

Marie Wallmark  
 05 June 2016  
 2016-0509 MSDS 6371  
 Live Session Assignment4

- 1) Is at least one of the five population distributions (by education level) different from the others (in income)?
- 2) Survey data were collected by the Nat'l Longitudinal Survey of Youth in 1979; education and income information were collected from same individuals in 2005. Sample is random, with no controls in place. As such, educational level as independent variable is a post hoc characterization, not an experimental condition. Sample size (2,584) is adequate.
- 3) Descriptives:

#### Education

	N	Mean	Std. Deviation	Std. Error
<12	136	28301.45	21021.897	1802.613
12	1020	36864.90	29369.730	919.602
13-15	648	44875.96	33913.536	1332.250
16	406	69996.97	64256.802	3189.012
>16	374	76855.46	65428.293	3383.216
Total	2584	49417.00	46727.925	919.243

- 4) Results of ANOVA:

#### Income

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	688235137.515	4	172058784.378	89.613	.000
Within Groups	495174272.110	2579	192002431.993		
Total	563997785.862	2583			

Effect size was large ( $\eta^2 = 5.6^{12}$ ), as was  $F(df = 4)$ ,  $p < .0001$ .

- 5) Tukey's HSD revealed insignificance in income differences between the >12 and 12 groups ( $p = .203$ ), and between 16 and >16 ( $p = .168$ ). All other pair-wise

comparisons of means were significant.

- 6) Residuals diagnostic was conducted examining standardized and unstandardized residuals.
- 7) It seems clear from this analysis that educational level is strongly correlated with income. The largest difference in income is between the 13-15 and the 16 years levels: >16 exceeds 16 by \$6,858 ( $\mu_5 - \mu_4$ ); 16 exceeds 13-15 by \$25,121 ( $\mu_4 - \mu_3$ ); 13-15 exceeds 12 by \$8,011 ( $\mu_3 - \mu_2$ ); and 12 exceeds <12 by \$8,563 ( $\mu_2 - \mu_1$ ). This indicates that obtaining a Bachelor's degree (as opposed to "some college completed") is correlated strongly with a substantial increase in income.