Lab Exercise #8: Panel Conditioning in the CPS

Learning Goals

- Understand how panel conditioning affects the CPS
- Observe panel conditioning regarding employment status in the CPS

Summary

Panel conditioning occurs when a baseline survey affects respondent's answers to questions in subsequent surveys. In this exercise, you will investigate whether panel conditioning might affect reported employment status during an individual's participation in CPS. We will link MISH 1 and 2 data between December of 2013 and February of 2014. Make an extract that includes December of 2013 and January and February of 2014. Include the variables CPSIDP, MISH, AGE, SEX, RACE, LFPROXY, and EMPSTAT. We will examine transitions between employed, unemployed, and not in the labor force statuses.

1. Under what conditions might panel conditioning exist?

   _____
   _____

2. Tabulate employment status by month-in-sample. At what point in the rotation pattern are the most people unemployed? _____

3. Tabulate employment status by month-in-sample for each calendar month. Does the difference occur across all months in the employment status by month-in-sample cross tabulation? _____
   _____

4. How can we determine that fluctuations in unemployment rates between time points are not a byproduct of attrition, and may instead be due to panel conditioning?

   _____
   _____

Create a file that contains only those respondents in MISH 1 in January 2014 who also appear in February of 2014 and those respondents in MISH 2 in January 2014 who also appear in December of 2013. Link and validate records, then drop all non-links and all non-January 2014 records.

5. Tabulate employment status and month-in-sample. Fill in Table 1 using WTFINL to weight the counts.

Table 1

Employment Status	MISH 1	MISH 2
Employed		
Unemployed		
NILF		

6. How can we be more confident that differences in employment status between MISH 1 and MISH 2 are the result of reporting error or actual employment transition versus intentionally inaccurate responses?

   Hint: recall that the household head may respond for other household members as a "proxy" respondent.

   _____

7. Restrict your tabulations to eliminate proxy responses. Fill in Table 2 using WTFINL to weight the counts.

Table 2

Employment Status	MISH 1	MISH 2
Employed		
Unemployed		
NILF		

1. Under what conditions might panel conditioning exist? When true responses to a question are socially stigmatizing or when a respondent learns that a certain response will increase the time and effort required for them to complete the survey.

2. Tabulate employment status by month-in-sample. At what point in the rotation pattern are the most people unemployed? MISH 1

3. Tabulate employment status by month-in-sample for each calendar month. Does the difference occur across all months in the employment status by month-in-sample cross tabulation? This pattern is seen in all months in the extract except for February of 2014 where the number of unemployed persons increases slightly.

4. How can we determine that fluctuations in unemployment rates between time points are not a byproduct of attrition, and may instead be due to panel conditioning? We can compare MISH 1 and MISH 2 respondents in 2014, but restricting this subsample to those in MISH 1 in January 2014 who link successfully to February 2014 and those in MISH 2 in January 2014 who link successfully to December 2013. By excluding those people in either MISH 1 or MISH 2 of our month of interest from the sample, we have excluded those who attrit from our analysis.

5. Tabulate employment status and month-in-sample. Fill in Table 1 using WTFINL to weight the counts.

Table 1

Employment Status	MISH 1	MISH 2
Employed	17,028,569	16,458,140
Unemployed	1,532,704	1,311,566
NILF	10,611,035	11,156,684

6. How can we be more confident that differences in employment status between MISH 1 and MISH 2 are the result of reporting error or actual employment transition versus intentionally inaccurate responses? In the CPS, one person (usually the household head) answers the survey questions for all members of the household. By further restricting our sample to just household heads (those who self-report employment status), we can reduce the likelihood that changes in employment status are due to respondent error or lack of respondent knowledge.

7. Restrict your tabulations to eliminate proxy responses. Fill in Table 2 using WTFINL to weight the counts.

Table 2

Employment Status	MISH 1	MISH 2
Employed	8,326,446	7,966,127
Unemployed	753,214	665,262
NILF	5,169,735	5,392,137