The title of this project is “Analysis of Salary data collected from graduates of over 700 Universities in the United States”

Let me start with giving you an overview of this project. I am going to first start with why we are performing this work. I will then go over the data set used for the analysis. I will then show you the model we are going to use and directly state the hypothesis tested and then finally suggest how we should move forward with this information, depending on what we conclude from our analysis.

Over the past 20 years, student loan debt in this country has increased to over 1 and a half trillion dollars so it begs the question “is it worth it to spend a lot of money on a college degree?” Or in other words, are “will spending more on a degree translate into larger salaries after graduation?”

So I found some interesting data on the DASL website where data from 706 universities was collected which include the price of attendance, ACT scores, and salaries earned upon graduation.

The two variables we are interesting in for this project are price paid for college and salary earned after graduation—which are both ratio data and have units in US dollars.

The analysis we are going to perform is a simple linear regression to determine if there is any relationship between the tuition costs for college and the salary earned after graduation.

Our null hypothesis will be that there is no relationship between tuition costs and salary earned while our alternative hypothesis will be that there is a relationship between price paid for the degree and salary earned upon graduation.

After performing the analysis, if we accept the null hypothesis that no relationship exists between cost of tuition and salary earned, we would advise students to attend more affordable schools. On the other hand, if our analysis leads us to reject the null hypothesis and accept the alternative hypothesis, then we would advise students to spend more on school only if beta 1 is a large value, while on the other hand if beta 1 is small, we would still suggest that students to attend cheaper schools as they are not likely to recuperate the money spend on tuition.