

## Term Project Outline

Your final paper is to be an "Executive Summary" and should be 6-8 pages in length. For a good example of an executive summary, check out the report released recently on Equal Pay Day ([Behind the Pay Gap](#)).

**Introduction** - present the "problem" you are addressing. What topic/model are you analyzing and how will the results be of value?

**Model Specification** - briefly present a conceptual model that follows your problem statement. In this section, you should draw on economic theory. What theory is appropriate? What are the variables in the model and how are they related? What are the "expected" signs for the parameters in the assumed model you have specified ((qualitative effects - according to theory)? (Note: these are your hypotheses.)

**Data** - describe your data set. What are the variables that will be used in your econometric model. (Provide a complete set of data on diskette.) Identify all sources that you used to collect the data in proper bibliographic form. Also, discuss briefly the sample that you used. Was it a time-series? If so for what years were data collected? Provide a table of means, standard deviations and a 5-Number Summary. Do the variables, both dependent and independent, appear correlated? What do these values tell us about the data? A correlation table provides this information; summarize those correlation coefficients. (Templates appear on the following page.)

**Results** - your parameter estimates must be discussed. What do they mean? Are they consistent with your expectations from theory? Are the parameter estimates statistically different from zero? (Avoid a "cookbook" repetitive discussion of your estimates. Instead, discuss them, verbally, within your the text of your paper in *well crafted sentences*. Explain in the text why you found that the estimates were or were not statistically different from zero.) How about the model? Does the regression model fit the data well? Comment. Does the regression model explain a statistically significant portion of the variation in the dependent variable? What other models did you try to estimate? Any other results that should be mentioned? Does there appear to be a problem with the data? At this point, you should be able to detect the presence of multicollinearity. (A template appears on the following page for a table of results.)

**Summary and Conclusions** - what conclusions do you reach? What are the important results that should be summarized. This section should be an effective *stand-alone summary* of your work. It should be able to inform a reader what you did in a concise manner - like 1-2 pages at most.

**The final paper must be well written. I deduct for grammatical errors, spelling errors and poor sentence and paragraph structure.**

Table 1: Descriptive Statistics for ....					
Variable	Mean	St. Dev.	Median	Min.	Max.
“my dep var” “my first indep var” etc					
Any footnotes defining sources, etc.					

Table 2: Correlation Coefficients for ....					
Variable	“my dep. Var.”	“my first indep. Var.”	Etc.	Etc.	Etc.
“my dep var” “my first indep var” etc Etc.					

Table 3: Estimated Coefficients for ....			
Variable	Coefficient	St. Error	T-calc
Intercept “my first indep var” etc			