

ReadyMade

Automatic Impact Assessment Tool

ReadyMade Analysis Report

Analysis on: 2014-06-26

Introduction

The organization Root Capital used ReadyMade in order to conduct an impact analysis for their project Coffee Cooperative. The mission of Root Capital is To help coffee producers make a sustainable living. Root Capital serves its mission by providing Loans to their primary user group - 'Coffee Co-ops'.

Key Impact Question

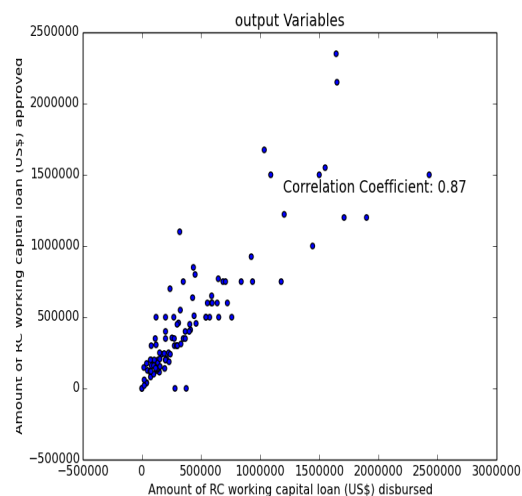
" What is the relationship between Loans and the project's ability to achieve their intended outcomes? "

Data & Methods

Identifying Key Variables

In keeping with the ReadyMade tenet to keep the analysis simple, we look for one key outcome variable that is highly correlated with the other available outcome variables

Correlations between variables



Therefore, we narrowed our investigation to one key performance variable, Amount of RC working capital loan (US\$) disbursed, which provides similar results as using any of the other available

outcomes variables (confirmed by our statistical analysis). Similarly, We also decided to use only Total working capital debt (US\$) for input variables and Number of suppliers (with 5,000 member cap), Fixed assets (property, plant & eqpmt (PPE)) (US\$), Total revenue (US\$) - adjusted to control for environmental characteristics.

Regression Analysis

What are we measuring?

Measuring the impact of "Total working capital debt (US\$)" on "Amount of RC working capital loan (US\$) disbursed" while controlling for variables such as "Number of suppliers (with 5,000 member cap), Fixed assets (property, plant & eqpmt (PPE)) (US\$), Total revenue (US\$) - adjusted"

R-Squared: 0.36

F-Stat: 14.77

p-Value: 0.0

Degrees of Freedom: 5

No. of observations: 98

	Coefficient	p-Value	Std Error	t-stat
Total working capital debt (US\$)	0.1165	0.0158	0.05	2.46
Number of suppliers (with 5,000 member cap)	7.1763	0.801	28.39	0.25
Fixed assets (property, plant & eqpmt (PPE)) (US\$)	0.0018	0.9742	0.06	0.03
Total revenue (US\$) - adjusted	0.0231	0.2445	0.02	1.17

Conclusion

The regression indicates that Root Capital Loans have a positive relationship with Coffee Cooperative inputs: Every 1 unit of Root Capital Loans to Coffee Cooperative is associated with a(n) increase of 0.36 units in Root Capital inputs.