

Lesson 28: Practice Problem

“GPA” is data for college GPA, high School GPA, SAT total and Quality of letters of recommendation of several students. [Note that Quality of letters of recommendation is a dummy variable (good quality =1, poor quality =0).]

- a) Run a regression of College GPA on all the independent variables, and write the regression equation.
- b) Test the residuals for normality.
- c) Test the residuals for heteroscedasticity.
- d) Is there any evidence that would lead us to a conclusion that we face a multicollinearity problem?
- e) Are there any outliers in the data set? What do you think can cause these outliers?