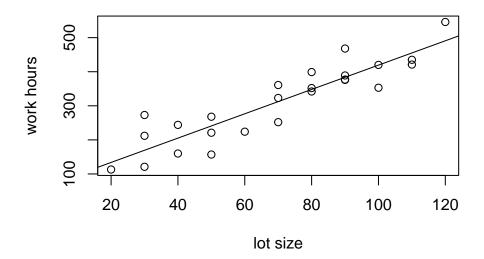
## Rexample3

## Lingxiao Zhou

## Example for ANOVA (toluca)

Data on lot size (X) and work hours (Y) was obtained from 25 recent runs of a manufacturing process.



```
anova(toluca.reg)
```

```
summary(toluca.reg)
```

```
##
## Call:
## lm(formula = workhrs ~ lotsize, data = toluca)
##
## Residuals:
##
      Min
               1Q Median
                               3Q
                                      Max
## -83.876 -34.088 -5.982 38.826 103.528
##
## Coefficients:
##
              Estimate Std. Error t value Pr(>|t|)
## (Intercept)
                62.366
                           26.177
                                    2.382
                                            0.0259 *
                            0.347 10.290 4.45e-10 ***
## lotsize
                 3.570
## ---
## Signif. codes: 0 '***' 0.001 '**' 0.05 '.' 0.1 ' ' 1
## Residual standard error: 48.82 on 23 degrees of freedom
## Multiple R-squared: 0.8215, Adjusted R-squared: 0.8138
## F-statistic: 105.9 on 1 and 23 DF, p-value: 4.449e-10
```

• Note note that the F-test and t-test for  $\beta_1$  are equivalent and the p-values are the same.

## Perform the general linear test

```
Reduce Model: Y_i = \beta_0

Full Model: Y_i = \beta_0 + \beta_1 x_i

H_0: Full model is not better than the reduced model (equivalently \beta_1 = 0)

H_a: Full model is better than the reduced model (equivalently \beta_1 \neq 0)

Red <- lm(workhrs ~ 1, data = toluca)

Full <- toluca.reg
```

```
## Analysis of Variance Table
##
## Model 1: workhrs ~ 1
## Model 2: workhrs ~ lotsize
## Res.Df RSS Df Sum of Sq F Pr(>F)
## 1 24 307203
## 2 23 54825 1 252378 105.88 4.449e-10 ***
## ---
## Signif. codes: 0 '***' 0.001 '**' 0.05 '.' 0.1 ' ' 1
```

• P-value is  $4.449 \times 10^{-10} < 0.05$ . We reject null hypothesis and conclude that the full model is significantly better than the reduced model.