The following data gives the starting salary for students who recently graduated from a local university and accepted jobs soon after graduation. The starting salary, grade jobs soon after graduation. The starting salary, grade- point average (GPA), and major (business or other) are provided.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Salary | $29,500 | $46,000 | $39,800 | $36,500 |
| GPA | 3.1 | 3.5 | 3.8 | 2.9 |
| Major | Other | Business | Business | Other |
| Salary | $42,000 | $31,500 | $31,500 |  |
| GPA | 3.4 | 2.1 | 2.5 |  |
| Major | Business | Other | Business |  |

1. Using a computer, develop a regression model that could be used to predict starting salary based on GPA and major.
2. Use this model to predict the starting salary for a business major with a GPA of 3.0.
3. What does the model say about the starting salary for a business major compared to a non-business major?
4. Do you believe this model is useful in predicting the starting salary? Justify your answer using information provided in the computer output.