

2008 CCPRC Meeting
Session 3 (Breakout A-1)
Wednesday, July 31, 10:45 am

The Role of Information in Parental Decisionmaking: Key Questions and Challenges

Description

Building on the Child Care Policy Research Consortium's prior work on modeling parent child care decisionmaking, participants worked on modeling the role of qualitative information in the process. Modeling was informed by Marsha Weinraub's review of findings from Temple University's study of the factors that affect parent child care decisions, including qualitative information. Caroline Carlin shared conceptual parallels of the choice of medical providers from her study and launched a group discussion on a conceptual model for the role of information in child care decisions that is being used by the team evaluating the impact of Minnesota's new quality rating system on parents. The audience discussed the components and dynamics of a conceptual model for how parents use child care information, using the Minnesota model as a starting point. About half of the audience participants were involved with information dissemination, and nearly all were involved with research.

Moderator

Bobbie Weber, Oregon State University

Panel Members

Caroline Carlin, University of Minnesota
Marsha Weinraub, Temple University

Scribe

Pia Divine, Consultant

Documents in the Session Folder

- Marsha Weinraub powerpoint (need to find)
- Caroline Carlin powerpoint (need to find)

Discussion Notes

Marsha Weinraub

At Temple University, Marsha Weinraub and her colleague Anne Shlay use a factorial survey approach to assess how people make judgments of multidimensional phenomena. This approach looks at the value of individual attributes that contribute to a summative judgment. They use vignettes (stories containing variables and variable elements in various combinations) as their basic unit of analysis. The computer generates vignettes and sample assignments. More details of the methodology are shown in the PowerPoint presentation.

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Understanding parental views about child care quality is extremely important for child care policies and programs.

Child care is a multidimensional phenomenon. Characteristics come in bundles, which can then be used as proxies for other characteristics.

There are three requisites for delivering quality child care: availability, affordability, and desirability.

In the factorial survey, desirability emerged as a key factor in preference.

- For care to be desirable, policymakers must understand how parents define quality care.
- Positive factors in desirability include the shared ratings of quality, such as safety and sanitation; State quality ratings; provider warmth and disciplinary attitude; children receiving attention; State regulations; curricula and planned activities; and the availability of computers.
- Things that were not important in how parents define desirability include accreditation, subsidy, commuting time, type of care, and religiosity.
- Essentially, low-income parents and child care experts appear to value similar qualities of child care, and there is a great deal of consensus across race and ethnicity.
- These findings suggest that observed differences in child care use by race and ethnicity may not be due to preferences for particular types of care but for bundles of characteristics that people associate with a chosen care situation.
- The findings also suggest that child care choices in real life may not reflect preferences as much as market constraints, for example, issues of quality, availability, and affordability.

Caroline Carlin

Caroline Carlin is working with the Buyers' Health Care Action Group in Minnesota and with the Child Trends research team that is evaluating Minnesota's new child care quality rating system—ParentsAware. Her research shows parallels between health care and child care provider markets. See the PowerPoint presentation for details.

- Both markets display a significant lack of information among consumers.
- Both health care and child care settings involve high-stake decisions that directly affect people's lives, sometimes drastically.
- Health care and child care are both "credence goods." The consumer is not sure of the quality, even after consuming the good. For example, what does the in-home provider do after you leave?
- Both systems are affected by the practical constraints of cost, availability, and accessibility.
- People use information about quality if the expected cost of using the information is less than the expected benefit of the information to be received. For example,

community child care resource and referral services are cost-effective for parents, are usually free, and often have up-to-date information. But not every community has one. Angie's list provides good quality information about services in a community for a modest fee.

- In both the health care and child care markets, expected benefits are affected by a variety of similar factors:
 - Consumers' confidence about their current knowledge
 - Satisfaction with the current provider
 - Trust in the source of information
 - An experience or price shock, causing a belief that one can do better (e.g., the price suddenly increased or the parents had a bad experience with their current provider).
- Expected costs comprise a variety of potential costs:
 - *Cost of time* in obtaining the information (e.g., searching for information, gaining access to the Internet, building an information network of friends)
 - *Financial cost* (e.g., fees for information, cost of using or purchasing a computer)
 - *Cognitive costs* (e.g., language barriers, the process of learning how to access information, information overload, relevance of information to personal decision).
- Costs and benefits are analyzed along an expected pathway to the use of information:
 - Awareness – access – understanding – use – impact on decision.

Buyers' Health Care Action Group

Caroline discussed the importance of information for consumers based on her work with the Buyers' Health Care Action Group (BHCAG), a coalition of 30 employers who used their purchasing power to reform the health care market in the twin cities during the 1990s.

Their goal was to correct the market failures faced by their employees when making health care decisions. Key issues were the spreading of costs and the lack of information. The coalition prompted the provider community to come together and reorganize to provide more efficient and better quality services.

BHCAG research showed the following:

- Gender differences: Women evaluate care more astutely than do men.
- Decisions to switch care systems are influenced by the following:
 - Significant premium increase (more likely)
 - Provider affiliation (less likely)
 - Loss of personal provider (more likely).
- Awareness of quality information may have played a role but was not statistically significant:
 - Information may have confirmed current beliefs.
 - Cost of using higher quality service might still have exceeded the expected benefits.

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Child Care ParentsAware and the Child Trends Study

The Minnesota Early Learning Foundation is partnering with the State of Minnesota to support ParentsAware, a pilot child care quality rating system (QRS). This is a voluntary QRS and is open to centers and licensed homes. Providers are assigned a rating of one to four stars based on document review and onsite observations. Nationally accredited programs (e.g., through the National Association for the Education of Young Children or Head Start) automatically receive a four-star rating.

The Child Trends research is exploring:

- How low-income families select child care, ParentsAware affects the decisionmaking process, and parent choices affect their child and family outcomes
- How family and child characteristics influence the information parents have about quality and how that information influences their choice of child care setting.

Conceptual Model of Child Care Choice

Carolyn introduced a conceptual model of how consumers use information about the availability, cost, and quality of child care settings, taking into account community demographics, family and child characteristics, and type of information.

The remainder of the discussion focused on this model and its implications for child, family, and employment outcomes. For the structure and details of the conceptual model, see the PowerPoint presentation.

Comment: In the model a lot of arrows should go in both directions.

Comment: Especially in employment, the shape of employment affects the choice of care settings.

Carolyn: Make a distinction between employment structure and employment outcomes.

Comment: In Minnesota there are child care assistance plus pilot projects with money for low-income parents. So there are three different kinds of financial assistance. Two of them are tied to child care quality. The model is a broad one that includes quality but is not necessarily tied to quality.

Comment: Washington State did a broad-scale study with the same findings as Temple University concerning what parents want. They also found large distinctions between different language populations regarding how parents want to receive information. For example, Hispanics do not want to use the Internet as a source. The study is on the Washington State Web site at www.del.wa.gov.

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Comment: Parents know what is important, but they get generic information about quality as opposed to specific information about the quality of their own child care arrangement. Thus, they do not know what they are getting. This is part of the attraction of QRS.

Bobbie: I would want to test the method of sharing information and to look at the directions and effects.

Comment: The timing and iterative nature of the information is important. I would also want to know about community characteristics: How does supply vary in different regions? Vignettes may not have resonance if people lack experience in the situation.

Bobbie: How many parents would be using child care if their perception was that there were places where their children would not survive?

Comment: Every arrow goes to every place. To start with, I would disentangle community. Market is complex and reflects community characteristics. This probably shapes a huge amount of the variation.

Marsha: Maybe look at one model in different kinds of communities and then see what goes into the community characteristics box. This is a research question.

Carolyn: If parents are happy where they are, they will not go through the cost of gaining new information. You would only care about such new information if you want to make a change.

Comment: The age of the child is an important variable in choice.

Comment: Also, the fluidity of choice and change—some States do not disseminate information because of cost constraints. They have found that most parents came from another child care arrangement.

Carolyn: The box on child care financial assistance should be broadened to include all costs, not only the costs directly associated with the subsidy.

Comment: In this model the expected benefit is quality, but there are others.

Carolyn: There is nothing about the characteristics of the child care setting.

Comment: The characteristics of parents and how they assess the care would be on the dotted line between family and care characteristics and the other boxes.

Comment: A big challenge is having enough time to evaluate options and to make decisions. Some States allow only 1 or 2 weeks. Parents do not have time to shop around.

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Bobbie: Community resource and referral (R&R) agencies all have stories about parents who call on Friday and insist that the R&R agency have an arrangement set up for them on Monday.

Comment: Models do not reflect the nature of reality, that is, policy, employment, family, and child care realities.

Comment: A lot of constraints to choice do not show up in the boxes.

Carolyn: The timing issue is part of the family characteristics.

Comment: We need three-dimensional models to work through this.

Comment: There are formal and informal referral services, such as Angie's list, private agencies (services purchased by providers to get their name out), churches, employer-sponsored services, and public agencies.

Marsha: We need to consider how communities are different. What is missing is the market and what is available in the market. Different communities have different options for choice.

Comment: Demography is important. Nearly half of the families use care. This is a critical reality.

Comment: Transaction costs should be built into the model. Families have a limited budget for time and money. This is a demand model. What about relative care? What information about supply filters into those types of arrangements?

Comment: The configuration of supply and the number of slots is an issue. There is a 2-year waiting list on Capitol Hill.

Comment: To be maximally useful, we need a model that is capable of showing the complexities of both supply and demand and the on-the-ground interactions and their effect on parent choice.