Doing Monte Carlo Research Using SPSS

Joel P. Wiesen, Ph.D. jwiesen@appliedpersonnelresearch.com IPAC 2012 Conference Las Vegas, CO July 24, 2012

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Reason for this Presentation

- Teach a new, versatile SPSS based approach to Monte Carlo (MC) research
- · Many social scientists know only SPSS - Other languages do MC automatically
- Provide a brief overview of MC research

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Overview of Presentation

- Overview of Monte Carlo Research (MCR)
- Examples of questions/topics for MCR
- · Quick review of SPSS syntax
- · Sources of random numbers
- Implementing steps of MCR using SPSS - Details of each step

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· Practice doing MCR with SPSS

Overview of Monte Carlo Research (MCR)

- · Address complex situations
- Four straightforward steps:
- Create data set reflective of the real world

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- Analyze the data set
- · Repeat the process many times
- Summarize the MC results

Address Complex Situations

- MC is a powerful tool for tough questions
- Situations too complex for analytic solution - No known method of analyzing the situation
- For example, What changes in rank standing might be expected on re-grading given test reliability of .9?

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- No step in MC research is hard to understand
- Performing MC research can be done with SPSS commands

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Create Data Set Reflective of the Real World

- Assume you gave a Assessment Center type promotional exam to 100 candidates
- Assume 50 candidates appeal and are re-graded
- What might the data set be created to look like?
 - Same number of candidates?
 - Same range of scores?
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Analyze The Data Set

- Analysis is often relatively easy
- Use our usual statistical tools
 - Correlations
 - Frequency distributions
 - Means
 - Etc.

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Summarize the MC Results

- For our re-grading example:
- Frequency distributions and means for:

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- Maximum change in rank
- Mean change in rank
- Number of changes in promotions

Summarize the MC Results

- Average number of ranks changed
- Distribution of number of ranks changed
- Impact of change in ranks on who will be promoted (e.g., assuming appointment in order of rank)

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Examples of Questions/Topics for MCR

- What changes in rank standing may be expected on re-grading given a specified test reliability?
- What validity and adverse impact is expected for pass-fail combinations of employee selection procedures with given validities and intercorrelations.

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Examples of Questions/Topics for MCR (continued)

- In a multiple choice test for FF-EMT, will mean job performance be higher with multiple hurdle or compensatory approach for the test areas? Adverse impact?
- What difference in job performance is expected with random selection within bands as compared with top down selection?

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Examples of Questions/Topics for MCR (continued)

- What would be the effect on overall passing rates, job performance, and adverse impact of including passing points on each area of a MC test that measures several KSAPs?
- How much lower is the validity calculated based on a 7 point criterion scale as compared with calculating validity using the underlying, continuous criterion values?

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Examples of Questions/Topics for MCR (continued)

- To what extent does the validity of a test depend on the number of items in the test?
 - May be able to address this mathematically
 - Confirm your answer using MCR

Examples of Questions/Topics for MCR (continued)

- Evaluate tricky probability problems
 - $-\ensuremath{\,\text{May}}$ be able to address this mathematically

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- Confirm your answer using MCR

Research Decisions

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- Refine the problem: know what you want.
- How to simulate the problem? - Use data from a real life situation or random
- How many cases, how many replications?
- What means, SDs, intercorrelations, etc?
- What distribution (normal, uniform, etc?)

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• What effect size?

Quick Review of SPSS Syntax

- Some useful SPSS commands
- Useful conventions in writing SPS files

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- Documenting your files
- Naming your files

Some Useful SPSS Commands

- READ (ascii flat file, fixed or free format)
- GET FILE (e.g., SPSS or Excel file)
- SAVE (spss data file, with all formatting)
- SORT CASES BY variable_name (A).
- MERGE (2 or more files by an identifier)
- OMS (outputs descriptive statistics to a file)
- WRITE OUTFILE (to fixed format ascii)
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OMS

- OMS outputs descriptive statistics to a file
- Syntax is a bit complex – Read SPSS user manual for details
- This command (and all commands) are in sample SPS files I will provide

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WRITE OUTFILE

- Sometimes may want to write to fixed format ascii
- Some calculations with data are easier done if you read data in a second time
- For example: combining several cases into one case
 - Print out
 - Read in several lines at a time

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Format/Layout for Syntax File

* file: c:\ipac\monte_carlo_create_data.sps

- * Written 7/18/12, jpw. * Updated 7/19/12, jpw.
- * Goal: Create data file from random number file
- *****
- * Step 1. Get data file with random numbers named: monte_carlo_random.sav
- * Step 2. Merge with test score data file names: exam_scores.sav.
- * Step 3. Create replication number.
- * Step 4. Create variable: re-grade. * Step 5. Save data file named: monte, carlo, data sav.
- * Step 5. Save data file named: monte_carlo_data.sav.
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File Naming Conventions

- Makes it easy to find all files for a project - project_name.xls
 - project_name_random.sav
 - project_name.txt
 - project_name_file_information.xls

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Random Number Generator in SPSS

- Creates pseudo random numbers
- Can specify a SEED (starting number)
 - Lets you replicate your study
 - Not random insofar as same numbers are generated each time program is run
- Can choose from several distributions
 - Normal
 - Uniform

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- Sources
 - Radioactive decay
 - Atmospheric noise

Random.org

- http://random.org
- Random digits based on atmospheric noise
- Can specify mean and s.d. and choose from: – Uniform

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– Normal

Multivar (Freeware) Random.org (continued) • Integers Multivar (Aguinis, 1994) mypage.iu.edu/~haguinis/mmr/download/multivar.zip http://www.random.org/integers/?mode=advanced · Generates normally distributed random • Normal variables (i.e., numbers) with specified http://www.random.org/gaussiandistributions/?mode=advanced intercorrelations • Has a quota of 10,000 20 digit numbers per day • A pseudo random number generator - After that, there is a small charge Wiesen, 2012. International Personnel Assessment Council Conference Wiesen, 2012. International Personnel Assessment Council Conference 40 39





Implementing Steps of MCR Using SPSS

- Approach for today's program:
- Choose one research question for this didactic presentation
- Go through the SPSS programs to answer this research question.

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Research Question for this Didactic Presentation

What changes in rank standing might be expected on re-grading an assessment center exercise in an actual public safety promotional examination assuming a testretest reliability of .9?

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re-grade = .674*grade + . 326*random number

• Random number has the same distribution as original grades, at least the same mean and SD

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Implementing MCR: 1st Step

- Four basic tasks in Step 1
- Save 81 original grades in SAV file w id's – Arbitrary id numbers
- · Get normal random numbers from web
- Save normal random numbers with id's

 Arbitrary id numbers
- Merge the two SAV files into final data set
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1st Step. Review and Run Files

- monte_carlo_1_save_original_grades_reps.s ps
 - Saves original grades with arbitrary id numbers
- monte_carlo_2_save_random.sps
 Saves random numbers w arbitrary id numbers
- monte_carlo_3_merge_reps.sps
 - Merges original grades and random numbers
 - Calculates revised grades
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- * Step 1. Get data file with original grades named:
- C:\ipac\grades_original_100_replications.txt
- * Step 2. Find mean, SD, and shape of distribution of original grades.
- * Step 3. Add id to each original grade.
- * Step 4. Save data file named:
- monte_carlo_original_grades.sav.

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• List / CASES = 5.

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- * Step 3. Save data file named: monte_carlo_data_random_normal.sav.
- SAVE OUTFILE = 'C:\ipac\monte_2_carlo_data_random_normal.sav'.
- GET FILE =
- 'C:\ipac\monte_carlo_2_data_random_normal.sav'.LIST /CASES = 20.

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1	monte_o	cai	lo_3_merg	e_reps.sps
•	sample_id	id	grade_original	grade_regraded
•	1	1	2.02	11.25
•	1	1	5.95	11.55
•	1	2	6.07	4.65
•	1	3	7.50	9.99
•	1	4	8.57	19.75
•	1	5	9.29	13.77
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monte_carlo_3_merge_reps.sps



- * Step 5. Change id to 1 to 81 for all cases.
- COMPUTE sample_size = 81.
- IF (id > sample_size)
- id = 1 + mod ((id-1),sample_size).
- FREQ id.

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		4	anla 1		1	
	mon	ile_c	$arro_4$	_ana	aryze.s	PS (continued)
•	Comma	nd_ Subt	ype_ Label_	Var1	Var2	OrigrankNewrank
•	Means	Report	Report	1	Mean	8,5926
•	Means	Report	Report	1	Std. Deviati	on 6.92239
•	Means	Report	Report	1	Minimum	.00
•	Means	Report	Report	1	Maximum	26.00
•	Means	Report	Report	1	Range	26.00
•	Means	Report	Report	2	Mean	9.3827
•	Means	Report	Report	2	Std. Deviati	on 7.37321
•	Means	Report	Report	2	Minimum	.00
•	Means	Report	Report	2	Maximum	33.00
	Means	Report	Report	2	Range	33.00



Implementing MCR: 4th Step

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- Overview
- · Read summary statistics
- Summarize output of MC replications







monte_carlo_5_summarize_reps.sps	
• * Step 3. Get newly written file.	
• DATA LIST FILE =	
'C:\ipac\monte_carlo_4_summarize_100_reps.txt'	
RECORDS=5	
/1 replication 1-8 mean 25-38	
/2 stddev 25-38	
/3 min 25-38	
/4 max 25-38	
/5 range 25-38.	
• FORMAT mean stddev (F16.10).	
• LIST /CASES =10.	
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			(continued)			
•	replication	mean	stddev	min	max	range
	1	8.5926000000	6.9223900000	0	26	26
•	2	9.3827000000	7.3732100000	0	33	33
•	3	7.1111000000	6.0124900000	0	23	23
•	4	7.2593000000	7.1689900000	0	35	35
•	5	7.5309000000	6.1483500000	0	26	26
•	6	8.5185000000	6.9554100000	0	26	26
•	7	9.1111000000	7.5332600000	0	34	34
•	8	7.0123000000	5.9234600000	0	35	35
•	9	8.1728000000	6.8898300000	0	31	31
•	10	7.0864000000	5.985810000	0	32	32



















- Approach: Identify the top 20 candidates in the original data and in each replication.
- SPSS commands: RANK
- Logic:
 - If rank less than or equal to 20, set appointed indicator equal to 1, else wise 0
 - Subtract appointed indicators for original & each replication data set by candidate.
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Summary of MCR Using SPSS

- Create data set with multiple replications – Include a replication indicator
- Analyze the data by replication – Use SPLIT FILE
- Write the replication statistics to a file Use OMS
- Read and summarize the replication statistics

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References

 Aguinis, H., *Multivar*. Downloaded 7/18/12 from mypage.iu.edu/~haguinis/mmr/download/multivar.zip

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