

Module 3: General Linear Model

MSIR 525

October 14-28, 2019

Recap of Module 2 (check list from syllabus; see pages 1-2)

- We learned about several issues in data sets (e.g., outliers, missing data, non-normal distributions) that may bring into question the robustness of empirical results
- We developed R code that will estimate descriptive statistics for a set of data
- We learned about the importance of interpreting and communicating descriptive statistics (e.g., in tandem, visually and empirically)
- Although we did not perform an ANOVA to assess if means differed across multiple groups, we discuss the technique's utility and limitations
- We learned how to perform a t-test; interpret its results; use its results to inform an evidence-based management decision
 - Importantly, we learned how to “explore further” to gain a better understanding of what the data are telling us

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 - Module 3 recap and software tutorial
- 10/28/2019
 - In-class exercise for credit (i.e., a hackathon)
 - Determine the strongest correlates of employee performance and turnover behavior

Agenda for Module 3

- Let's get started! 😊

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WHAT DOES THIS MEAN?

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WHAT DOES THIS MEAN?

- **MEASURES OF CENTRAL TENDENCY (E.G., MEAN) SUMMARIZE DATA PERTAINING TO JUST *ONE* VARIABLE (MODULE 2)**
- **NOW, WE ARE INTERESTED IN THE RELATION BETWEEN *TWO* VARIABLES (MODULE 3)**

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- Effectively, you want to assess the validity of the organization's current screening tool(s)
 - In other words, are the screening tools useful for forecasting important outcomes that will affect organizational performance

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**How could univariate statistics be used
in the aforementioned example?**

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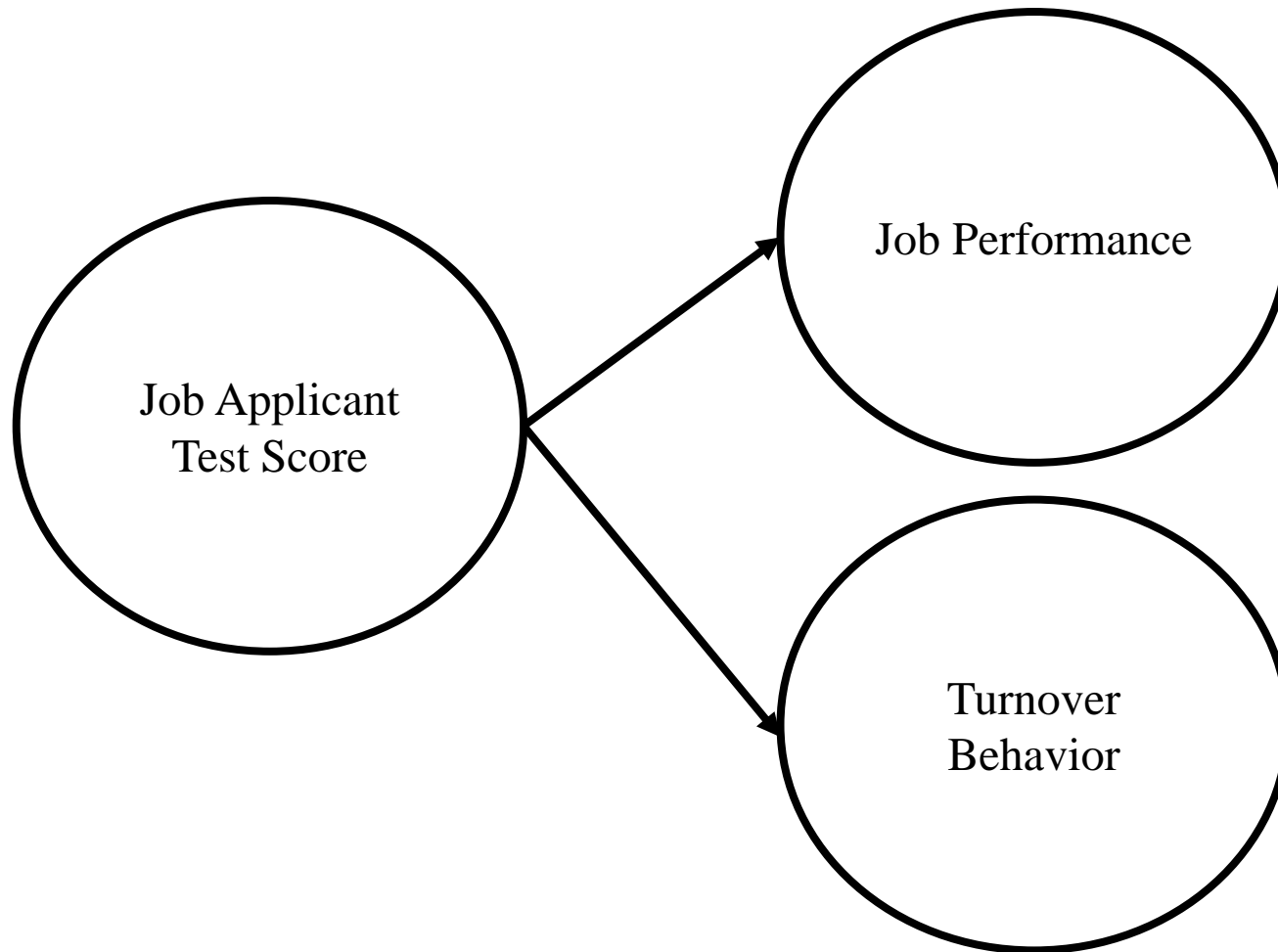
How can bivariate statistics be used in the aforementioned example?

- You're right, we don't know how to do this just yet (it's the whole purpose of Module 3!

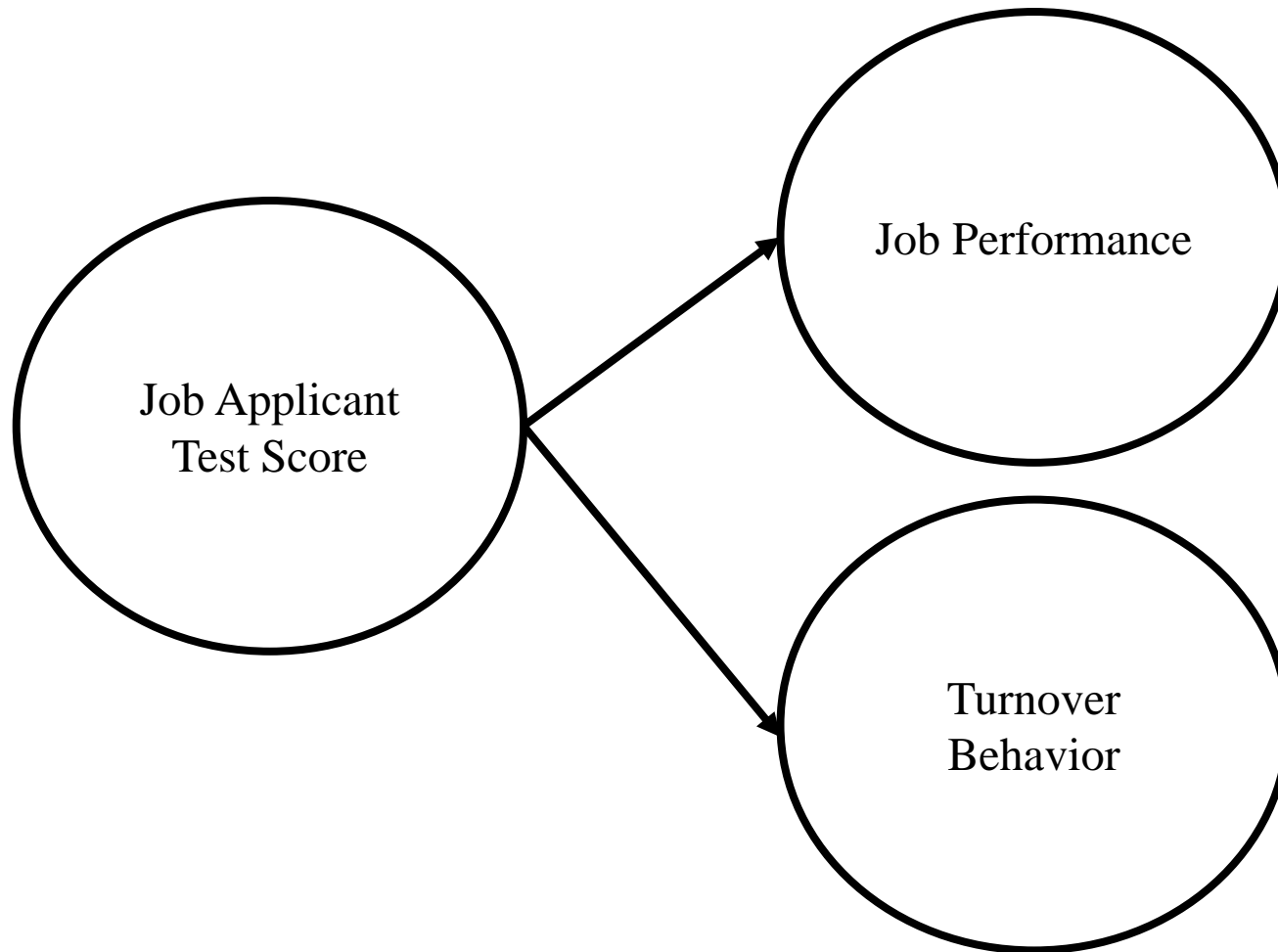


**So, let's go and learn
about the correlation
coefficient and the
simple linear
regression model**

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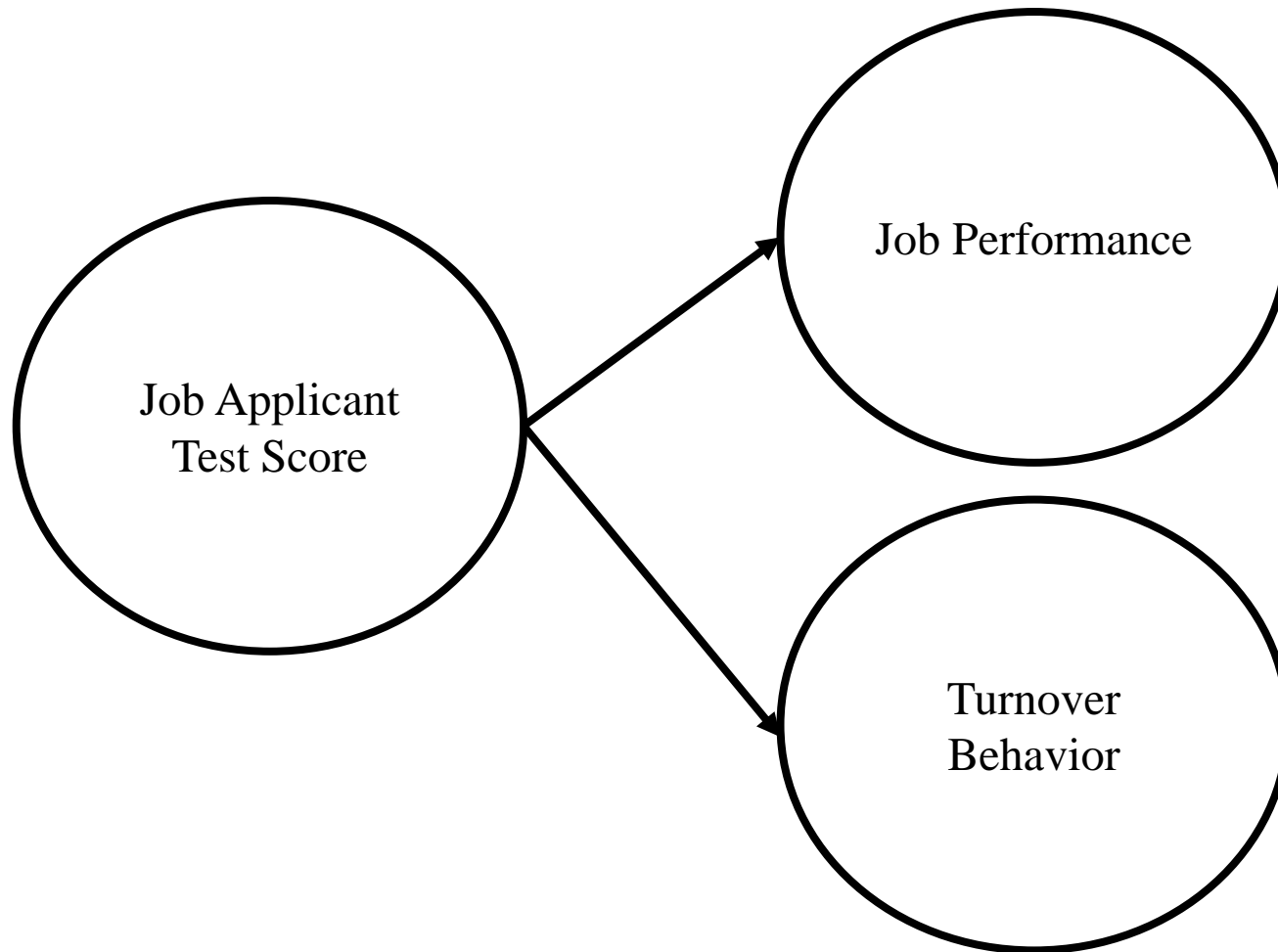


How can these relations be summarized?

First, we can use the *correlation coefficient* to measure the association between variables in each of relation of interest

- (1) Test score → Performance
- (2) Test score → Turnover

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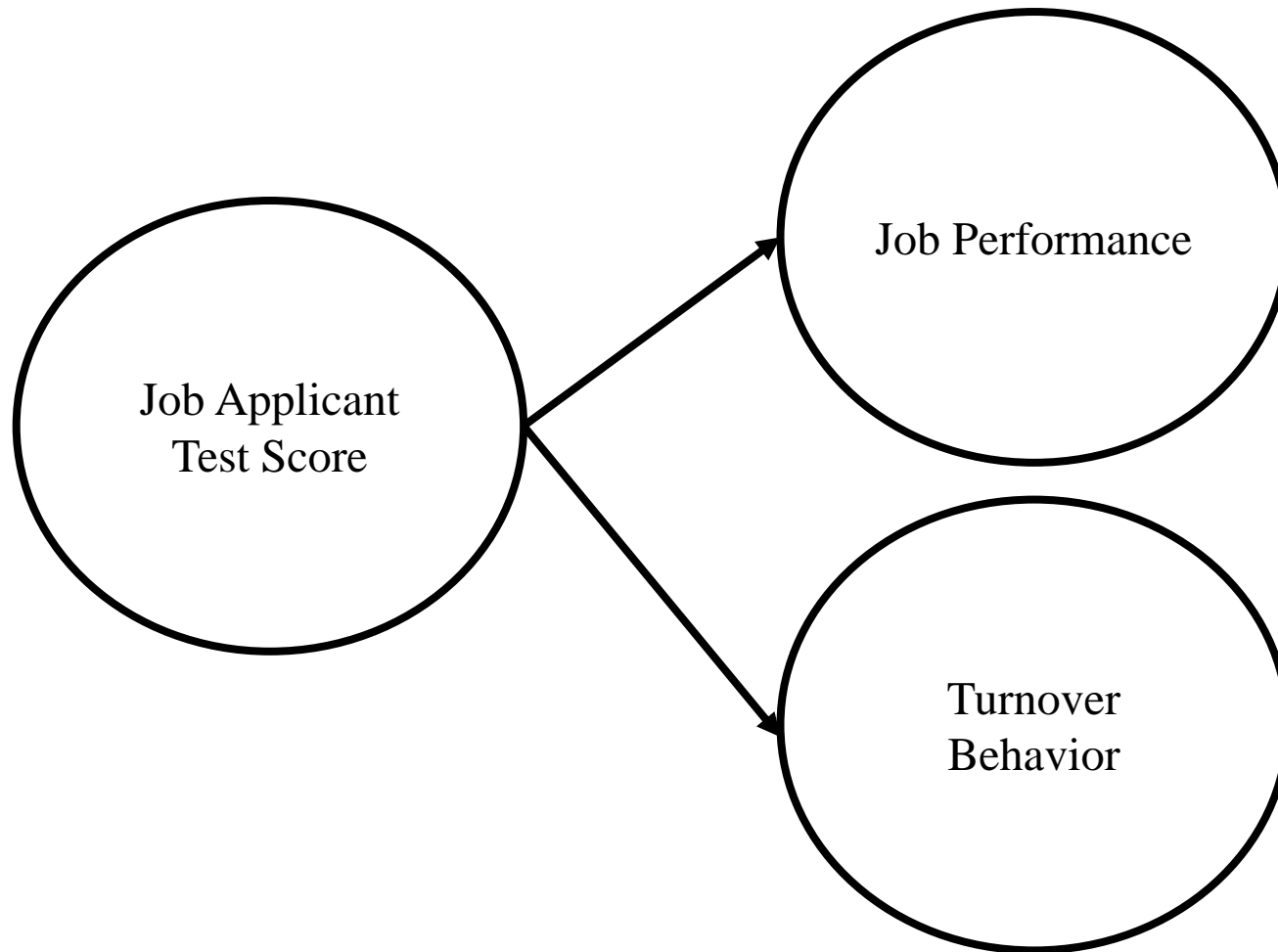
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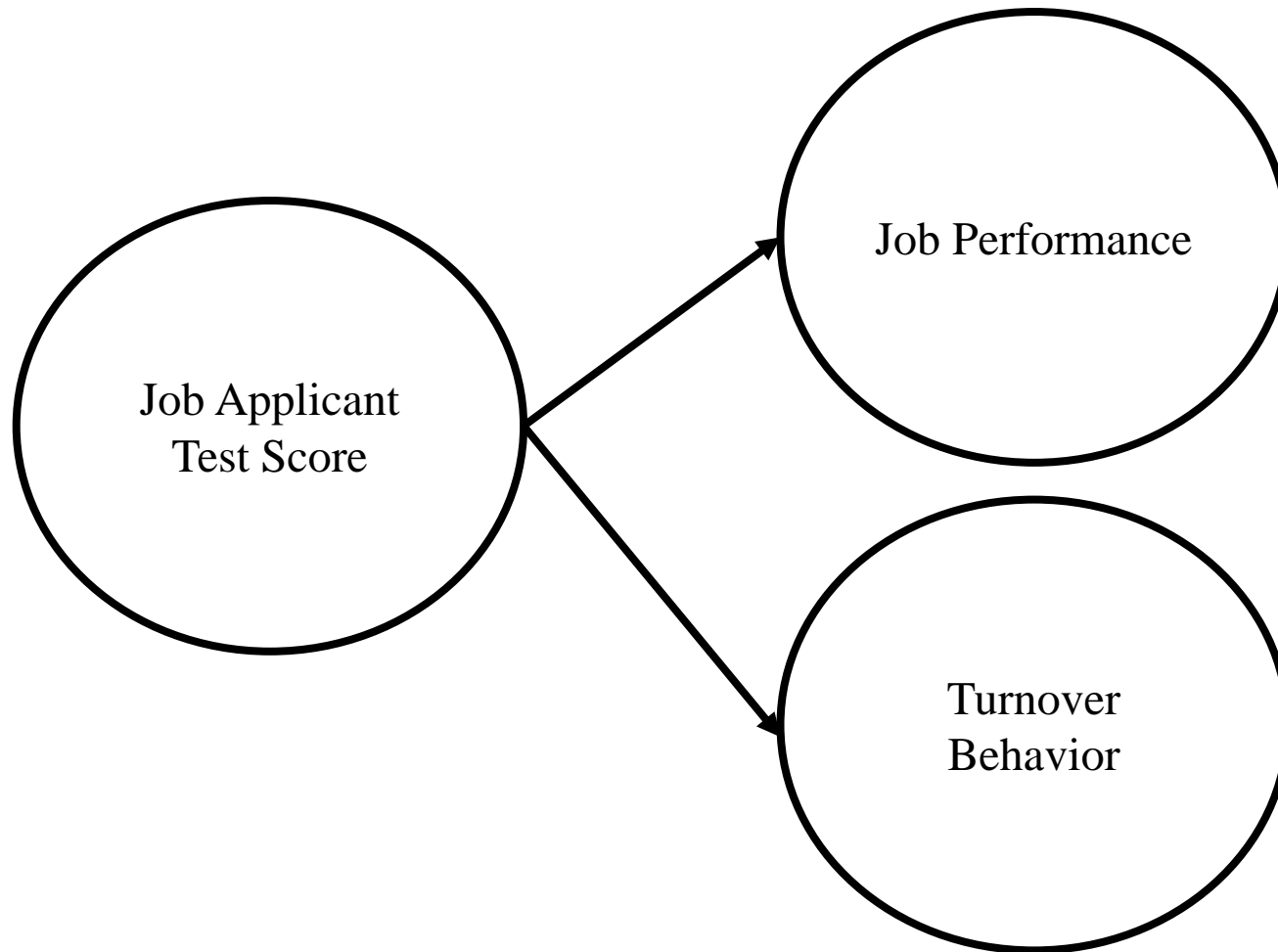
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(1) Test score \rightarrow Performance

(2) Test score \rightarrow Turnover

A subtle, but very important point, is being made here...

We are looking at the association between two things.

We are not predicting one them from another

Motivating Example:

- Imagine that you are an HR Analyst who is interested in knowing if there is a relationship between an individual's applicant exam score and (a) future job performance and (b) future turnover behavior.
- Effectively, you want to know if the organization's current screening tools have important validity outcomes.