There are a lot of great things in this chapter that I won’t try to duplicate here. The Regression User’s Checklist is a fabulous resource, as is the Regression User’s Guide.

The chapter identifies three major components of a regression project:
1. Choose a topic.
2. Apply the six steps in regression analysis.
3. Write your research report.

**Steps in Applied Regression Analysis**
These come from Chapter 3 of Studenmund, but they’re worth repeating.

1. Review the literature and develop the theoretical model. This is the hardest part if you already have data. You really, really want to “run the data” just as soon as you possibly can and, while it’s only human, you should resist the temptation to be distracted from some good, solid analysis of how other people have considered the topic and what they’ve done with it.

2. Specify the model: Select the independent variables and the functional form. Ideally, this would be based on what other folks have done, but you may either need to substitute some things or might be able to go beyond what has been done before.

3. Hypothesize the expected signs of the coefficients.

4. Collect the data.

5. Estimate and evaluate the equation.

6. Document the results.

The best bit of advice in the chapter is that you should let theory dictate the model you choose and you should strive to run as few regressions as possible in doing your analysis.