



# Respondent Use of Records and Impact on Data Quality

Shannon Nelson,\* NORC @ University of Chicago

Catherine Haggerty, NORC @ University of Chicago

Kate Bachtell, NORC @ University of Chicago

Kevin Moore, Board of Governors of the Federal Reserve System

Jesse Bricker, Board of Governors of the Federal Reserve System

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SCF encourages respondents to reference financial records

- Tax records
- Bank statements
- Retirement accounts
- Etc.

But not all respondents utilize records

- Problematic because it affects data quality and precision

# GOALS of this RESEARCH

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Improve interactions with respondents

Inform the process of collecting financial data

- Increase the use of records during the interview

Collect higher quality data

**What is the relationship between respondent characteristics, use of documents, and data quality?**



# RESEARCH QUESTIONS

## *Respondent Characteristics*

Are **early responders**, who cooperate with requests to complete the survey more readily than **late responders**, more likely to use records?

Are respondents who are **less interested in** the study less likely to use records?

Are respondents who are **more suspicious of** the study less likely to use records?

# RESEARCH QUESTIONS

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## *Respondent Characteristics*

Are respondents with more **complex finances** more likely to use records?

Are respondents who are **less knowledgeable about their finances** less likely to use records?

Are respondents who are **less financially literate** less likely to use records?

2016 SCF data

6,261 completed interviews

4,754 Area Probability cases

## METHODOLOGY: MEASURES

Variable	Description	Code
Early	Respondent completed in the early part of data collection	1 = Early 0 = Not early
Late	Respondent completed in the late part of data collection	1 = Late 0 = Not Late
Interest level	Interviewer's report on respondents level of interest in the survey	1 to 5
Suspicion level	Interviewer's report on respondents level of suspicion in the survey – sum of pre and post interview assessment	Ranges from 2 (lowest level of suspicion) to 10 (highest)



## METHODOLOGY: MEASURES

Variable	Description	Code
Financial complexity	Respondent has more than 7 items on balance sheet, based on median score of 7	1 = More than 7 0 = 7 or less
Financial knowledge	Self-rated financial knowledge	1 = 'not at all knowledgeable about personal finance' 10 = 'very knowledgeable about personal finance'
Financial literacy	Continuous measure - based on three questions assessing understanding of stock investment, inflation, and interest rates	0 to 3

## METHODOLOGY: MEASURES

INTERVIEWER: Did the Respondent refer to any documents to answer any questions?

<b>Variable</b>	<b>Description</b>	<b>Code</b>
Use of documents	Respondent referred to any documents during the interview	1 = Used documents 0 = Did not use documents

Examined 5 common financial assets/liabilities that include \$

- Home value
- Mortgage amount
- Amount in checking account
- Amount in savings account
- Annual wages

## METHODOLOGY: MEASURES

For example: What is the current value of this (home and land/ apartment/property)?

<b>Value provided</b>	<b>Classification</b>	<b>Code</b>
\$125,392	Precise value	1
\$100k to \$150k	Range provided	0
Don't know/refused	Don't know/refused	Excluded

Home value, Mortgage amount, Amount in checking account, Amount in savings account, Wages

Created 5 binary **precision** measures (1 for each asset)

1= reported a specific dollar amount

0= provided a range

(Excluded cases with “don’t know” or “refused”)

## Logistic regression

Predict the likelihood of using documents during the interview

- Early responders compared to late responders
- Level of complexity
- Level of interest
- Level of suspicion
- Level of financial knowledge
- Level of financial literacy

## Logistic regression

To predict likelihood of providing the precise number – for each financial asset/liability for those who used documents

## Controlling for

- Early responders compared to late responders
- Level of complexity
- Level of interest
- Level of suspicion
- Level of financial knowledge
- Level of financial literacy

# RESULTS

## *Respondent Characteristics*

Are **early responders**, who cooperate with requests to complete the survey more readily than **late responders**, more likely to use records? **YES!**

Are respondents who are **less interested in** the study less likely to use records? **YES!**

Are respondents who are **more suspicious of** the study less likely to use records? **YES!**



# RESULTS

## *Respondent Characteristics*

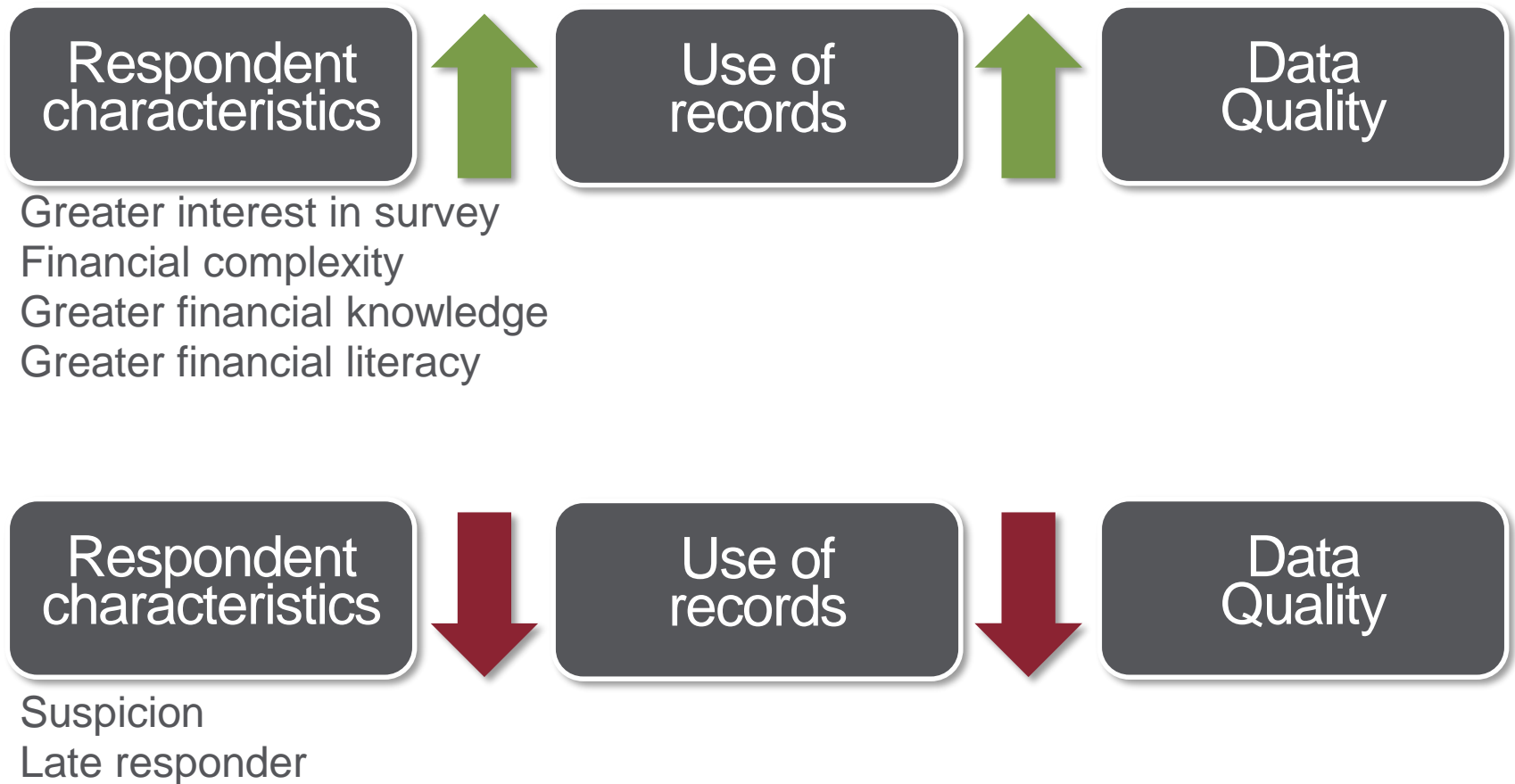
Are respondents with more **complex finances** more likely to use records? **YES!**

Are respondents who are **less knowledgeable about their finances** less likely to use records? **YES!**

Are respondents who are **less financially literate** less likely to use records? **YES!**

# CONCLUSION

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Shannon Nelson  
Nelson-shannon@norc.org

Thank You!

