

# Hypothesis Testing

1. Traditional Method

**2. P-Value Method**

3. Confidence Interval Method



# Steps for P-Value Method

**Step 1** State hypotheses and identify the claim.



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**Step 2** Compute the test value (z- or t- score).

Use same equation for finding z- or t- score:

$$z = \frac{x - \mu}{\frac{\sigma}{\sqrt{n}}} \quad \text{or} \quad z = \frac{x - \mu}{\frac{s}{\sqrt{n}}} \quad \text{or} \quad t = \frac{x - \mu}{\frac{s}{\sqrt{n}}}$$



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**Step 5** Summarize the results.



# When to use the z or t Distribution.

Is  $\sigma$  known?

Yes

Use  $z_{\alpha/2}$  values  
no matter what the  
sample size is.

No

Is  $n \geq 30$ ?

Yes

Use  $z_{\alpha/2}$  values  
and  $s$  in place of  $\sigma$ .

No

Use  $t_{\alpha/2}$  values  
and  $s$  in place of  $\sigma$ .



9-6

A researcher wishes to test the claim that the average age of life guards in Ocean City is greater than 24 years. She selects a sample of 36 life guards and finds the mean of this sample to be 24.7 years, with a s.d. of 2 years. Is there evidence to support her claim at  $\alpha = 0.05$ ?

Use the p-method.



9-7

A meteorologist claims that the average wind speed in a certain city is 8 mph. A sample of 32 days was found to have an average winds speed of 8.2 mph, with s.d. of 0.6 mph. At  $\alpha = 0.05$ , is there enough evidence to reject the meteorologist's claim?

Use the p-method.



9-30

A college professor besieged by whining students, tells them that the average cost of a paperback textbook is less than \$27.50. In response the students take a random sample of 50 textbooks and find the mean is \$29.30 with s.d. \$5.00. Who is correct? Use the p-value method and with  $\alpha = 0.05$ .



9-16

The manager of a large factory believes that the average hourly wage of the employees is below \$9.78 per hour, with s.d. of \$1.42. The manager takes a sample of 18 employees and finds the mean hourly wage is \$9.60. At  $\alpha = 0.10$  is there enough evidence to support the manager's claim. Use the p-method.

