



## Structural vs. Process Quality: Incentivizing High Standards Through Funding Design Theresa Hawley, Ph.D.

### What do we mean by “quality” in Early Care and Education?

There’s been a lot of conversation lately in our field about what “quality” really means in early care and education. It’s a complex, and sometimes sensitive, topic. After all, no provider wants to be labeled as offering low-quality care, especially when they’re working hard every day to support children and families.

Part of the complexity is that different stakeholders value different things. For example, some families may prioritize a bilingual learning environment, while others seek out nature-based programs that allow children to explore. There’s a wide range of features that can define an early childhood setting, and no single definition of quality will capture every perspective.

To make sense of this, I find it helpful to lean on the framework used in early childhood research, which breaks quality into two broad categories: **structural quality and process quality**.

## Structural Quality: The Building Blocks

**Structural quality** refers to the easily measured, often regulated components of a program- things like staff-to-child ratios, group sizes, and teacher qualifications. These elements are the foundation of a program. They don't guarantee high-quality experiences for children, but they set the stage and make those experiences more likely.

There's still some debate over what constitutes strong structural quality (for instance, whether preschool teachers should be required to hold a BA), but there's growing consensus around many of these elements. And importantly, structural quality is much easier to measure consistently than other aspects of quality.



## Process Quality: What Children Experience

**Process quality** is about the day-to-day experiences of children and families. It includes the quality of teacher-child interactions, the nature of staff-parent relationships, and the implementation of curriculum. Research is clear: these are the most powerful drivers of positive outcomes for young children.

However, process quality is much harder to measure. It can vary from day to day and from classroom to classroom. A single observation might not reflect the ongoing experience of children in a program. And conducting reliable assessments of process quality is expensive and complicated, even before considering that we may not fully agree on what “high-quality” interactions look like in every context.

## Why Structural Quality Matters for Policy



While structural quality has a more modest direct effect on child outcomes, it plays a crucial role by enabling strong process quality. That's why at **CELFE**, we've started talking about programs that **meet high standards**, rather than labeling some programs as simply "high quality." This language shift emphasizes measurable elements like ratios, teacher credentials, and use of standards-based curricula, all of which are closely tied to the cost of delivering care.

For example, improving teacher-child interactions doesn't necessarily cost more money. But reducing class sizes or increasing teacher qualifications definitely does. States and funders need to recognize that supporting high standards comes with real financial implications.

## A Smarter Approach to Funding

One of CELFE's guiding principles is that **governments should know what they're paying for and only pay for what they can verify**. Paying more for programs that meet higher standards related to structural quality makes sense. Because these elements are closely tied to cost, and most early childhood programs operate on thin margins, providers are not incentivized to maintain those standards without additional funding.

On the other hand, paying more for process quality is much trickier. Without reliable tools to measure it, it's hard for states to ensure they're getting what they're paying for. However, by providing funding tied to structural quality, states can support early childhood program environments that allow for process quality improvement.

That's why a strong strategy is to align funding with verified high standards while also encouraging programs to continuously improve their process quality. For example, a program could be required to engage in continuous quality improvement efforts focused on curriculum and teacher-child interactions as a condition of higher funding.

States have an opportunity to simplify and strengthen their quality rating systems by focusing on these two dimensions of quality in complementary ways. Funding should reflect structural standards that are measurable and meaningful, while also supporting a culture of ongoing improvement in the experiences that matter most to children and families.