

PartA

Libraries

```
#loading all required libraries here first :
library(tidyverse)

## -- Attaching packages ----- tidyverse 1.2.1 --

## v ggplot2 3.2.1    v purrr  0.3.3
## v tibble  2.1.3    v dplyr  0.8.3
## v tidyr   1.0.0    v stringr 1.4.0
## v readr   1.3.1    v forcats 0.4.0

## -- Conflicts ----- tidyverse_conflicts() --
## x dplyr::filter() masks stats::filter()
## x dplyr::lag()     masks stats::lag()

library(dplyr)
library(broom)
library(reghelper)

## Warning: package 'reghelper' was built under R version 3.6.2

##
## Attaching package: 'reghelper'

## The following object is masked from 'package:base':
##
##      beta

library(latexpdf)
library(psych) ### for skewness and kurtosis

##
## Attaching package: 'psych'

## The following object is masked from 'package:reghelper':
##
##      ICC

## The following objects are masked from 'package:ggplot2':
##
##      %+%, alpha
```

A1

Reading dataset

```
#importing data and store it to variable "data1" then viewing structure of these data
data <- read.csv(file = "C:/Users/Ghars/Documents/data/sheet1_partA.csv", sep = ";")

str(data)
```

```
## 'data.frame': 66 obs. of 9 variables:
## $ vpnr : int 1 2 3 4 5 6 7 8 9 10 ...
## $ age : int 23 34 26 21 26 24 27 19 31 27 ...
## $ sex : int 1 2 2 1 1 1 1 2 1 2 ...
## $ school : num 2.1 1.9 2.4 2 2.6 2.8 1.5 3 2.9 2.9 ...
## $ bachelor : num 2 2 3 2.8 1.2 2.7 1.5 2.8 3.1 2.6 ...
## $ abroad : int 1 12 0 8 1 2 11 7 1 0 ...
## $ internships: int 2 4 5 2 4 2 7 4 3 2 ...
## $ interview : num 3.21 3.86 3.61 2.67 3.85 ...
## $ performance: num 3.34 4.17 3.84 3.77 3.74 ...
```

Mostly there are some wrong data in the data set , thus Data preparation firstly maintained before the analysis

The variable “SCHOOL” and “BACHELOR” have missing values , dropping observations is adopted here.

In addition there are some negative valuable of bachelor and school , it doesn't make sense of someone who have -5 of bachelor . Omitting these observation will be better for our analysis

```
#quantify how many missing values first
```

```
data[data<0] = NA # changing negative values to NA as missing values
colSums(is.na(data))
```

```
##      vpnr      age      sex      school      bachelor      abroad
##      0        0        0          3          4          1
## internships  interview performance
##      1          0          0
```

```
data1 <- na.omit(data) #no missing values
summary(data1$bachelor)
```

```
##      Min. 1st Qu.  Median      Mean 3rd Qu.      Max.
## 1.000  2.000  2.500  2.393  2.800  3.700
```

```
summary(data1$school)
```

```
##      Min. 1st Qu.  Median      Mean 3rd Qu.      Max.
## 1.400  2.000  2.500  2.448  2.900  3.800
```

For the gender we will assume male = 1 and female = 2 in the data set.

A2

Descriptive statistics of variables “PERFORMANCE” and “SCHOOL”

Performance

```
round(describeBy(data1$performance),3)
```

```
## Warning in describeBy(data1$performance): no grouping variable requested
```

```
##      vars  n mean   sd median trimmed  mad  min  max range  skew kurtosis   se
## X1      1 61 3.98 0.54   4.03        4 0.64 2.67 4.84   2.17 -0.23   -0.83 0.07
```

From the figure we see performance over all for both genders is between min = 2.674 and max= 4.840 , 25%-quantile = 3.555 , 50%-quantile = 4.029 , 75%-quantile = 4.433 , mean = 3.982, median = 4.029 and Standard deviation = 0.54

According to the gender:

```
describeBy(data1$performance , data1$sex)
```

```
##
## Descriptive statistics by group
## group: 1
##      vars  n mean   sd median trimmed  mad  min  max range  skew kurtosis   se
## X1      1 30 3.92 0.57   3.93    3.95 0.7 2.67 4.82   2.15 -0.35   -0.83 0.1
## -----
## group: 2
##      vars  n mean   sd median trimmed  mad  min  max range  skew kurtosis   se
## X1      1 31 4.04 0.52   4.1    4.04 0.68 3.19 4.84   1.65 -0.02   -1.26 0.09
```

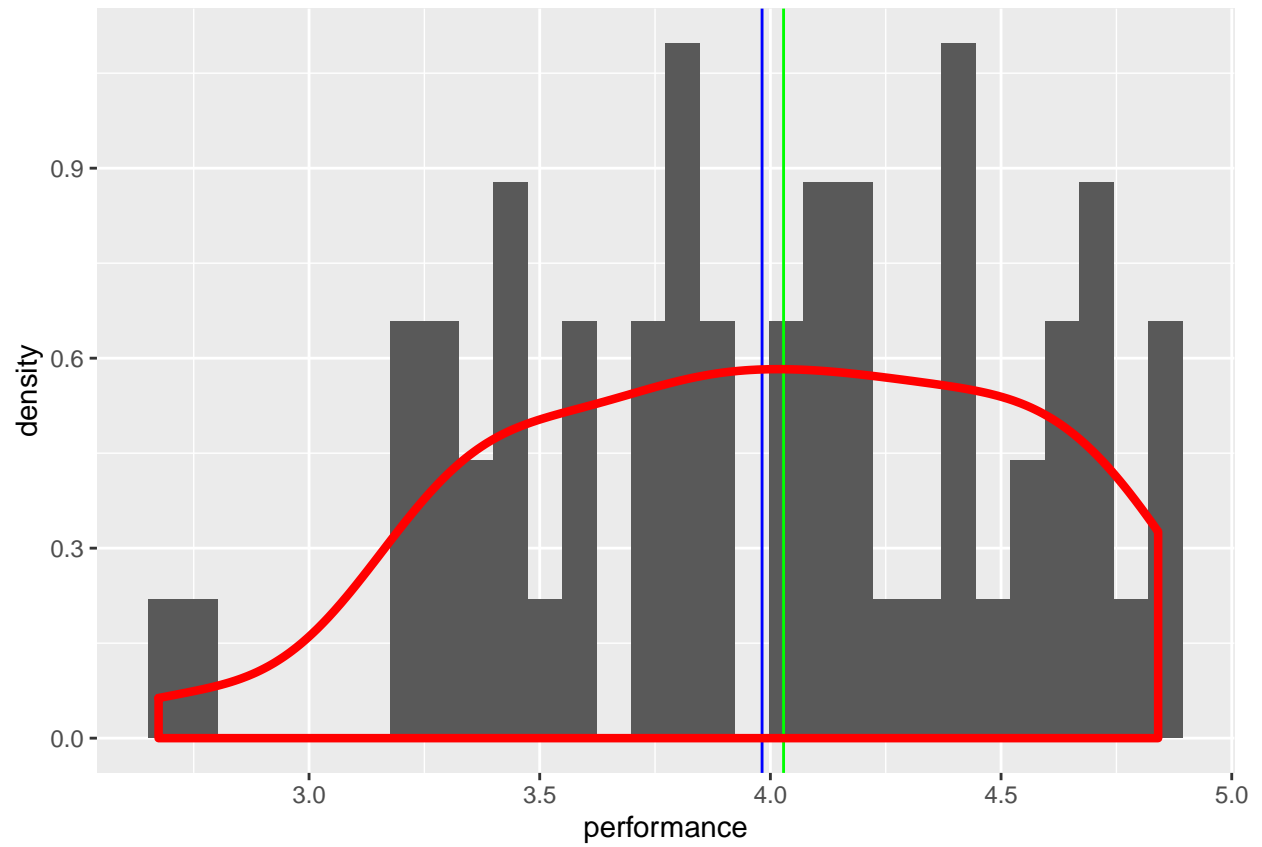
Females scored average performance better (mean= 4.04) than the males (mean =3.92), but the variability of score for males is higher (sd = 0.57 & Performance of [2.67,4.82]) , while females achieved (sd = 0.52 & Performance of [3.19,4.84])

Regarding “Performance” we cannot conclude precisely from standard deviation only and above descriptive statistics that the distribution is normally distributed and shaped like a bell curve .

Graphing the variables will give us more sight on the distribution :

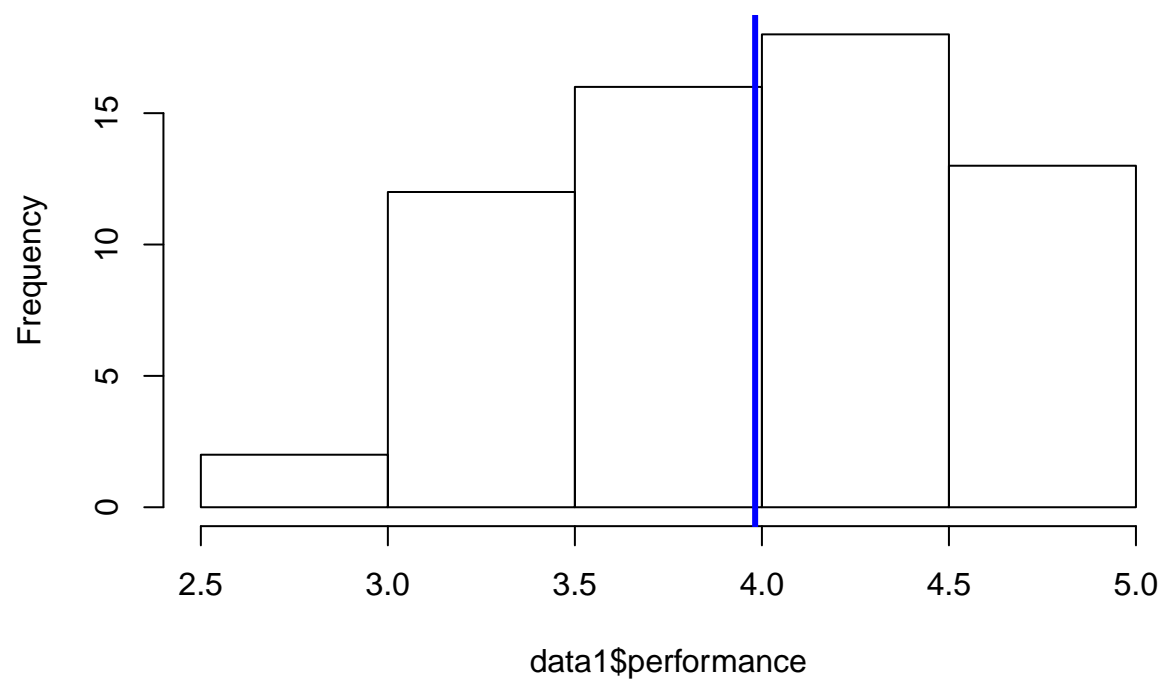
A histogram of Performance :

```
ggplot (data1, aes (x = performance, y = ..density..)) +
geom_histogram(bins = 30) +
geom_vline(xintercept=mean(data1$performance), color="blue") + geom_vline(xintercept=median(data1$performance), color="red")
```

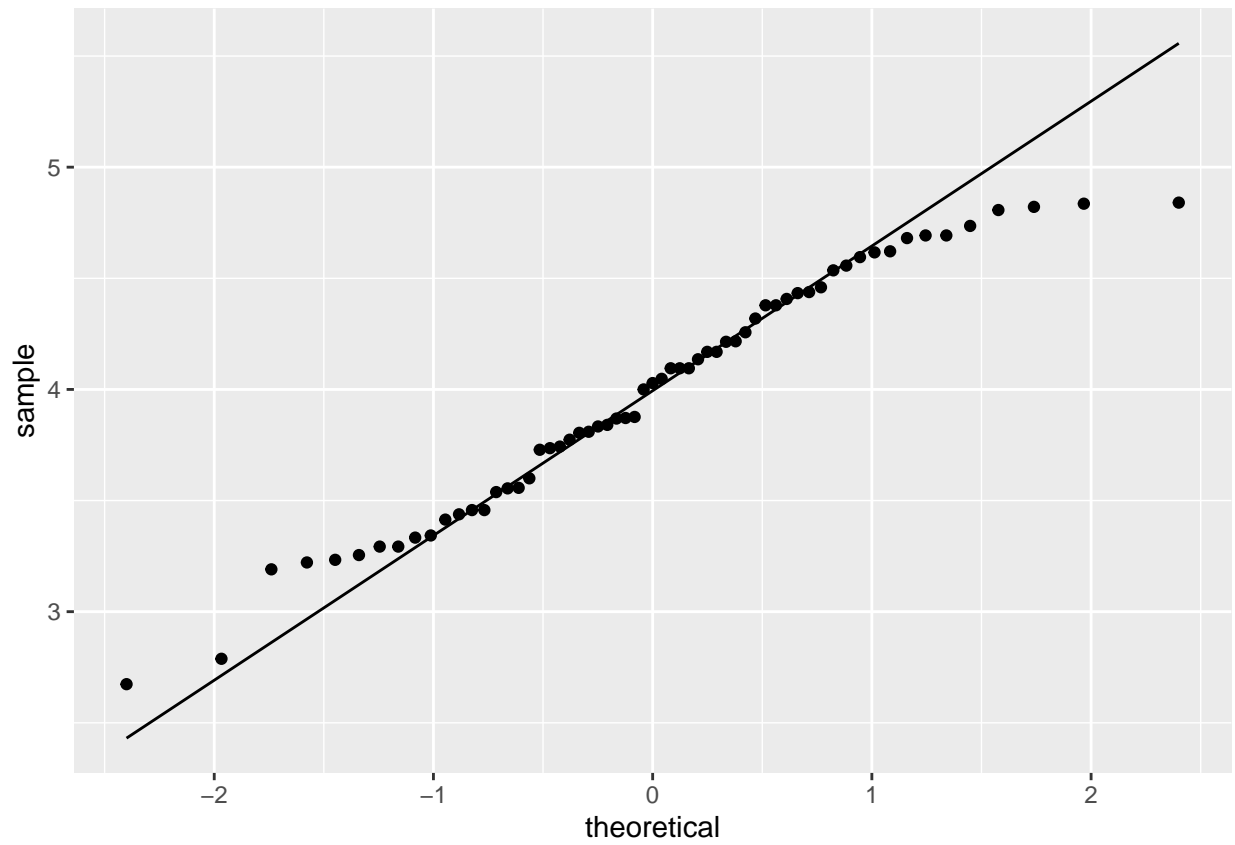


```
hist(data1$performance)
abline(v = mean(data1$performance), col = "blue", lwd = 3)
```

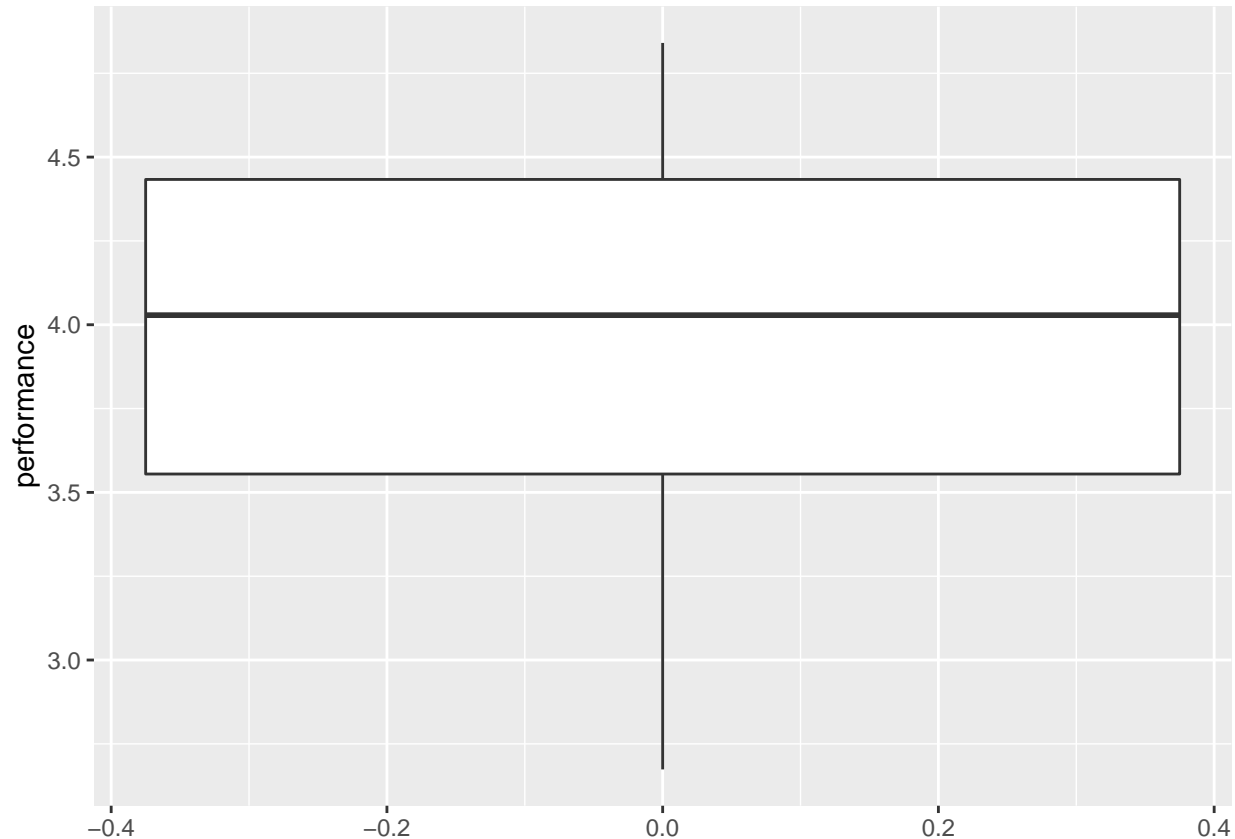
Histogram of data1\$performance



```
ggplot(data1 , aes(sample = performance)) + stat_qq() + stat_qq_line()
```



```
ggplot(data1 , aes(y=performance)) + geom_boxplot()
```



Here median = 4.029 ~ mean = 3.982 (median slightly larger than the mean) this implies a little left skewness . This also confirmed by the histogram . Also the box plot shows slight left skewness.

To confirm our conclusion we will see skew value using describeBy from psych library.

As concluded skew is negative = -0.23 refers to skewness towards the left due to existence of some outliers at the left tail

Regarding kurtosis=-0.83 ,it appears the data are more located around the mean or there is a mass density under the mean and median as there are fewer outliers in the left tail of distribution.

A negative kurtosis refers also to a flatter curve than a perfect normal distribution as shown from the density function at the histogram , because kurtosis is a measurement of tailness in the curve and we cannot infer only from its value that the curve has flatter distribution .

Moreover from the QQ-plot its seen that the distribution has light tails.

An appropriate normal distribution has the 3 sigma rule (68% , 95% and 99.7% lies within 3 standard deviations). By looking at the histogram and distribution this rule doesn't apply.

Applying the rule in R :

```
3.98 + 1*0.54
```

```
## [1] 4.52
```

The quantile after 1 sd = 4.52 hence the max value 4.84 , this means the assumptions failed and the performance is flat in the middle with light tails

An appropriate measure is the T statistics with respect to standard error (sd/n) and df , since we don't know the population standard deviation of all candidates also.

School

```
round(describeBy(data1$school),3)
```

```
## Warning in describeBy(data1$school): no grouping variable requested
```

```
##      vars  n mean   sd median trimmed  mad min max range  skew kurtosis   se
## X1      1 61 2.45 0.53    2.5    2.46 0.59 1.4 3.8    2.4 -0.08    -0.64 0.07
```

From the figure we see School grade lies between min = 1.4 and max= 3.8 , 25%-quantile = 2 , 50%-quantile = 2.5 , 75%-quantile = 2.9 , mean = 2.45 and median = 2.5 and Standard deviation = 0.53.

According to the gender:

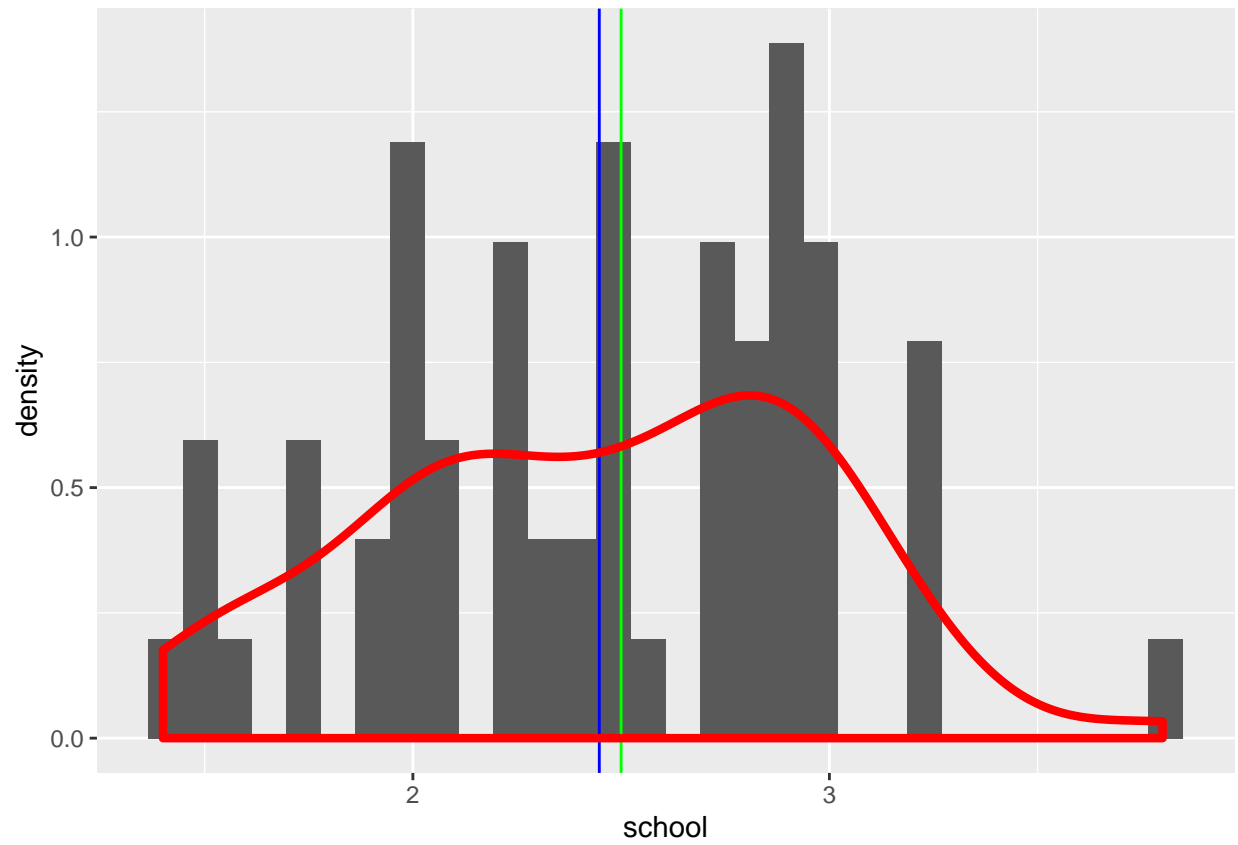
```
describeBy(data1$school , data1$sex)
```

```
##
## Descriptive statistics by group
## group: 1
##      vars  n mean   sd median trimmed  mad min max range  skew kurtosis   se
## X1      1 30 2.32 0.59    2.25    2.31 0.74 1.4 3.8    2.4 0.26    -0.6 0.11
## -----
## group: 2
##      vars  n mean   sd median trimmed  mad min max range  skew kurtosis   se
## X1      1 31 2.57 0.43    2.7    2.58 0.44 1.7 3.2    1.5 -0.21    -1.19 0.08
```

Similarly to Performance females also school grade slightly better (mean= 2.57) than the male (mean =2.32), but the variability of score for males is higher (sd = 0.59 & grade of [1.4,3.8]) , while females achieved (sd = 0.43 & grade of [1.7,3.2])

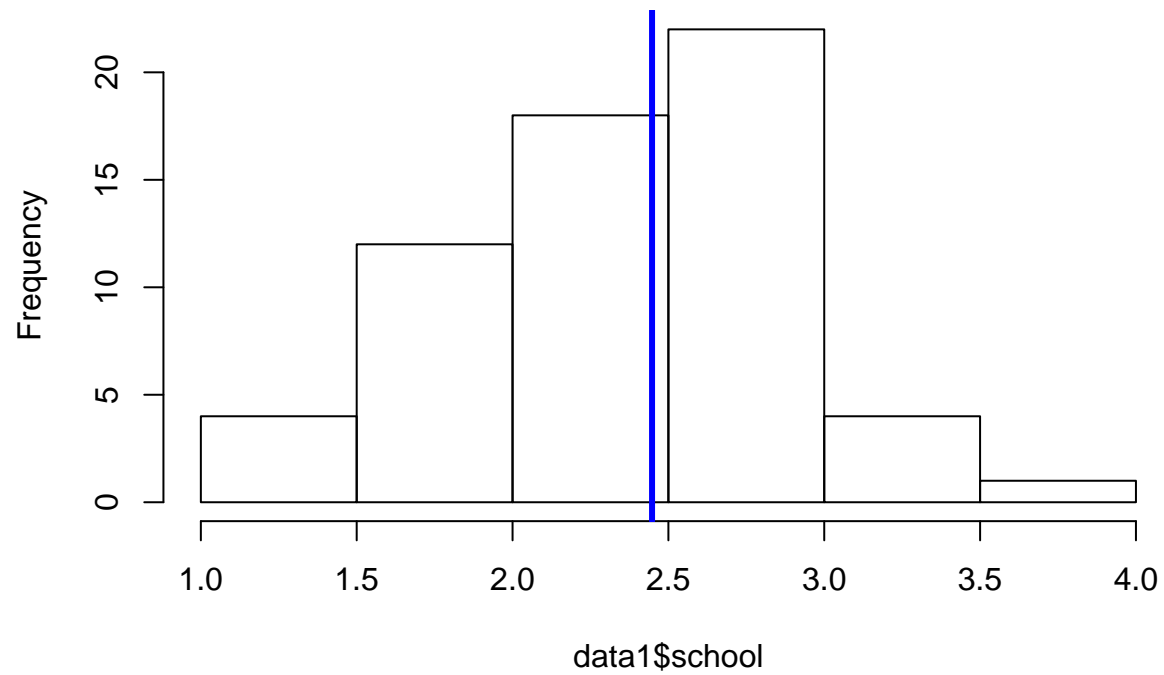
A histogram of School variable :

```
ggplot (data1, aes (x = school, y = ..density..)) +
geom_histogram(bins = 30) +
geom_vline(xintercept=mean(data1$school), color="blue") +
geom_vline(xintercept=median(data1$school), color="green")+
geom_density(size = 1.5, color = "red")
```

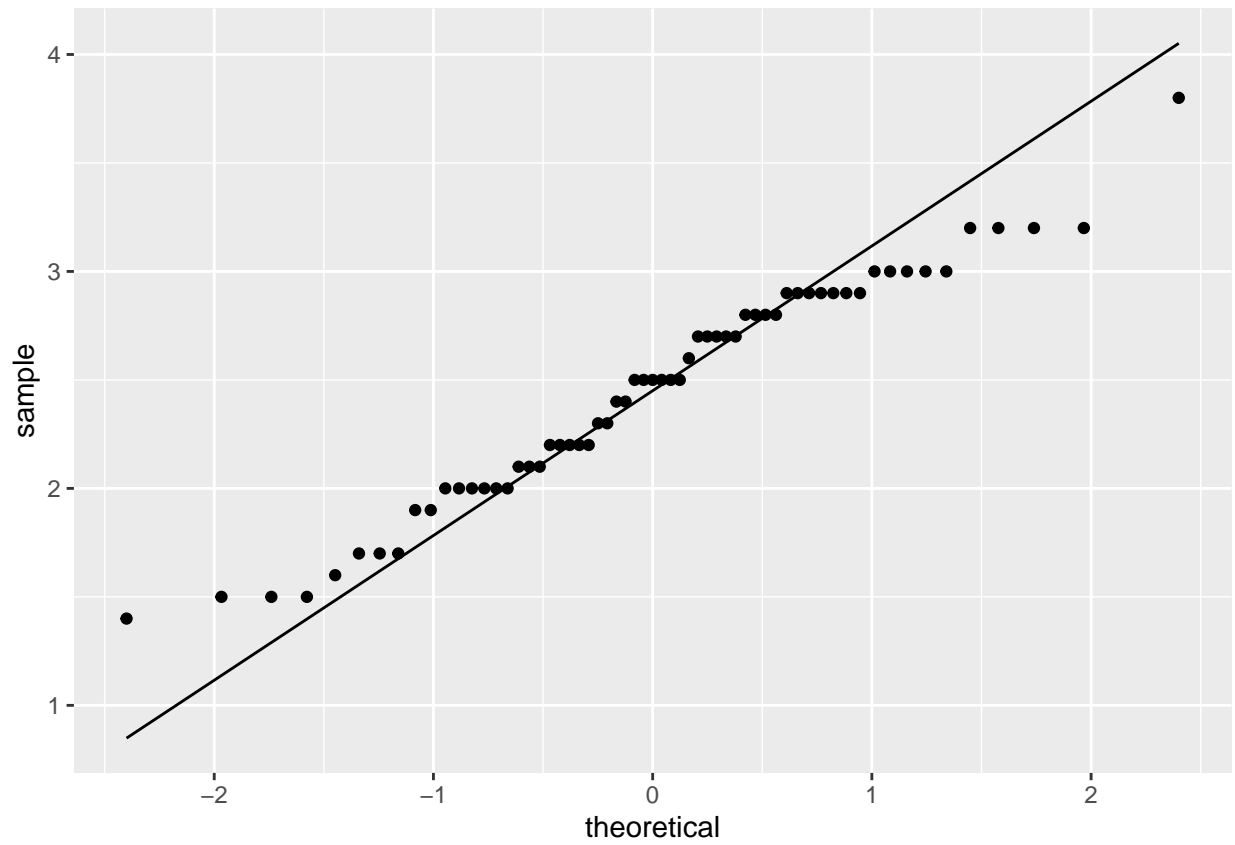



```
hist(data1$school)
abline(v = mean(data1$school), col = "blue", lwd = 3)
```

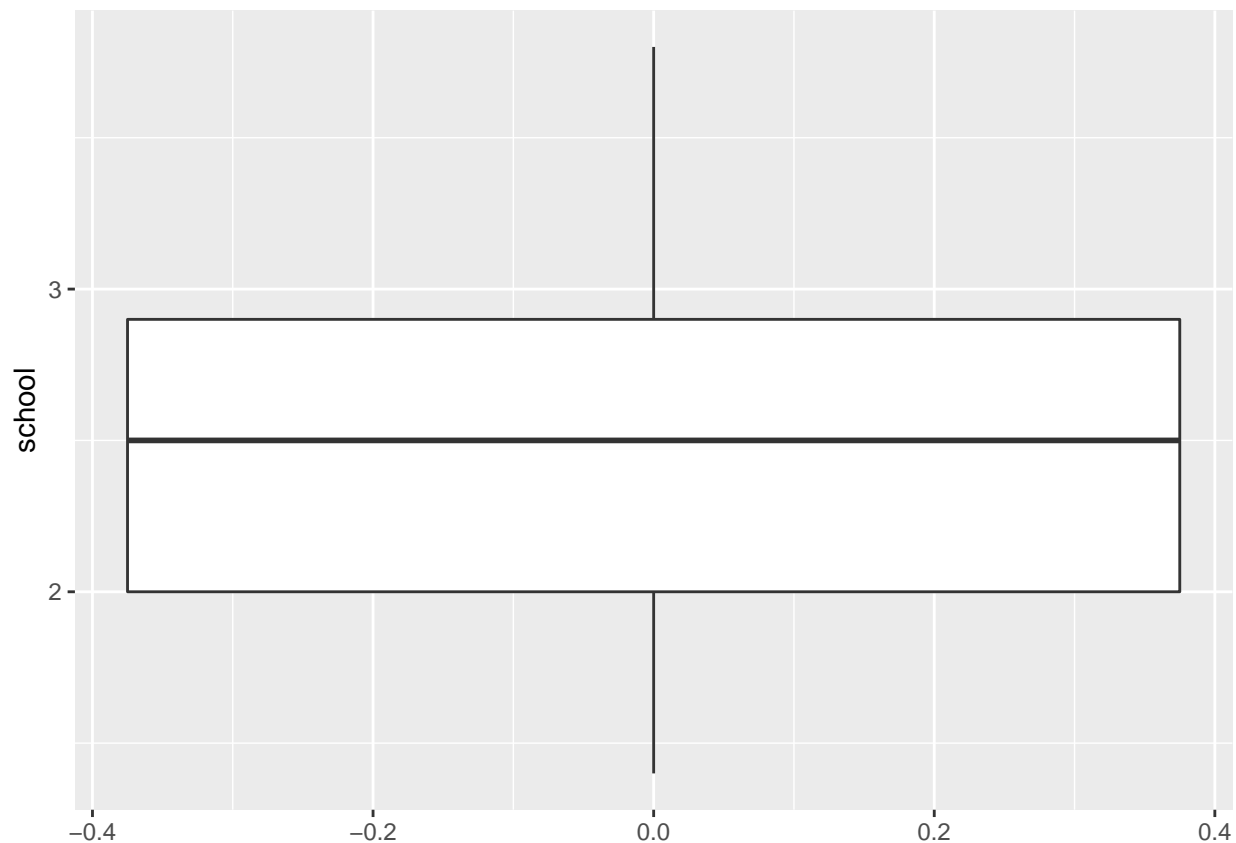
Histogram of data1\$school



```
ggplot(data1 , aes(sample = school)) + stat_qq() + stat_qq_line()
```



```
ggplot(data1 , aes(y=school)) + geom_boxplot()
```



It appears School variable data is almost similar to performance distribution with light tails too. However, it's a little more symmetric around the mean with a bimodal distribution and is a little more distributed than the performance variable. The skewness is less than -0.08 and also kurtosis comparing with performance.

A3

IV = Bachelor grade, DV = Performance

Using Pearson Correlation test:

Correlation value between two variables lies $[-1 \text{ \& } 1]$,

H_0 : there is no association between bachelor grade and performance ($R = \text{zero}$)

H_A : there is an association between bachelor grade and performance ($R \neq \text{zero}$) Significance level or probability of type 1 error = 5 %

For this case we will use T statistics with $df = n - 2 = 59$ we will reject the null hypothesis if the P-value of the T statistics resulted a p-value less than 0.05 using a double side test assuming H_0 is true.

```
cor(data1$bachelor, data1$performance)
```

```
## [1] 0.1583035
```

```
cor.test(data1$bachelor, data1$performance, method="pearson")
```

```
##
```

```
## Pearson's product-moment correlation
##
## data: data1$bachelor and data1$performance
## t = 1.2315, df = 59, p-value = 0.223
## alternative hypothesis: true correlation is not equal to 0
## 95 percent confidence interval:
## -0.09739997 0.39440180
## sample estimates:
##      cor
## 0.1583035
```

p-value = 0.223 , H0 failed to be rejected and there is no correlation between bachelor grade and performance.

Using Regression and β_1 coefficient :

H0 : there is no association between bachelor grade and performance ($\beta_1 = \text{zero}$)

HA : there is an association between bachelor grade and performance ($(\beta_1 \text{ not equal to zero})$)

```
est <- lm(performance ~ bachelor , data = data1)
summary (est)
```

```
##
## Call:
## lm(formula = performance ~ bachelor, data = data1)
##
## Residuals:
##      Min       1Q   Median       3Q      Max
## -1.18487 -0.45180  0.02964  0.51150  0.92136
##
## Coefficients:
##              Estimate Std. Error t value Pr(>|t|)
## (Intercept)   3.6518     0.2769  13.187  <2e-16 ***
## bachelor      0.1379     0.1120   1.231   0.223
## ---
## Signif. codes:  0 '***' 0.001 '**' 0.01 '*' 0.05 '.' 0.1 ' ' 1
##
## Residual standard error: 0.5418 on 59 degrees of freedom
## Multiple R-squared:  0.02506,    Adjusted R-squared:  0.008536
## F-statistic: 1.517 on 1 and 59 DF,  p-value: 0.223
```

$\beta_1 = 0.1379$ & p-value = 0.223 , H0 failed to be rejected and there is no correlation between bachelor grade and performance at p-value = 0.223

Different IV : Performance ~ Age

IV = age, DV = Performance

Similarly as before , Using Pearson Correlation: test :

H0 : there is no association between candidate age and performance ($R = \text{zero}$)

HA : there is an association between candidate age and performance ($(R \text{ not equal to zero})$)

```
cor(data1$age, data1$performance)
```

```
## [1] 0.07954215
```

```
cor.test(data1$age, data1$performance, method="pearson")
```

```
##
## Pearson's product-moment correlation
##
## data: data1$age and data1$performance
## t = 0.61292, df = 59, p-value = 0.5423
## alternative hypothesis: true correlation is not equal to 0
## 95 percent confidence interval:
## -0.1757999 0.3248559
## sample estimates:
## cor
## 0.07954215
```

p-value = 0.5423 , H_0 failed to be rejected and there is no correlation between candidate age and performance.

Using Regression and β_1 coefficient :

H_0 : there is no association between candidate age and performance ($\beta_1 = \text{zero}$)

H_A : there is an association between candidate age and performance ($(\beta_1 \text{ not equal to zero})$)

```
est0 <- lm(performance~age , data = data1)
summary (est0)
```

```
##
## Call:
## lm(formula = performance ~ age, data = data1)
##
## Residuals:
##      Min       1Q   Median       3Q      Max
## -1.36613 -0.42125  0.03845  0.44413  0.92107
##
## Coefficients:
##              Estimate Std. Error t value Pr(>|t|)
## (Intercept)  3.59373    0.63722   5.640 5.08e-07 ***
## age          0.01539    0.02510   0.613   0.542
## ---
## Signif. codes:  0 '***' 0.001 '**' 0.01 '*' 0.05 '.' 0.1 ' ' 1
##
## Residual standard error: 0.547 on 59 degrees of freedom
## Multiple R-squared:  0.006327, Adjusted R-squared: -0.01051
## F-statistic: 0.3757 on 1 and 59 DF, p-value: 0.5423
```

$\beta_1 = 0.01539$ & p-value = 0.542

H_0 failed to be rejected and there is no correlation between candidate age and performance.

A4

Correlation table :

```
cor_table <- cor(data1)
round(cor_table , 2)
```

```
##          vprn  age  sex school bachelor abroad internships interview
## vprn      1.00 -0.25 0.11 -0.01  -0.01  0.06    -0.02    -0.09
## age      -0.25  1.00 0.15  0.02  -0.06 -0.03     0.23     0.05
## sex       0.11  0.15 1.00  0.24   0.28  0.04     0.24    -0.02
## school   -0.01  0.02 0.24  1.00   0.54 -0.38    -0.23    -0.25
## bachelor -0.01 -0.06 0.28  0.54   1.00 -0.22    -0.07     0.03
## abroad    0.06 -0.03 0.04 -0.38  -0.22  1.00     0.26     0.33
## internships -0.02 0.23 0.24 -0.23  -0.07  0.26     1.00     0.46
## interview -0.09 0.05 -0.02 -0.25   0.03  0.33     0.46     1.00
## performance -0.01 0.08 0.11 -0.18   0.16  0.29     0.33     0.48
##          performance
## vprn          -0.01
## age           0.08
## sex           0.11
## school        -0.18
## bachelor       0.16
## abroad         0.29
## internships    0.33
## interview      0.48
## performance    1.00
```

From the table , $r = [-1,1]$ when R is close to 1 this means high positive correlation , while R is close to -1 perfect negative correlation between variables.

Collinearity may affect efficiency of effect size f^2 and not necessarily leads to bias estimation. Since Bachelor & School = 0.54, internships & interview = 0.46 are the highest among other positive and negative correlations. These correlations are not too high or close to one . Thus its not a big problem for the next multiple regression models

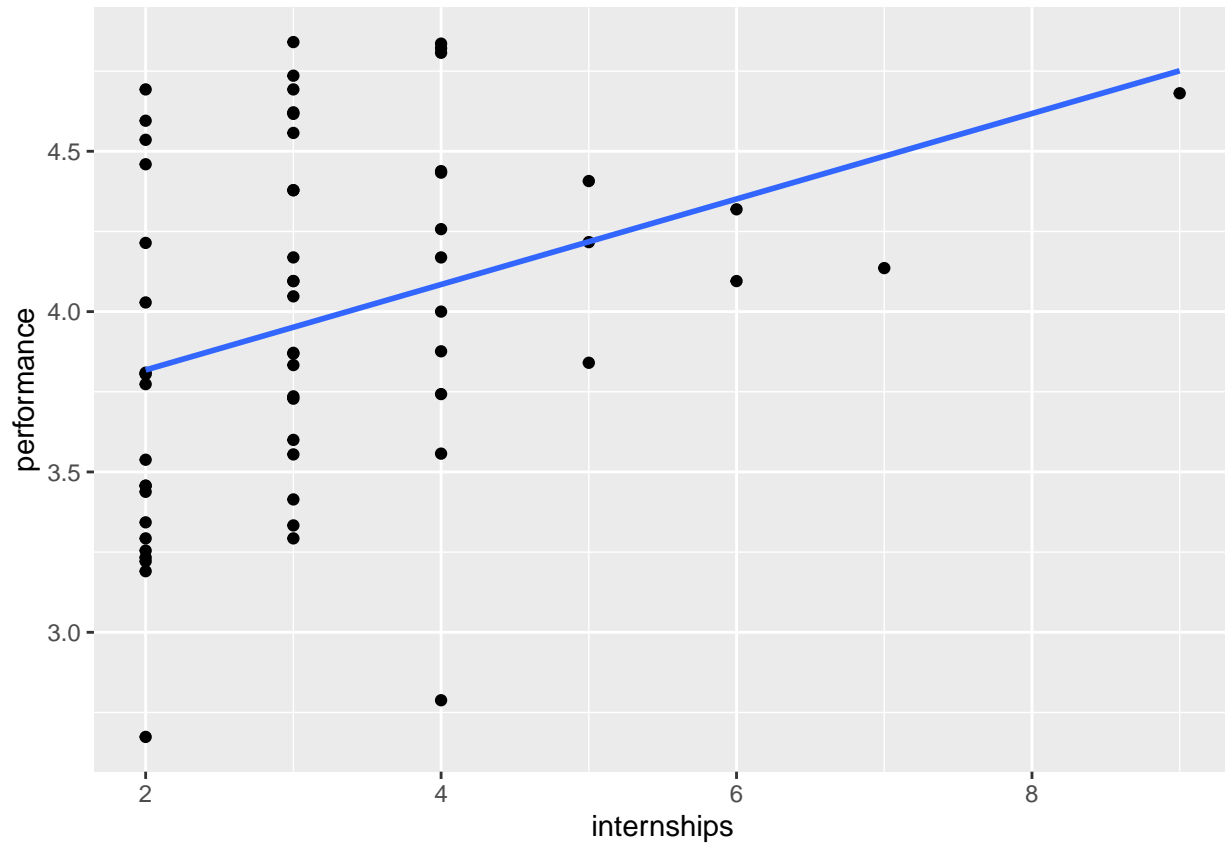
Hypothesis test using regression :

```
est1 <- lm(performance ~ internships , data = data1)
summary (est1)
```

```
##
## Call:
## lm(formula = performance ~ internships, data = data1)
##
## Residuals:
##      Min       1Q   Median       3Q      Max
## -1.29652 -0.36092 -0.04426  0.39622  0.88914
##
## Coefficients:
##              Estimate Std. Error t value Pr(>|t|)
## (Intercept)   3.55152    0.17204  20.643 < 2e-16 ***
## internships    0.13327    0.04916   2.711  0.00878 **
## ---
```

```
## Signif. codes:  0 '***' 0.001 '**' 0.01 '*' 0.05 '.' 0.1 ' ' 1
##
## Residual standard error: 0.5175 on 59 degrees of freedom
## Multiple R-squared:  0.1108, Adjusted R-squared:  0.09569
## F-statistic: 7.349 on 1 and 59 DF,  p-value: 0.008775
```

```
ggplot(data1,aes(internships,performance)) + geom_point()+ geom_smooth(method='lm' , se = FALSE)
```



Since $p\text{-value} = 0.00878$, we reject the null hypothesis stating that there is no association between performance and number of previous internships. At this value we have a strong evidence against the null hypothesis and its accepted that there is association between performance and number of internships made by a candidate

However , $R\text{-squared}$ or correlation coefficient = 0.1108 indicates that the model is not a good fit and only 10% of performance variability described by this model and there are more variables need to be considered.

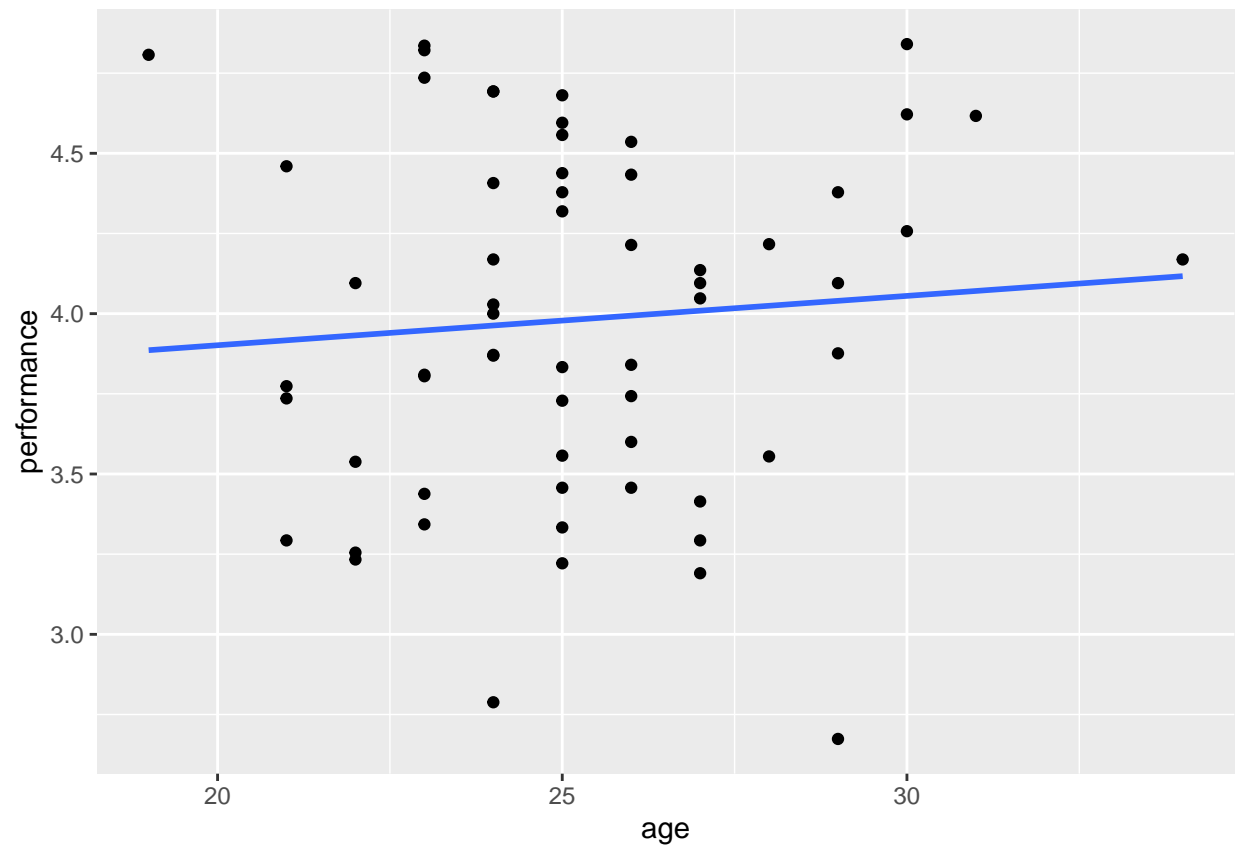
Step 3: “Regression Analysis”

In all models, PERFORMANCE is the dependent variable.

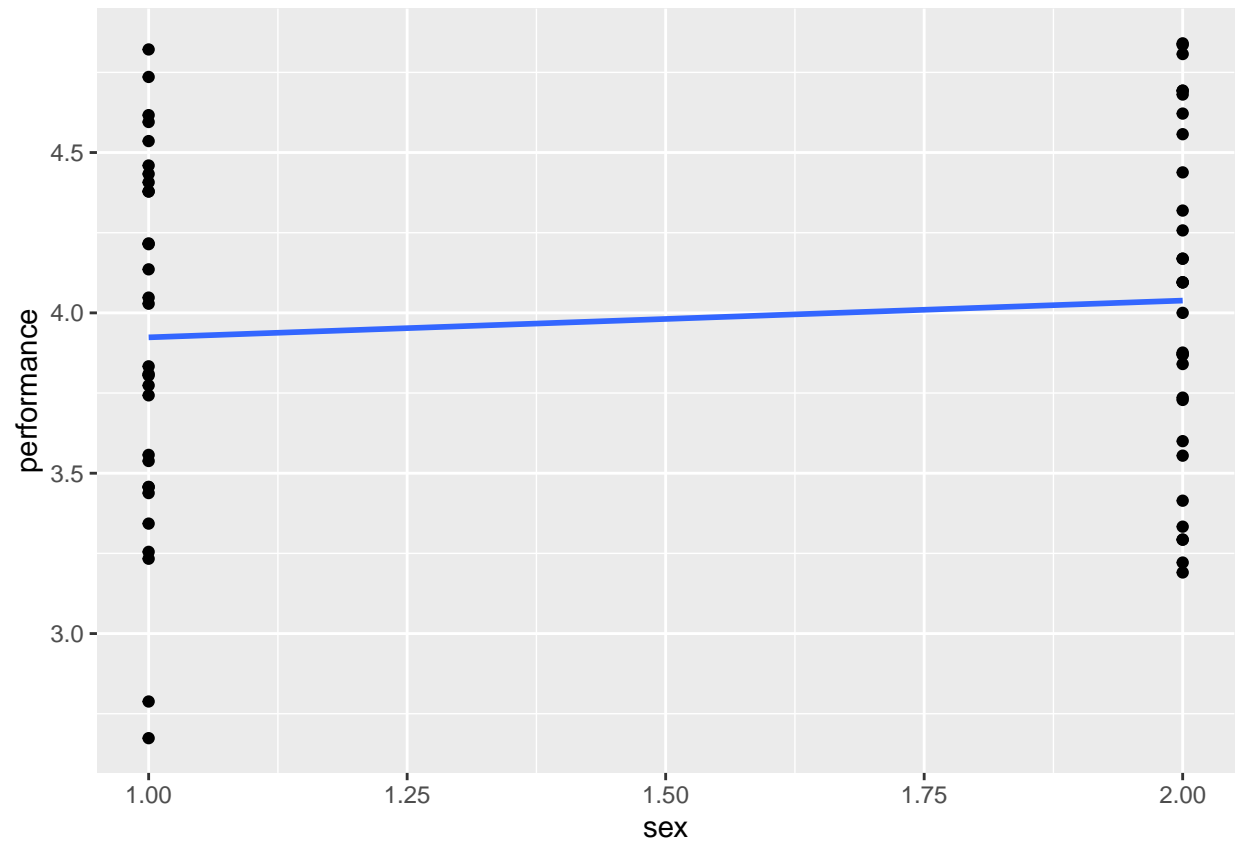
Since $R\text{-squared}$ is a biased estimator for multiple regression analysis and increases when variable is added , the adjusted- R squared is the reference for a good model.

Assumptions : ## 1) Independent variables linearity with Performance : Overall linearity exists between explanatory variables and Performance.

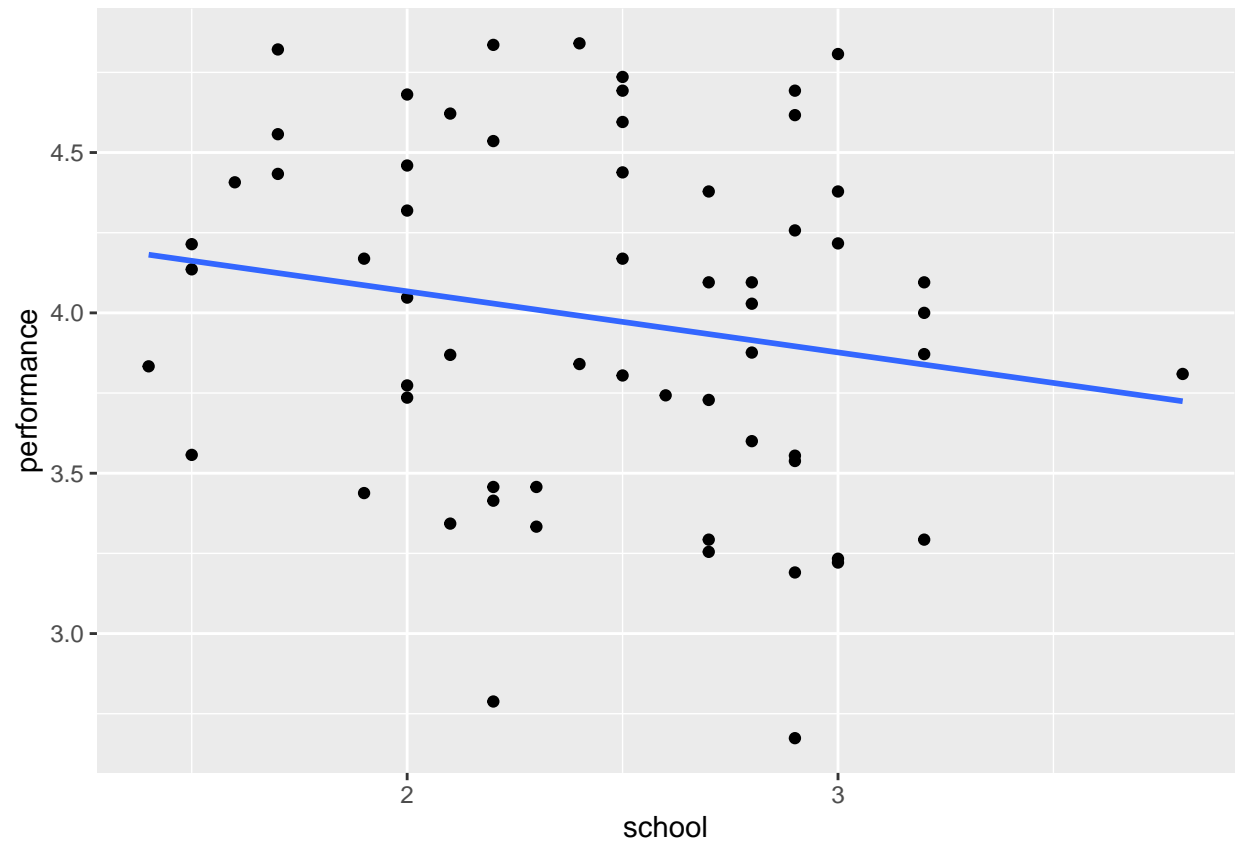

```
ggplot(data1 , aes(age,performance)) + geom_point() + geom_smooth(method = "lm" , se = FALSE) #Performance
```



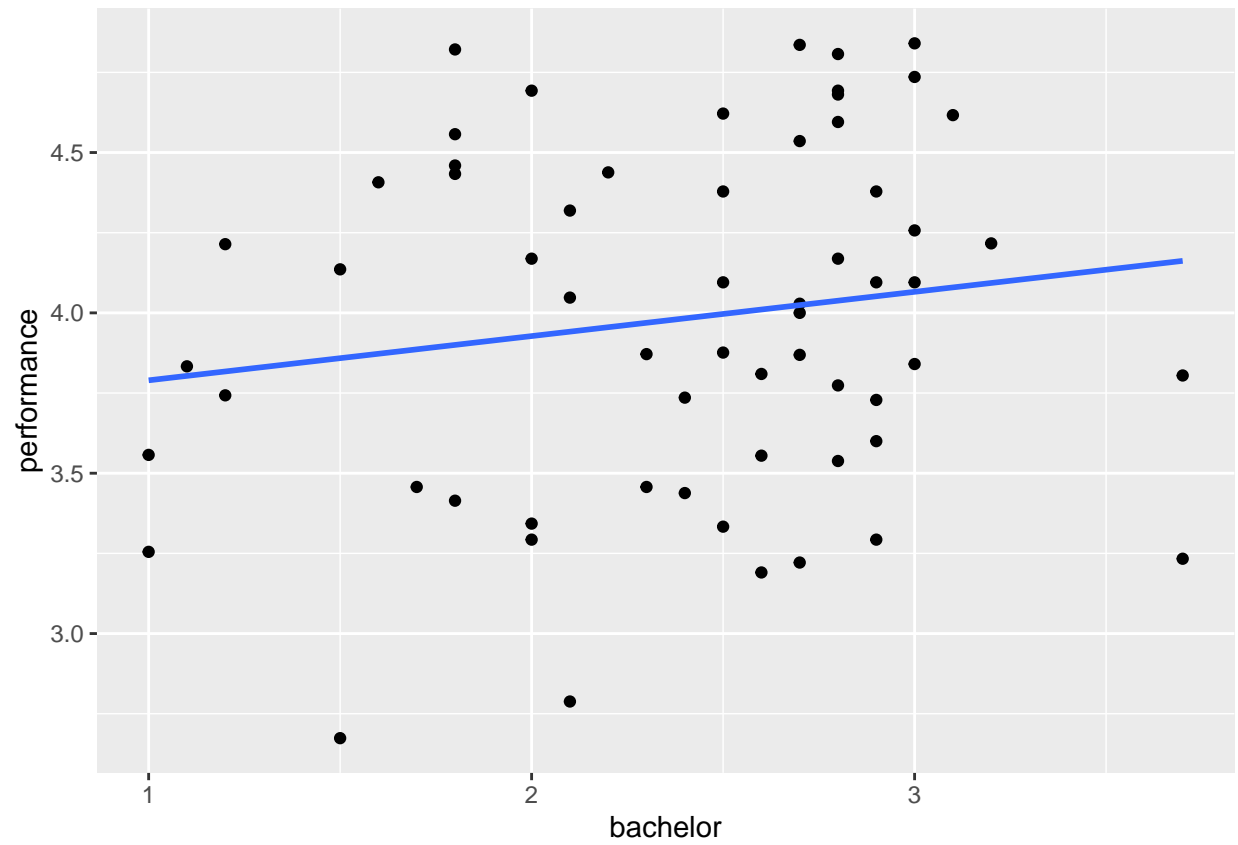
```
ggplot(data1 , aes(sex,performance)) + geom_point() + geom_smooth(method = "lm" , se = FALSE) #Performance
```



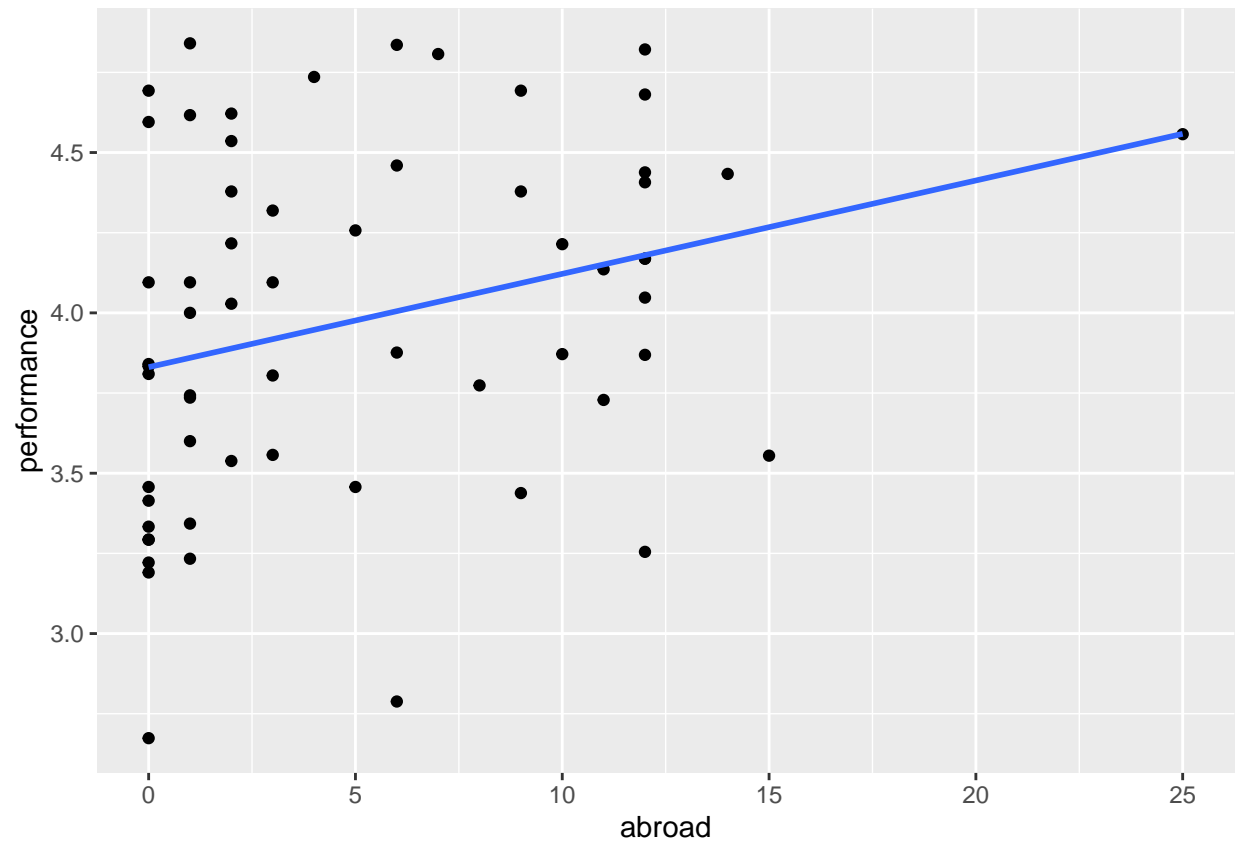
```
ggplot(data1 , aes(school,performance)) + geom_point() + geom_smooth(method = "lm" , se = FALSE) #Perfo
```



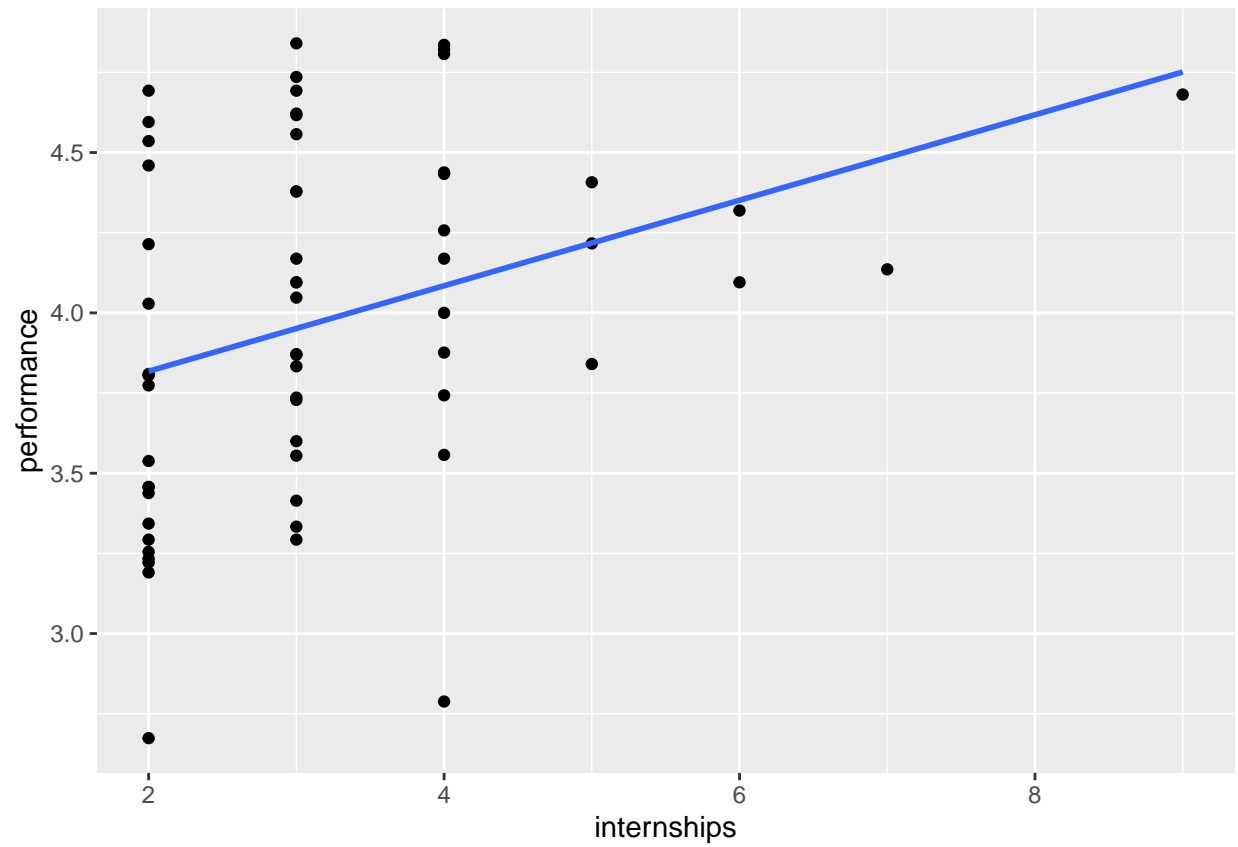
```
ggplot(data1 , aes(bachelor,performance)) + geom_point() + geom_smooth(method = "lm" , se = FALSE) #Per
```



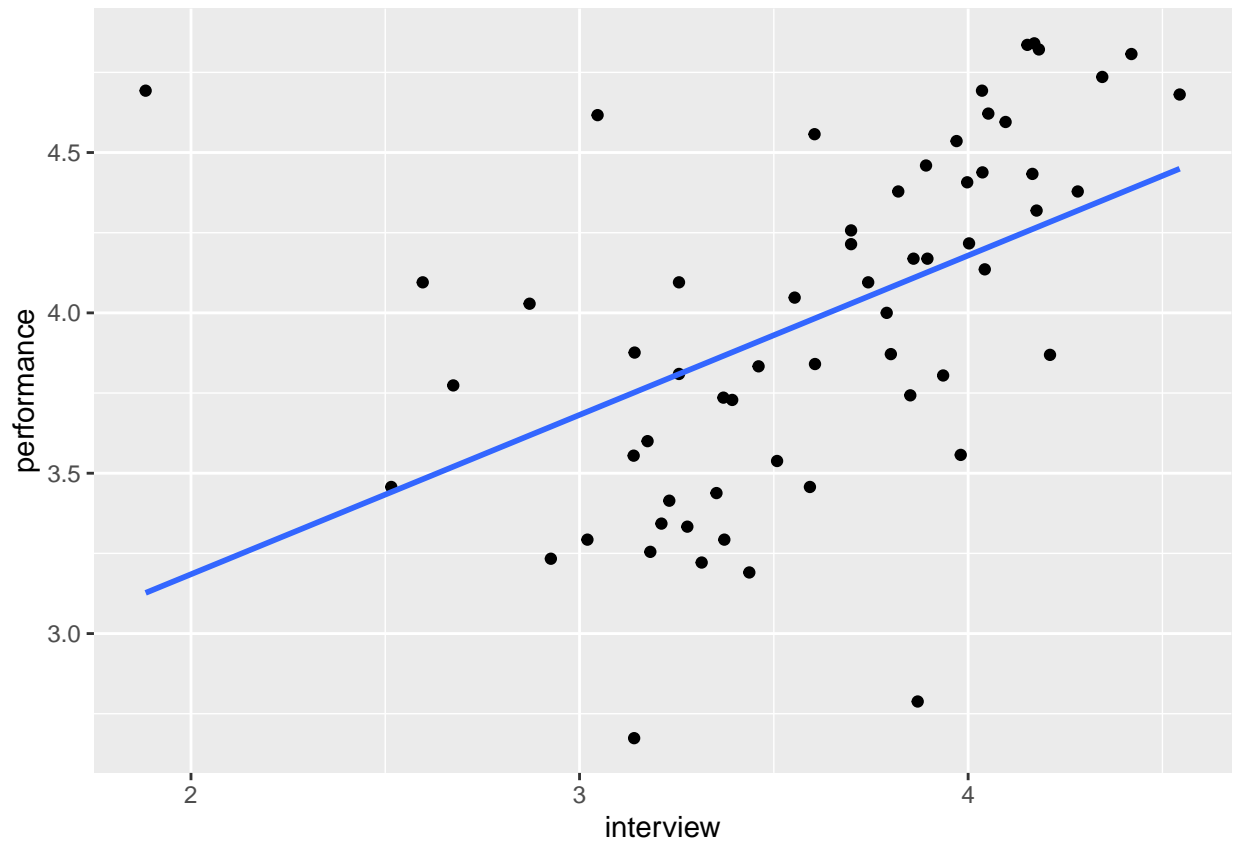
```
ggplot(data1 , aes(abroad,performance)) + geom_point() + geom_smooth(method = "lm" , se = FALSE) #Perfo
```



```
ggplot(data1 , aes(internships,performance)) + geom_point() + geom_smooth(method = "lm" , se = FALSE) #
```



```
ggplot(data1 , aes(interview,performance)) + geom_point() + geom_smooth(method = "lm" , se = FALSE) #Pe
```



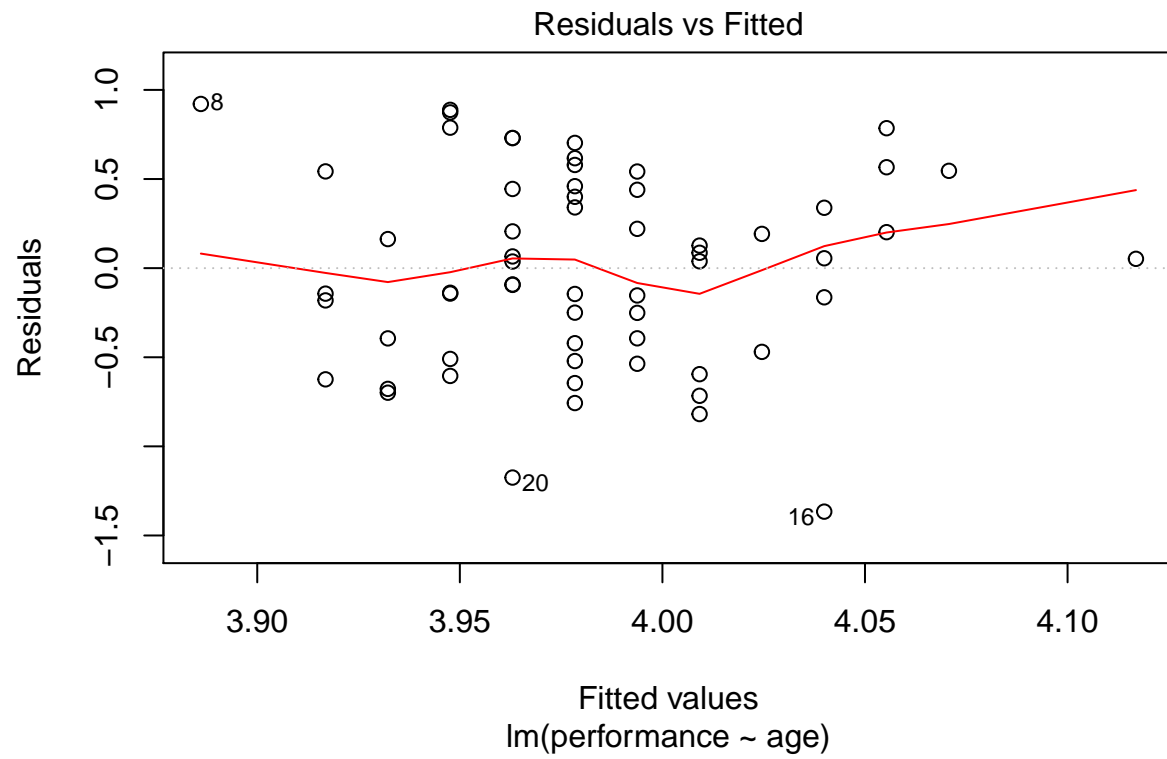
2)

Checking exogeneity assumption : this assumption is accepted here also , however there is a spurious correlation among internships , interviews and abroad as all of them are correlated the most with performance , but the correlation is not significant and thus its not admissble to omit any of them

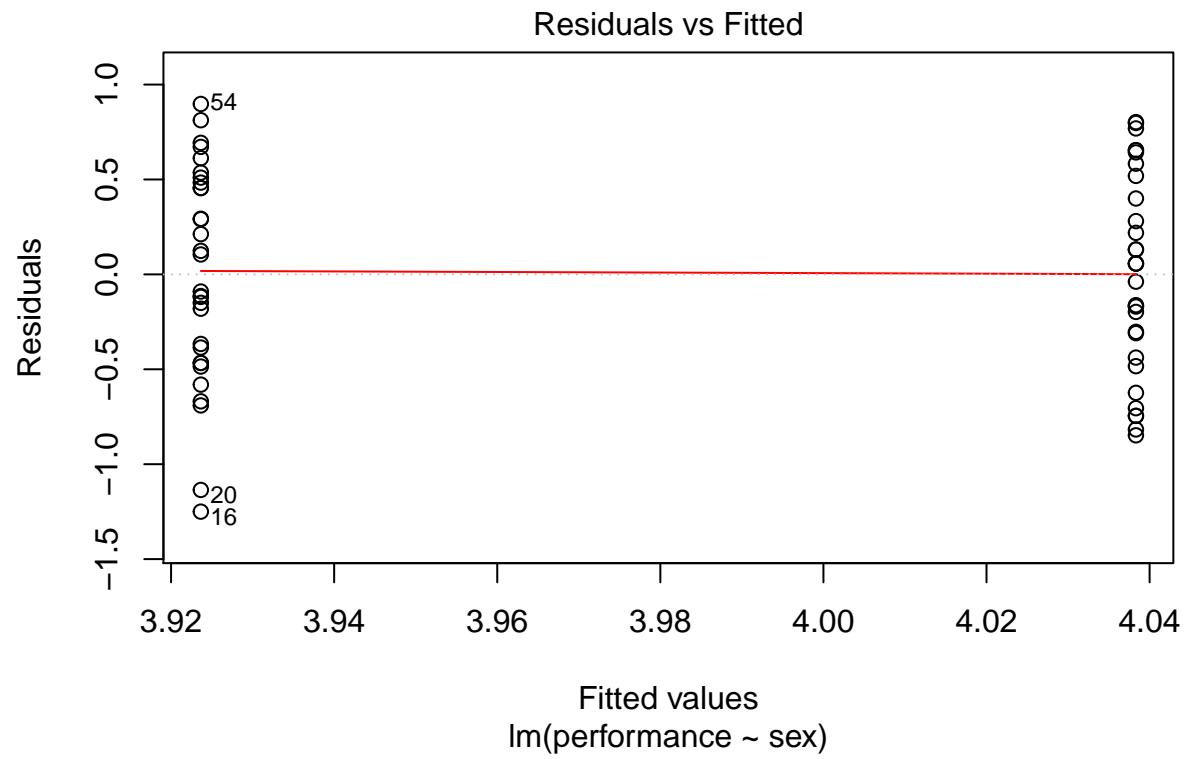
3)

homoscedasticity assumption can be seen from residual plots

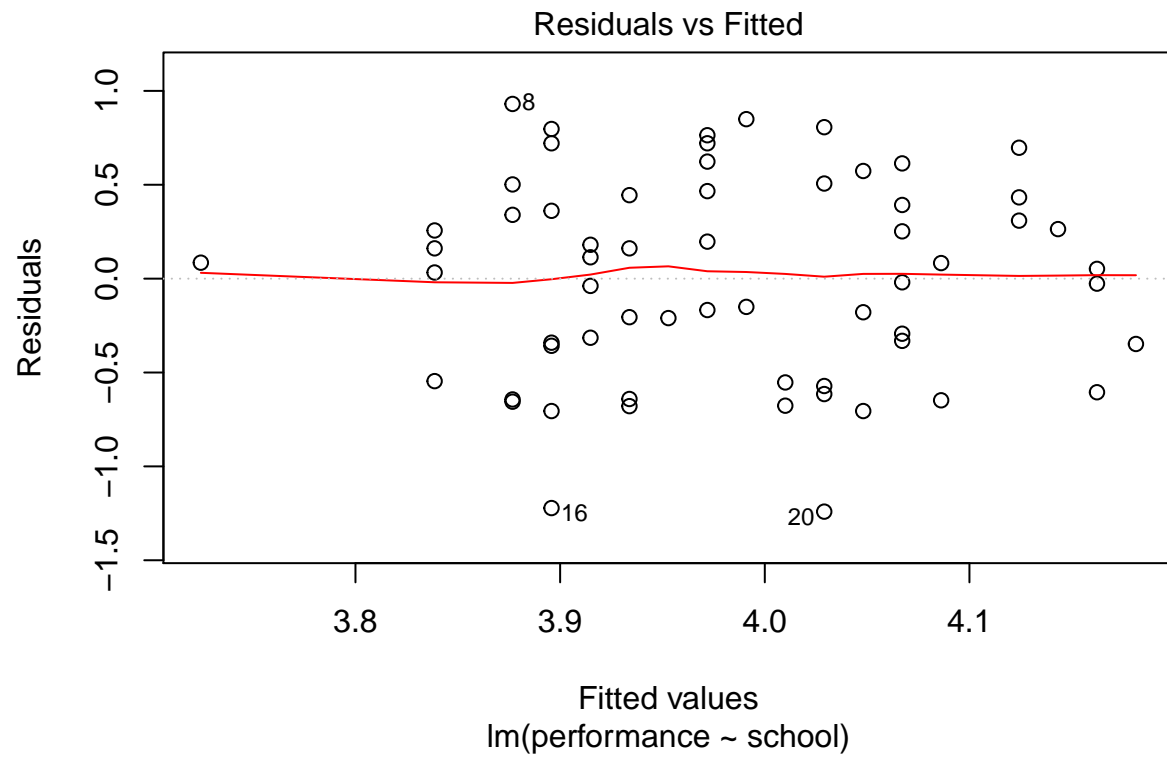
```
plot(lm(performance~age , data = data1) , which = 1) #performance~age
```



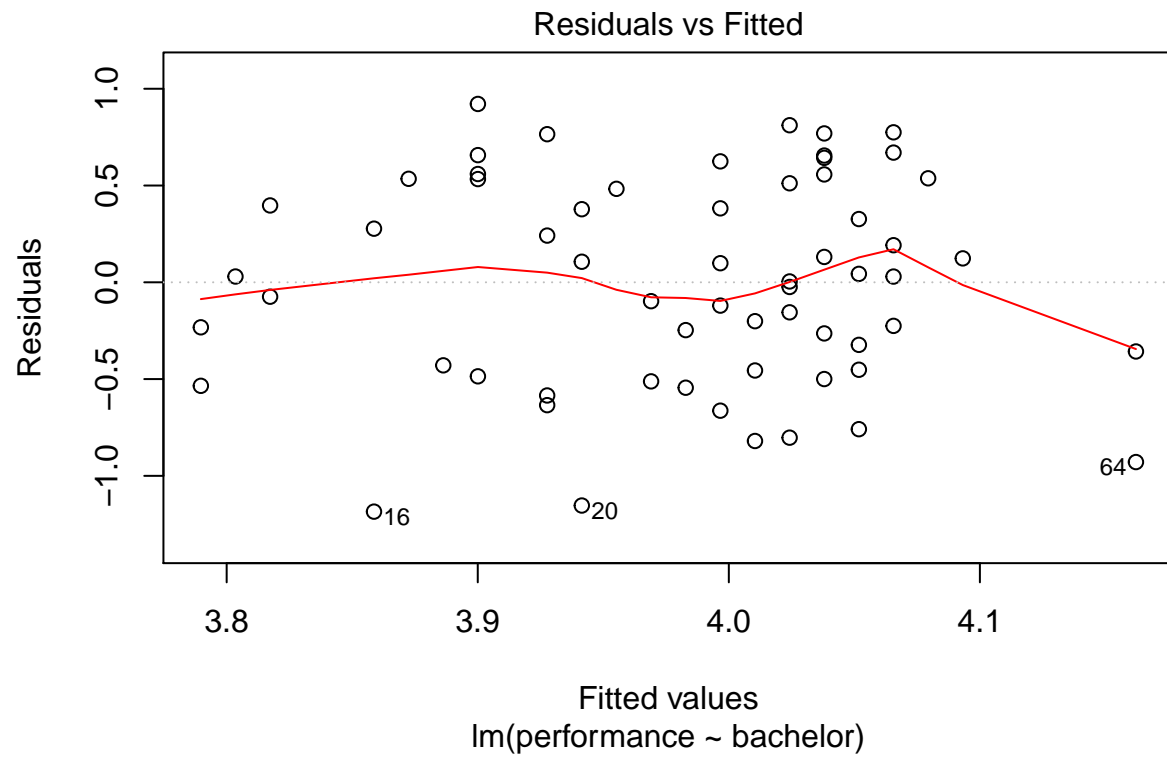
```
plot(lm(performance~sex , data = data1) , which = 1) #performance~sex
```

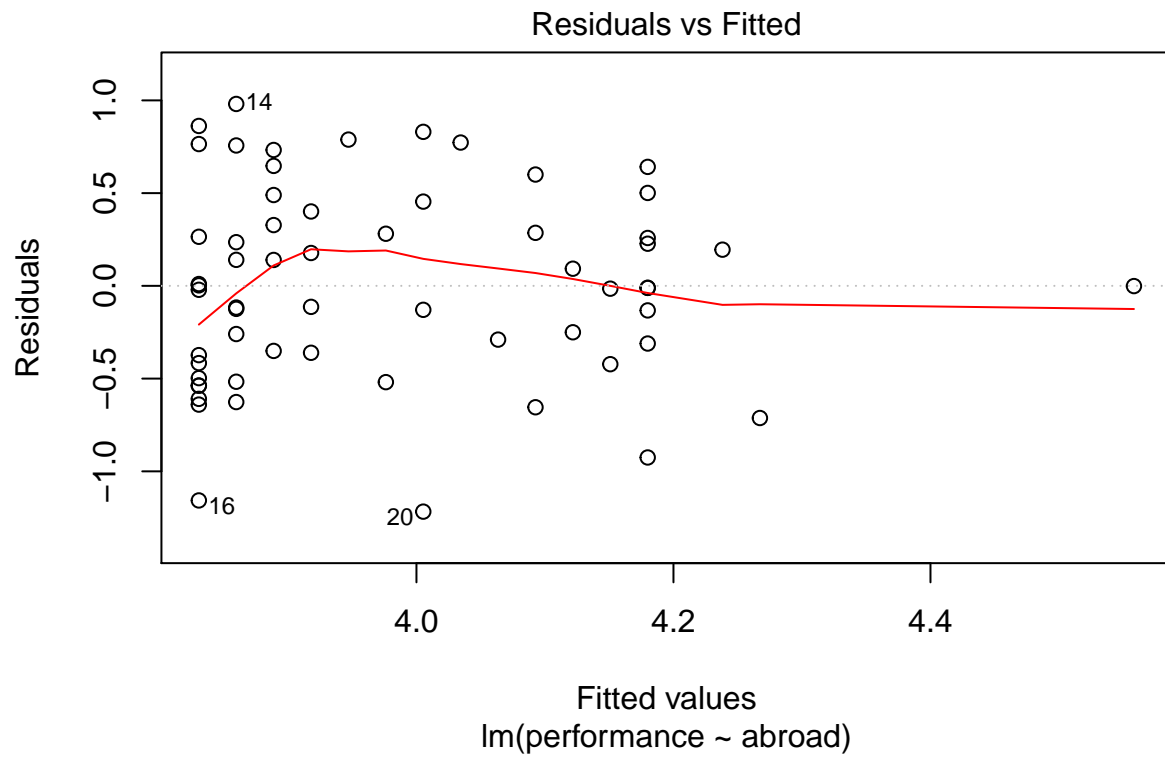
```
plot(lm(performance~school , data = data1) , which = 1) #performance~school
```



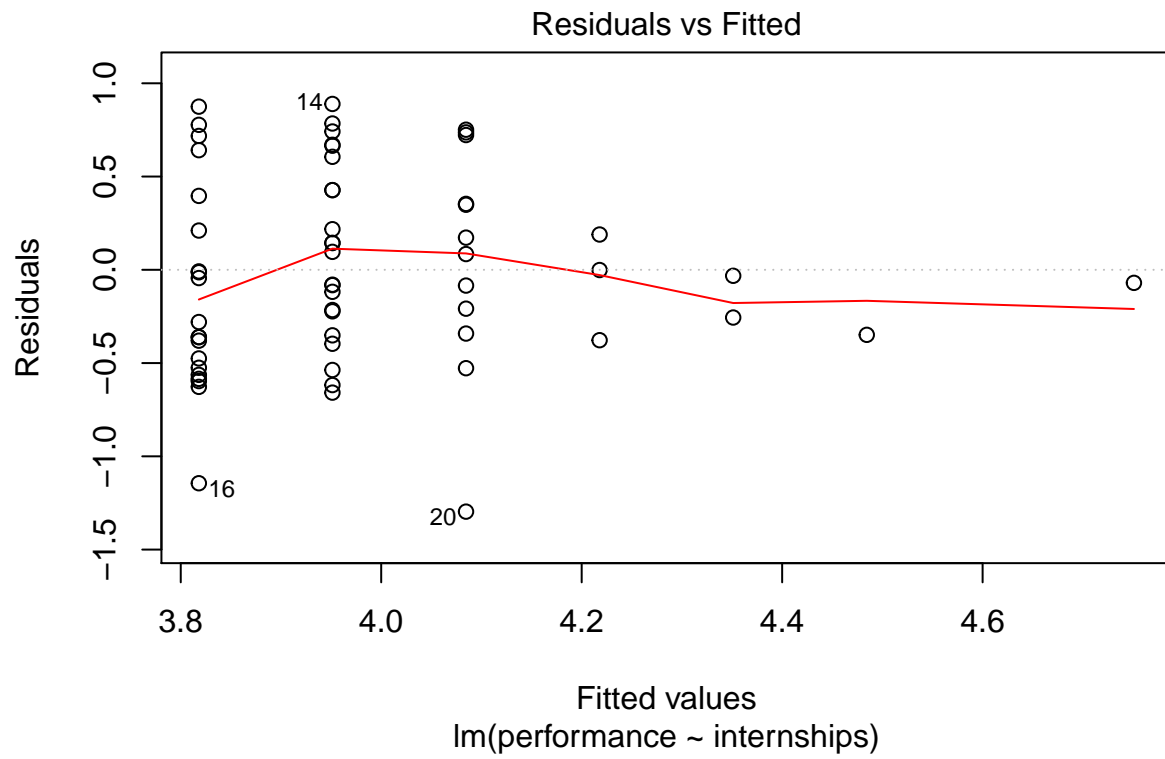
```
plot(lm(performance~bachelor , data = data1) , which = 1) #performance~bachelor
```



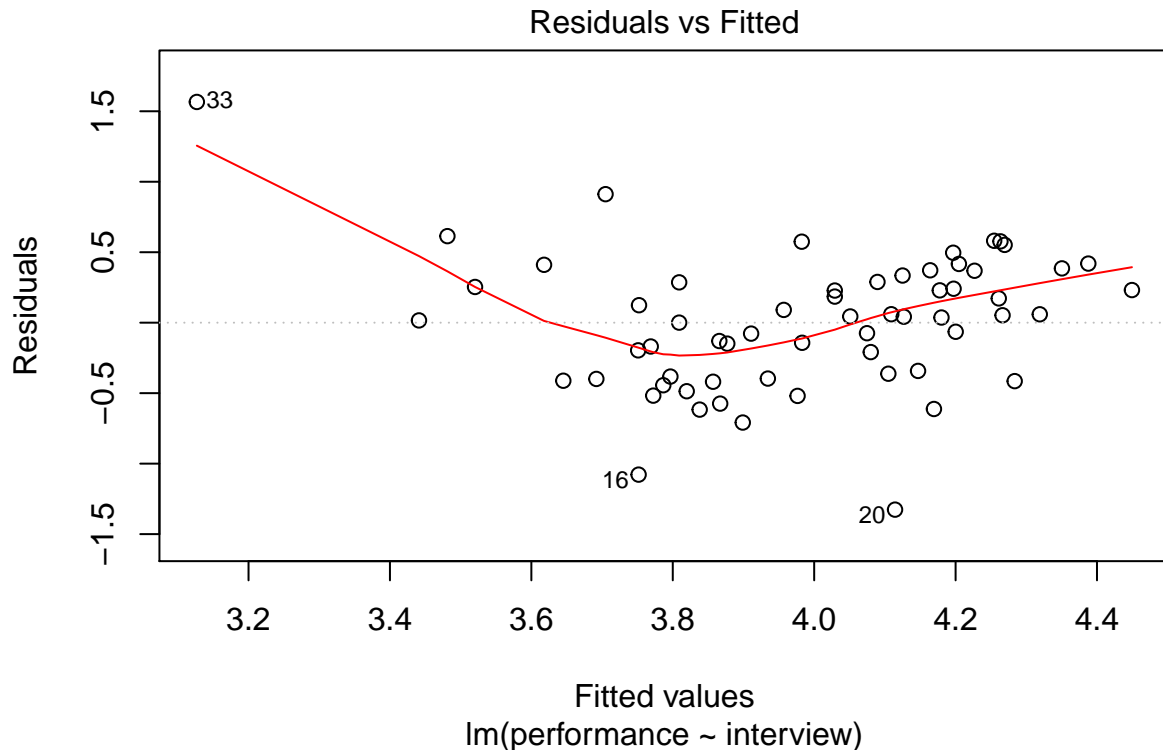
```
plot(lm(performance~abroad , data = data1) , which = 1) #performance~abroad
```



```
plot(lm(performance~internships , data = data1) , which = 1) #performance~internships
```



```
plot(lm(performance~internships , data = data1) , which = 1) #performance~internships
```



Overall variability is accepted even though there are some outliers in the models which is normal.

Multicollinearity, variations already exist and autocorrelation assumptions are assumed.

A5

The R-squared value depicts the DV explained variability realized in each model and tells us about the model's good fit or not.

β_i (effect size) tells us how much response variable "Performance" on average increases/decreases at each additional unit of every independent variable, holding others as constants at multiple regression.

F-value is a test that all β_i for every independent variable are zero. Null hypothesis such that no association exists between performance and all independent variables.

hypothesis test for all models :

H_0 : there is no association between performance and all explanatory variables included in the model (all β_i or effect size of independent variables = zero)

H_A : There is an association between Performance and at least one of the explanatory variables included in the model

Model 1

Model1: Age in years (AGE) and sex (SEX)

```
model1 <- lm(performance ~ age + sex, data=data1)
summary(model1)
```

```
##
## Call:
## lm(formula = performance ~ age + sex, data = data1)
##
## Residuals:
##      Min       1Q   Median       3Q      Max
## -1.30260 -0.44278  0.01477  0.49354  0.92039
##
## Coefficients:
##              Estimate Std. Error t value Pr(>|t|)
## (Intercept)  3.50804    0.65039   5.394 1.33e-06 ***
## age          0.01256    0.02550   0.493   0.624
## sex          0.10406    0.14229   0.731   0.468
## ---
## Signif. codes:  0 '***' 0.001 '**' 0.01 '*' 0.05 '.' 0.1 ' ' 1
##
## Residual standard error: 0.5492 on 58 degrees of freedom
## Multiple R-squared:  0.01541,    Adjusted R-squared:  -0.01855
## F-statistic: 0.4538 on 2 and 58 DF,  p-value: 0.6375
```

R-squared Interpretation : the performace variability explained by the model is 0.01541 (1.5%) still a bad fit overall

F-statistic: 0.4538 , p-value: 0.6375

Interpretation : F value is large and thus we dont reject the null hypothesis which states all correlation coefficient are zero at p-value: 0.6375

Explanatory variable : since the model doesnt fit there is no explanatory variable in this model

Model 2

Model 1 + school leaving grade (SCHOOL) and bachelor grade (BACHELOR)

```
model2 <- lm(performance ~ age + sex + school + bachelor, data=data1)
summary(model2)
```

```
##
## Call:
## lm(formula = performance ~ age + sex + school + bachelor, data = data1)
##
## Residuals:
##      Min       1Q   Median       3Q      Max
## -1.13311 -0.40257  0.07331  0.39238  0.99678
##
## Coefficients:
##              Estimate Std. Error t value Pr(>|t|)
## (Intercept)  3.63607    0.69306   5.246 2.46e-06 ***
## age          0.01868    0.02431   0.769  0.44542
## sex          0.09696    0.14147   0.685  0.49592
```

```
## school      -0.41483    0.15294  -2.712  0.00886 **
## bachelor    0.31067    0.13085   2.374  0.02104 *
## ---
## Signif. codes:  0 '***' 0.001 '**' 0.01 '*' 0.05 '.' 0.1 ' ' 1
##
## Residual standard error: 0.5201 on 56 degrees of freedom
## Multiple R-squared:  0.1475, Adjusted R-squared:  0.08662
## F-statistic: 2.422 on 4 and 56 DF,  p-value: 0.05881
```

R-squared = 0.1475

Interpretation : the performance variability explained by the model becomes 0.1475 (almost 15%).

F-statistic: 2.422 , p-value: 0.05881

Interpretation : F value is lower = 2.422 , However the model is better than before but still larger than 5% significance level as p-value = 0.05881 so we fail to reject the null hypothesis

Explanatory variable : bachelor grade at p-value=0.02104 & School grade at p-value = 0.02104 both are lower than significant level.

Model 3

Model3: Model 2 + total duration of previous stays abroad in months (ABROAD) and number of previously completed internships at home and abroad (INTERNSHIPS)

```
model3 <- lm(performance ~ age + sex + school + bachelor + abroad + internships, data=data1)
summary(model3)
```

```
##
## Call:
## lm(formula = performance ~ age + sex + school + bachelor + abroad +
##     internships, data = data1)
##
## Residuals:
##      Min       1Q   Median       3Q      Max
## -1.24252 -0.34898 -0.03896  0.31324  1.09607
##
## Coefficients:
##              Estimate Std. Error t value Pr(>|t|)
## (Intercept)  3.136773   0.696550   4.503 3.61e-05 ***
## age          0.011877   0.023901   0.497  0.6213
## sex         -0.008806   0.141745  -0.062  0.9507
## school      -0.247422   0.159359  -1.553  0.1264
## bachelor     0.312876   0.125628   2.490  0.0159 *
## abroad       0.022351   0.013124   1.703  0.0943 .
## internships  0.092698   0.053196   1.743  0.0871 .
## ---
## Signif. codes:  0 '***' 0.001 '**' 0.01 '*' 0.05 '.' 0.1 ' ' 1
##
## Residual standard error: 0.4978 on 54 degrees of freedom
## Multiple R-squared:  0.2468, Adjusted R-squared:  0.1631
## F-statistic: 2.949 on 6 and 54 DF,  p-value: 0.01457
```


R-squared = 0.2468

Interpretation : the performace variability explained by the model increases to 0.2468 (almost 25%) . Adjusted R-squared increased to 0.1631.

F-statistic: 2.949 , p-value: 0.01457

Interpretation : at p-value = 0.01457 which is lower than the significance level of 5 % , we reject the null hypothesis that states that there is no association between all independent variables and performance of candidates.

Explanatory variable : bachelor at p-value = 0.0159 , abroad at p-value = 0.0943 and internships at p-value = 0.0871.

Now when H_0 is rejected , its seen that bachelor grade , semesters abroad and number of internships has association with performance and each has effect size β_i (0.312876 ,0.022351 and 0.092698)respectively holding all equal.

Model 4

Model4: Model 3 + performance in the interview (INTERVIEW)

```
model4 <- lm(performance ~ age + sex + school + bachelor + abroad + internships + interview , data=data1)
summary(model4)
```

```
##
## Call:
## lm(formula = performance ~ age + sex + school + bachelor + abroad +
##      internships + interview, data = data1)
##
## Residuals:
##      Min       1Q   Median       3Q      Max
## -1.26292 -0.31620 -0.00085  0.29548  1.51859
##
## Coefficients:
##              Estimate Std. Error t value Pr(>|t|)
## (Intercept)  2.07342    0.80389   2.579  0.0127 *
## age          0.01191    0.02293   0.520  0.6055
## sex          0.04660    0.13797   0.338  0.7369
## school      -0.19204    0.15465  -1.242  0.2198
## bachelor     0.24380    0.12398   1.966  0.0545 .
## abroad       0.01532    0.01293   1.185  0.2413
## internships  0.03704    0.05614   0.660  0.5122
## interview    0.33989    0.14282   2.380  0.0209 *
## ---
## Signif. codes:  0 '***' 0.001 '**' 0.01 '*' 0.05 '.' 0.1 ' ' 1
##
## Residual standard error: 0.4776 on 53 degrees of freedom
## Multiple R-squared:  0.3195, Adjusted R-squared:  0.2297
## F-statistic: 3.555 on 7 and 53 DF,  p-value: 0.003321
```

R-squared = 0.3195

Interpretation : the performace variability explained by the model increases to 0.3195 (almost 32%).

Adjusted R-squared:0.2297 is the maximum so far and it indicates the model is not a perfect fit . only 22% variability of performance is explained in this model.

F-statistic: 3.555 , p-value: 0.003321

Interpretation : at p-value = 0.003321 which very low comparing with the significance level of 5%. There is a very strong evidence against the null hypothesis. Therefore , this model is confident against the H_0 and provides a strong evidence to accept the H_A that there is association between performance and the explanatory variables specially the Interview performance and bachelor grade in this model.

Explanatory variable : this time a notable effect size of interview performance at the first place at p-value = 0.0209 . then the bachelor grade which decreased a little bit comparing with model3 at p-value= 0.0545 it outstand one of disadvantage of p-value approach as its very close to the significant level and it should be rejected.

Step 4: “Interpretation of the Regression Analysis Results”

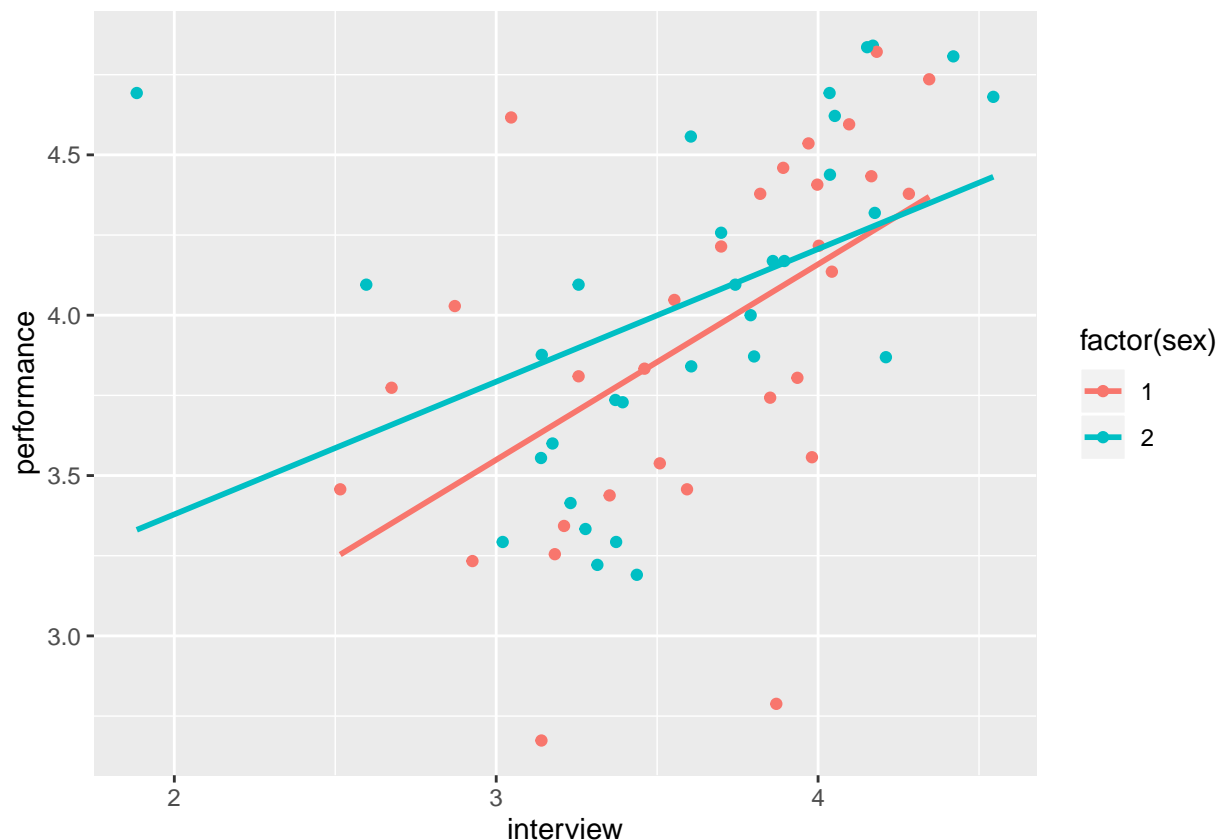
##A6

model4 is non-standardized : β_i of variables or effect size

age-coefficient : holding all equal performance score increase on average by 0.01191 point when the candidate age increase one year.

sex-coefficient : holding all equal performance score of one of the both sex is 0.04660 point higher than the other.

```
ggplot(data1, aes(x = interview, y = performance, colour = factor(sex))) + geom_point() + geom_smooth()
```



```
# visualising gender performance with respect to male and females with thier respective interview score
# now its obvious that sex 2 (females) are the reference variables and they have higher average performance
```

School-coefficient: performance score decreases by -0.19204 when school grade increase by one unit holding others as constants.

Bachelor-coefficient: holding all equal performance increases on average 0.24380 point at each additional bachelor grade point.

Abroad-coefficient: when number of semester increase by one candidate is expected to achieve more on 0.01532 performance score.

Internships-coefficient : its expected that candidate will achieve 0.03704 point more score at each additional internships.

Interview-coefficient : at interview when the candidate achive one point this will increase the over all performance score by 0.33989 point.

Strongest effect here is interview-coefficient $\beta=0.33989$.

standardized coefficients:

```
# standardizing beta coefficients with beta function from reghelper package
model4_z <- beta(model4)
model4_z
```

```
##
## Call:
## lm(formula = c("performance.z ~ age.z + sex.z + school.z + bachelor.z + abroad.z + internships.z + "
## "      interview.z"), data = data)
##
## Residuals:
##      Min       1Q   Median       3Q      Max
## -2.32089 -0.58108 -0.00156  0.54300  2.79073
##
## Coefficients:
##              Estimate Std. Error t value Pr(>|t|)
## (Intercept)  1.366e-16  1.124e-01  0.000    1.0000
## age.z        6.159e-02  1.185e-01  0.520    0.6055
## sex.z        4.317e-02  1.278e-01  0.338    0.7369
## school.z     -1.857e-01  1.495e-01 -1.242    0.2198
## bachelor.z    2.798e-01  1.423e-01  1.966    0.0545 .
## abroad.z     1.530e-01  1.292e-01  1.185    0.2413
## internships.z 9.250e-02  1.402e-01  0.660    0.5122
## interview.z   3.270e-01  1.374e-01  2.380    0.0209 *
## ---
## Signif. codes:  0 '***' 0.001 '**' 0.01 '*' 0.05 '.' 0.1 ' ' 1
##
## Residual standard error: 0.8777 on 53 degrees of freedom
## Multiple R-squared:  0.3195, Adjusted R-squared:  0.2297
## F-statistic: 3.555 on 7 and 53 DF,  p-value: 0.003321
```

Strongest standardized effect here is interview-coefficient $\beta= 0.0327$.

age-Zcoefficient : for an increase of 1 standard deviation of age and holding all equal performance score increase on average by 0.06159

sex-Zcoefficient : for an increase of 1 standard deviation of females data and holding all equal thier performance score increase on average by 0.04317 more than the males

School-Zcoefficient: for an increase of 1 standard deviation of school data and holding all equal performance score decrease on average by -0.1857.

Bachelor-Zcoefficient: for an increase of 1 standard deviation of bachelor and holding all equal performance score increase on average by 0.2798

Abroad-Zcoefficient: for an increase of 1 standard deviation of abroad data and holding all equal performance score increase on average by 0.1530

Internships-Zcoefficient : for an increase of 1 standard deviation of internships data and holding all equal performance score increase on average by 0.09250

Interview-Zcoefficient : for an increase of 1 standard deviation of interview score data and holding all equal performance score increase on average by 0.3270

Hypothesis at 5% and 10% significance level :

F-statistic: 3.555 & p-value: 0.003321 :

The p-value is lower than both significance and provides a strong evidence against the null hypothesis. This confirm our alternative hypothesis that there is an association between explantaory variables in model 4 and performance.

Decesion on the interview :

Based on the Adjusted R-squared=0.2297 (almost 23%) variability of performance is described by the model , it tells us that the model is not a perfect fit over all.

However from the empirical analysis interview must be proceeded as it has the most effect size on overall performance . This is justified over all part A questions.