked to compare and contrast the concepts to discover possible connections. The next step is to identify propositions and basic assumptions of exchange theory and to discuss relevant examples from students' personal experiences and observations. These activities lay the groundwork so that students are ready to move on to applying exchange theory via a learning activity aimed at helping them gain deeper understanding of family decision making.

Materials and Procedure

To implement the learning activity *Daycare A, B, or C?*, the instructor will need to develop a minimum of three family scenarios and three daycare scenarios (see Appendix A). Students must select daycares from these three scenarios for "fictional" families assigned to them. The instructor will start the learning activity by dividing the class into small groups (approximately three to four members per group). Instructors must assign a *minimum of two*

groups to *each* family scenario. In other words, instructors must assign at least two groups to “family scenario A,” two groups to “family scenario B” and so on. All groups receive the same three daycare choices and worksheets (see Appendix B) to guide the learning process. As students discuss the family scenarios, it is important for instructors to remind them that their answers should be based on assigned family scenarios rather than on their personal values or beliefs.

Family Scenarios

Three distinct family scenarios need development for this activity. Students should receive enough information about a “fictional” family to adequately apply exchange theory to selections they make from three different daycare choices. According to Leslie, Ettenson, and Cumsille (2000), single mothers assign more weight to the daycare costs while married mothers assign more value to child to staff ratios. Married fathers usually are concerned with costs, convenience, child to staff ratios, and hours of operation. Since various demographic characteristics such as marital status, family income, gender, and education play roles in decision making about daycare choice (Leslie et al., 2000), family scenarios should be described in terms of family structure, family size, culture, values, socioeconomic status and family income, education level, and/or connection to extended kin/family networks. Instructors may also find it useful to research median family household incomes, unemployment rates, and other socioeconomic factors in local communities in order to create authentic, contextually relevant scenarios. There should be sufficient information provided so that decisions the “fictional” families would be likely to make about rewards and costs are clear. Therefore, it may also be helpful to address general sources of rewards and costs as described in exchange theory, such as social approval, autonomy, security, and money (Smith & Hamon, 2012).

Daycare Scenarios

Having received their assigned “fictional” family scenarios, students will work in small groups to select from three different daycares: Daycare A, Daycare B, and Daycare C. The instructor will find it useful to explore what actual daycares in their local communities offer to develop descriptions of three different daycare settings. Research has revealed that when selecting daycares, parents sometimes give more weight to extrinsic factors of childcare such as hours of operation, costs (Leslie et al., 2000), and convenience (Raikes, Torquait, Wang, & Shjegstad, 2012). However, parents also consider intrinsic characteristics such as curricula (Leslie et al., 2000) and characteristics of provider (Raikes et al., 2012). Therefore, daycare scenarios should include information about extrinsic and intrinsic factors. Factors to consider would include costs, hours of operation, philosophy of care, curricula, child to staff ratios, physical distance from family’s homes and/or places of employment, staff competence and/or experience, and staff education. Since students will be encouraged to apply exchange theory concepts of costs and rewards as they compare daycares, clearly distinguishing what makes each daycare unique will be useful.

Exchange Theory Worksheet

The worksheet (see Appendix B) guides students as they consider costs and rewards associated with each daycare choice based on assigned family scenarios by filling out charts that help them visualize ratios of costs to rewards. Students also will be asked to consider what comparison levels (CL) and levels of alternatives (CL+) (White et al., 2015) could be applied to their scenarios after the family has already selected a daycare. When applying CL, students would compare their family's daycare experience with those of other families attending the same daycare. With CL+, they would compare their daycare experiences to experiences of families who selected different daycares and would possibly consider changing their daycare choices based on perceived profitability. Worksheet questions are designed to spark meaningful conversations among the group members as they apply exchange theory. Students may discuss what they feel the children in the scenarios deserve and how that may or may not correspond with what the family can afford.

Reflection and Evaluation

Once all groups have completed their individual work, the next step is to combine groups for further reflection. Groups will combine based on their assigned family scenarios. In other words, all groups assigned to "family scenario A" will work together; all "family scenario B" groups will combine, and so forth. Groups are combined to test the assumption that "because actors are rational, they are interchangeable" (White et al., 2015, p. 48). In other words, any two rational actors operating under the same parameters and sharing identical values and information would be expected to make the same decision (White et al., 2015). Therefore, groups assigned the *same* family scenarios should have selected the *same* daycare. To test this assumption, students are asked to compare which daycare choice they made for their assigned families. Almost without exceptions, students groups who shared family scenarios are excited to discover they did indeed select the same daycares. That discovery is used for further reflection as to how groups reached the same conclusions. Students delve deeper into what played a role in the decision-making process by comparing and contrasting the costs versus rewards charts from their worksheets and discussing the salience of each factor they considered.

Sometimes, the test of the assumption does not work out. In these cases students also have opportunities for further thought and reflection. Students are asked to go back and review to determine whether their choices of daycares were objective decisions based on the family scenarios or whether some of their personal views may have influenced their decisions. When subjective biases are discovered, there are additional "teachable moments" for more exploration of stereotypes or judgments. These moments can generate dialogues that encourage students to explore some of their personal biases. Students can learn important lessons about how one needs to take multiple factors such as culture, values, beliefs, and socioeconomic status when observing families. This can be eye opening for students who may initially be quick to judge a family for choosing a particular daycare; they often realize that the family may be "constrained by the choices" accessible to them for various reasons (Smith & Hamon, 2012, p. 251). As Leslie et al.

(2000) note, “Parents face a multitude of constraints in selecting child care, such as time schedules and availability of accessible providers. Further, they sometimes lack the resources to make ‘optimal’ decisions based on standards of quality care set by professionals” (p. 300). A study of low-income parents revealed that few parents considered information from experts when selecting daycares (Forry, Isner, Daneri, & Tout, 2014). Among students, such a realization can spark beneficial discussions about the importance of raising awareness of daycare quality and of connecting families to valuable community resources.

This learning activity also can lead to exploration of important critiques of exchange theory. One of the most common critiques of exchange theory is that it assumes “that the individual is the appropriate unit to study to gain an understanding of the family” (White et al., 2015, p. 65). Students are asked to consider whether they believe that “individual” family members described in scenarios would have made daycare choices that are different from choices the “family” made. The “principle of equity” can also be examined during this conversation because it operates on the premise that family decisions are based on “equitable distribution of reward for all members” and not on perceived profits of an individual family member (White et al., 2015, pp. 48-49). Discussions about criticisms of each theory are paramount in furthering students’ understandings of the functionality and limits of various theoretical models.

Conclusion

The lesson this paper describes was designed for a three-hour block schedule course. However, the lesson could easily be divided into two or three shorter lessons, with the first one or two lessons focused on defining the theory’s concepts, basic assumptions, and propositions and the final lesson reserved for the Daycare A, B, or C? learning activity. The worksheet could also be redesigned to include a problem-solving flowchart to help students visualize the process of family decision-making. In my experience, students have found the activity to be a useful way of learning information and to practice applying exchange theory. The skills students learn as they collaborate and consider the world from the points of view of other individuals and families are valuable, personally and professionally.

Nicole A. Graves is Lecturer in the Department of Counseling and Human Development, South Dakota State University, Sioux Falls, SD 57107.

Nicole Graves is a Lecturer in Human Development in the Department of Counselling and Human Development, South Dakota State University, Sioux Falls, SD 57107.

References

- Forry, N., Isner, T. K., Daneri, M. P., & Tout, K. (2014). Child care decision making: Understanding priorities and processes used by low-income families in Minnesota. *Early Education and Development, 25*(7), 995-1015. doi: 10.1080/10409289.2014.893758
- Leslie, L. A., Ettenson, R. & Cumsille, P. (2000). Selecting a child care center: What really matters to parents. *Child & Youth Care Forum, 29*(5), 299-232. doi: 10.1023/A:1016609927849
- Raikes, H., Torquati, J. Wang, C., & Shjegstad, B. (2012). Parent experiences with state child care subsidy systems and their perceptions of choice and quality in care selected. *Early Education and Development, 23*(4), 558-582. doi: 10.1080/10409289.2011.574268
- Smith, S. R. & Hamon, R. R. (2012). *Exploring family theories (3rd ed)*. New York, NY: Oxford University Press.
- White, J. M., Klein, D. M., & Martin, T. F. (2015). *Family theories: An introduction*. (4th ed). Thousand Oaks, CA: Sage.

Appendix A

Fictional Family and Daycare Scenarios

Family A: The Joneses

Greg and Sally Jones are currently seeking day care for their 1-year-old son Maddox. Greg works for the Best Buy Geek Squad and Sally works part-time as a secretary for an insurance agency. They each work between the hours of 8 am to 5 pm on weekdays; in addition, Greg has to work every other Saturday. The couple's household income is \$50,000 per year, which is just slightly more than the overall median household income in South Dakota. Sally's parents live about 30 miles away and are both retired and in relatively good health. Greg's father passed away when Maddox was only one month old. His mother was a smoker for 25 years and suffers from debilitating emphysema. Greg recently admitted her to an assisted living center so that her condition can be monitored and she can be surrounded by other people her age.

Family B: The Hansons

Ben and Sarah Hanson are currently seeking day care for their 14-month-old daughter Elizabeth. Ben works for an underground irrigation company nine months out of the year. During the winter, Ben works odd jobs helping neighbors and friends. Sarah works from 9 am to 3 pm Monday through Friday at a local bank. The couple's annual household income is \$60,000 which is slightly less than the median household income for a family of three in South Dakota. Sarah's parents both still work full-time and live in a nearby community. Ben's parents live in the same town as Ben and Sarah. Ben's father recently retired from his teaching position. Ben's mother is a very active volunteer in the local community and is busy most days of the week.

Family C: The Myerses

Bill and Melinda Myers are currently seeking day care for the 2-year-old daughter Zoey. Bill works as a janitor at a school in a nearby town. He has to commute 20 miles each way to work every day. Melinda works part time as a cashier at the small grocery store in their local town. The Myerses' annual income is \$23,000. They also have a 5-year-old son who just started kindergarten. As a family of four living in South Dakota, the Myerses are considered to be living at the poverty level. Bill's parents divorced when he was nine years old. His mother remarried and moved to Florida. His father was convicted of robbery and was just recently released from prison. Melinda's parents were also divorced when she was quite young. Her mother remarried and lives in the same town where Bill works. She and her husband run the local gas station, which keeps them very busy.

Daycare A: Little Tikes

Little Tikes daycare is a facility that cares for children between the ages of 0-3. Little Tikes is considered a premiere infant-toddler facility and it costs \$200 per week regardless of how much time the child spends there. The child to caregiver ratio is 3:1 and responsive primary caregiving is a top priority. All of the caregivers have 4-year degrees in child development or related fields and implement the Reggio Emilia approach. The facility is friendly, clean, warm, and inviting. There are well defined spaces for active and quiet activities. The cribs are properly spaced so

that children will not be disturbed during sleep time, yet caregivers will be able to easily monitor the children. There is adequate space for outdoor play and the play equipment meets all safety standards.

Daycare B: Peach Tree

Peach Tree is a facility that cares for children between the ages of 0-5. The cost for 8 hour a day childcare is \$100 per week. The cost for 10 hour a day childcare is \$150 per week. The child to caregiver ratio is 4:1 and primary caregiving is practiced. All of the caregivers have at least a 2-year associate's degree related to child development and use Montessori curriculum. The facility is clean, warm, and inviting. The spaces for active and quiet areas could be more adequately defined, but it appears as though the children are able to navigate the space without too many problems. Most of the cribs can be easily monitored by staff members from the play areas. There is adequate space for outdoor play and the play equipment meets all safety standards.

Daycare C: Honey Bear

Honey Bear is a facility that cares for children between the ages of 0-5. The cost is \$75 per week for full-time care (40-50 hours per week) and \$50 for part time care (20-40 hours per week). The child to caregiver ratio is 5:1 for children of all ages. There are two classrooms; one for 1-2 year olds and the other for 3-5 year olds. Some of the caregivers have 2-year associate's degrees. Most of the caregivers are college students who are looking for some job experience. The curriculum is flexible and not based on any specific philosophy of care. The facility is clean and the staff seems friendly. For the most part, the spaces for active and quiet play are well-defined. However, the sleeping area is adjacent to an active play area with only a curtain as a divider. Honey Bear is located next to an elementary school, so they use the school's playground for outdoor activities.

Appendix B

Applying Exchange Theory

Directions: Considering your groups assigned family scenario and the three daycare choices, answer the questions below. What are the costs and rewards for family ____ associated with each daycare option? Fill out the chart below:

| | Costs | Rewards |
|-----------|-------|---------|
| Daycare A | | |
| Daycare B | | |
| Daycare C | | |

1. According to the concept of “Rationality”, not all rewards are equally weighed. Which of the costs and rewards identified above have more weight for the family? Why?
2. Refer to the general sources of rewards and costs in the notes (social approval, autonomy, ambiguity, security, money, value, opinion, belief, equality). Which of these sources seem to be the most *salient* for this family? Why?
3. Which choice (if any of the above) appears to be the most “profitable” choice? Why?
4. Assume that the couple’s child has now been in the daycare of choice for 1 month. Use the concept of CL (see pgs. 46-47 of text) to describe how the couple will continue to assess their rewards and costs.
5. Now use the concept of CL+ (see pgs. 46-47 of text) to describe how the couple will continue to assess their rewards and costs.

*Note: All references to the text are from White, J. M., Klein, D. M., & Martin, T. F. (2015). *Family theories: An introduction*. (4th ed.). Thousand Oaks, CA: Sage Publications.