UNBALANCED DESIGNS

Recall that an experimental design is called *unbalanced* if the sample sizes for the treatment combinations are not all equal.

**Reasons why balanced designs are better:**
- The test statistic is less sensitive to small departures from the equal variance assumption.
- The power of the test is largest when sample sizes are equal.

**Reasons why you may need to be able to work with unbalanced designs:**
- Balanced designs produce unbalanced data when something goes wrong. (e.g., plants die, machinery breaks down, shipments of raw materials don't come in on time, subjects get sick, etc.)
- Some treatments may be more expensive or more difficult to run than others.
- Some treatment combinations may be of particular interest, so the experimenter chooses to sample more heavily from them.

**Ways of analyzing unbalanced designs:**
- If the data are "proportional" (meaning that $r_{ij} = (r_i r_j) / r_{..}$), there is a minor variation to the usual analysis that works. (See Montgomery, p. 601 for details.)
- If the data are only slightly unbalanced, there are several approximate procedures that might be used (e.g., estimating missing observations, omitting observations from cells with larger numbers, various methods adjusting weights). (See Montgomery, pp. 601-603 for details.)
- The "Exact Method," representing the analysis of variance model as a regression model. This is the only method we will discuss for unbalanced factorial designs. It requires some caveats:
  ♦ The same problem might be done in more than one way, resulting in different sums of squares.
  ♦ The hypotheses tested might be different from those tested in balanced ANOVA.
  ♦ The tests sometimes create their own problems in interpretation.

**USING TWO-WAY ANOVA FOR UNEQUAL SAMPLE SIZES**

In Minitab and many other software packages, this analysis needs to be done by the General Linear Model (GLM) command, which essentially uses a regression approach. This will be illustrated first by looking at an example.

**Battery data**

1. Use Balanced ANOVA:
Analysis of Variance for LPUC

<table>
<thead>
<tr>
<th>Source</th>
<th>DF</th>
<th>SS</th>
<th>MS</th>
<th>F</th>
<th>P</th>
</tr>
</thead>
<tbody>
<tr>
<td>duty</td>
<td>1</td>
<td>252004</td>
<td>252004</td>
<td>106.43</td>
<td>0.000</td>
</tr>
<tr>
<td>brand</td>
<td>1</td>
<td>124609</td>
<td>124609</td>
<td>52.63</td>
<td>0.000</td>
</tr>
<tr>
<td>duty*brand</td>
<td>1</td>
<td>51302</td>
<td>51302</td>
<td>21.67</td>
<td>0.000</td>
</tr>
<tr>
<td>Error</td>
<td>12</td>
<td>28413</td>
<td>2368</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>15</td>
<td>456328</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

2. Use GLM, specifying "duty|brand" or "duty brand duty*brand":

Analysis of Variance for LPUC

<table>
<thead>
<tr>
<th>Source</th>
<th>DF</th>
<th>Seq SS</th>
<th>Adj SS</th>
<th>Adj MS</th>
<th>F</th>
<th>P</th>
</tr>
</thead>
<tbody>
<tr>
<td>duty</td>
<td>1</td>
<td>252004</td>
<td>252004</td>
<td>252004</td>
<td>106.43</td>
<td>0.000</td>
</tr>
<tr>
<td>brand</td>
<td>1</td>
<td>124609</td>
<td>124609</td>
<td>124609</td>
<td>52.63</td>
<td>0.000</td>
</tr>
<tr>
<td>duty*brand</td>
<td>1</td>
<td>51302</td>
<td>51302</td>
<td>51302</td>
<td>21.67</td>
<td>0.000</td>
</tr>
<tr>
<td>Error</td>
<td>12</td>
<td>28413</td>
<td>28413</td>
<td>2368</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>15</td>
<td>456328</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Notice that the outputs are identical, except that the GLM output has an additional column "Adj SS" that repeats all but the last line of the SS column.

3. Use GLM, specifying "duty*brand  duty  brand":

Analysis of Variance for LPUC

<table>
<thead>
<tr>
<th>Source</th>
<th>DF</th>
<th>Seq SS</th>
<th>Adj SS</th>
<th>Adj MS</th>
<th>F</th>
<th>P</th>
</tr>
</thead>
<tbody>
<tr>
<td>duty*brand</td>
<td>1</td>
<td>51302</td>
<td>51302</td>
<td>51302</td>
<td>21.67</td>
<td>0.000</td>
</tr>
<tr>
<td>duty</td>
<td>1</td>
<td>252004</td>
<td>252004</td>
<td>252004</td>
<td>106.43</td>
<td>0.000</td>
</tr>
<tr>
<td>brand</td>
<td>1</td>
<td>124609</td>
<td>124609</td>
<td>124609</td>
<td>52.63</td>
<td>0.000</td>
</tr>
<tr>
<td>Error</td>
<td>12</td>
<td>28413</td>
<td>28413</td>
<td>2368</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>15</td>
<td>456328</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Note that the output is the same as in (2), except that the order of the rows is different. This reflects the difference in specifying the model: in (3), duty*brand was specified before duty and brand, so is listed before them.

Battery data with last row of data deleted:

We now have unequal sample sizes -- the treatment "heavy-duty, name brand" only has three observations, while the other three treatment combinations still have four observations.

1. Using Balanced ANOVA:

* ERROR * Unequal cell counts.
2. Using GLM, specifying "duty brand duty*brand" or "duty|brand":

Analysis of Variance for LPUC

<table>
<thead>
<tr>
<th>Source</th>
<th>DF</th>
<th>Seq SS</th>
<th>Adj SS</th>
<th>Adj MS</th>
<th>F</th>
<th>P</th>
</tr>
</thead>
<tbody>
<tr>
<td>duty</td>
<td>1</td>
<td>221585</td>
<td>226482</td>
<td>226482</td>
<td>89.36</td>
<td>0.000</td>
</tr>
<tr>
<td>brand</td>
<td>1</td>
<td>123214</td>
<td>110720</td>
<td>110720</td>
<td>43.69</td>
<td>0.000</td>
</tr>
<tr>
<td>duty*brand</td>
<td>1</td>
<td>50185</td>
<td>50185</td>
<td>50185</td>
<td>19.80</td>
<td>0.001</td>
</tr>
<tr>
<td>Error</td>
<td>11</td>
<td>27879</td>
<td>27879</td>
<td>2534</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>14</td>
<td>422863</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Notice that the Seq SS and Adj SS columns are no longer the same! This is typical for unequal sample sizes.

3. Using GLM, specifying "duty*brand duty brand":

Analysis of Variance for LPUC

<table>
<thead>
<tr>
<th>Source</th>
<th>DF</th>
<th>Seq SS</th>
<th>Adj SS</th>
<th>Adj MS</th>
<th>F</th>
<th>P</th>
</tr>
</thead>
<tbody>
<tr>
<td>duty*brand</td>
<td>1</td>
<td>80282</td>
<td>50185</td>
<td>50185</td>
<td>19.80</td>
<td>0.001</td>
</tr>
<tr>
<td>duty</td>
<td>1</td>
<td>203982</td>
<td>226482</td>
<td>226482</td>
<td>89.36</td>
<td>0.000</td>
</tr>
<tr>
<td>brand</td>
<td>1</td>
<td>110720</td>
<td>110720</td>
<td>110720</td>
<td>43.69</td>
<td>0.000</td>
</tr>
<tr>
<td>Error</td>
<td>11</td>
<td>27879</td>
<td>27879</td>
<td>2534</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>14</td>
<td>422863</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Comparing this case to case (2), we see that in addition to having a different order to the rows, the sums of squares in the Seq SS column corresponding to each term are different (except for error and total), but are still the same in the Adj SS column. This difference contrasts with the case of equal sample sizes, where both columns (Seq SS and Adj SS) were the same.

**How GLM Works**

GLM first creates a design matrix. For the full battery data, this matrix is shown at the right. (For the battery data with the last observation deleted, the design matrix is obtained from this one by deleting the last row.)

Matrix XMAT1

```
1 1 1 1
1 1 -1 -1
1 1 1 1
1 -1 -1 1
1 1 1 1
1 1 -1 -1
1 -1 1 -1
1 -1 -1 1
1 1 -1 -1
1 1 -1 -1
1 -1 1 -1
1 -1 -1 1
1 -1 1 -1
1 -1 1 -1
```
Notice that the design matrix has 4 columns and 16 rows -- one row for each observation.
• The first column is all 1's.
• The second has 1 for each observation with duty = 1 and -1 for each observation with
duty = 2.
• The third column has 1 for each observation with brand = 1 and -1 for each
observation with brand = 2……
• The fourth column is the product of the second and third columns.

Those of you who have had regression will recognize this as the matrix describing a
regression using constant term and regressors $X_1$, $X_2$, and $X_1 \times X_2$, where $X_1$ is an indicator
variable defined by

$$
X_1 = \begin{cases} 
1, & \text{if duty} = 1 \\
-1, & \text{if duty} = 2,
\end{cases}
$$

and $X_2$ is an indicator variable defined similarly for the factor brand.

Minitab performs a regression on the response variable (LPUC) with predictor variables
corresponding to the columns of the design matrix (constant, $X_1$, $X_2$, and $X_1 \times X_2$).
• The sequential sum of squares (in the column Seq SS) is (in regression terms) the
sum of the sums of squares for all indicator variables corresponding to the item listed,
given all terms corresponding to items previously listed. (In the battery example,
there is only one indicator variable for each of the items duty, brand, and
duty*brand.) In analysis of variance terms: the sequential sum of squares is the sum
of squares obtained by taking the difference between the sum of squares for error for
the model including all previously listed items (reduced model) with the one obtained
by adding the new item to those previously listed.
• The adjusted sum of squares (in the column Adj SS) is (in regression terms) the sum
of the sums of squares for all indicator variables corresponding to the item, given all
the other items. In analysis of variance terms: the adjusted sum of squares is the
difference in error sums of squares when comparing the full model with the reduced
model obtained by omitting the item in question.

The reason that the two columns are equal for equal sample sizes turns out to be that the
columns of the design matrix are uncorrelated (i.e., dot product as vectors is 0); deleting
the last row (in the battery example) resulted in columns that have non-zero correlation.

For unbalanced data, the adjusted sum of squares is the one that is important for
hypothesis testing. The adjusted mean square is obtained by dividing the corresponding
adjusted sum of squares by its degrees of freedom. The resulting F-statistic is then this
mean square divided by the mean square for error.

Example: Battery data with one observation deleted.