

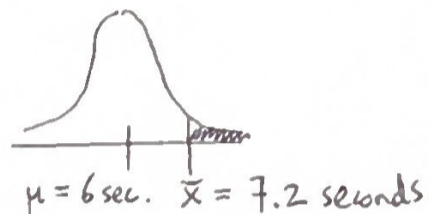
19 Hypothesis Testing 2

Ex 1 Company claims their cars can accelerate from 0 to 60 mph in 6 seconds. A random sample of 33 cars has a mean acceleration of 7.2 seconds. At $\alpha = 0.05$, can you reject the claim? (Assume pop. standard deviation of 2.5 seconds).

A State hypothesis : $H_0: \mu \leq 6$
 $H_a: \mu > 6$

Check conditions : 10% condition There are $N \geq 10 \cdot 33$ cars by that company \checkmark .
Normal / Large Sample $n = 33 \geq 30 \checkmark$.

Compute $P = \text{pnorm}(7.2, \text{mean} = 6, \text{sd} = \frac{2.5}{\sqrt{33}}, \text{lower.tail} = \text{FALSE})$
 $= \text{pnorm}\left(\frac{7.2 - 6}{2.5/\sqrt{33}}, \text{lower.tail} = \text{FALSE}\right)$
 $= ~~0.32~~ 0.0029$



Conclude Since $P = ~~0.32~~ 0.0029 < \alpha = 0.05$, we reject H_0 . There is convincing evidence the mean acceleration of the company's cars is > 6 seconds.

Hypothesis Testing for mean μ (σ unknown)

State $H_0: \mu = \mu_0, \mu \geq \mu_0, \mu \leq \mu_0$

$H_a: \mu \neq \mu_0, \mu < \mu_0, \mu > \mu_0$

Check 10% condition : $N \geq 10n$

Normal / Large Sample : Pop. is normally distributed or $n \geq 30$

Compute P-value $P = \text{pt}\left(\frac{\bar{x} - \mu_0}{s_x/\sqrt{n}}, df = n-1\right) \dots$ left-tail

$P = \text{pt}\left(\frac{\bar{x} - \mu_0}{s_x/\sqrt{n}}, df = n-1, \text{lower.tail} = \text{FALSE}\right) \dots$ right-tail

$P = 2 \cdot \text{pt}\left(\frac{\bar{x} - \mu_0}{s_x/\sqrt{n}}, df = n-1\right) \dots$ two-tailed

Conclude : if $P \geq \alpha$, we fail to reject H_0 . If $P < \alpha$, we reject H_0 .

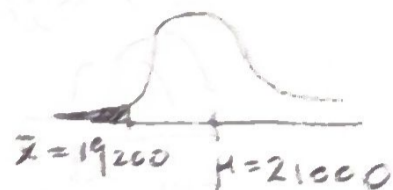
Ex 2 Used car dealer claims the mean price of used cars^{sold} in the past 12 months is at least \$21,000. You find that a random sample of 14 used cars sold in the past 12 months have a mean price of \$19,200 and sd of \$3000. Is there enough evidence to reject the dealer's claim at $\alpha = 0.05$? Assume the pop. is normally distributed.

A State $H_0: \mu \geq 21000$
 $H_a: \mu < 21000$

Check 10% Condition: There are $N \geq 10 \cdot 14 = 140$ used cars sold in last 12 months \checkmark .

Normal / large sample: Pop. is assumed to be normal \checkmark .

Compute $P = pt\left(\frac{19200 - 21000}{3000/\sqrt{14}}, df = 13\right)$
 $= 0.021$.



Conclude Since $P = 0.021 < \alpha = 0.05$, we reject H_0 .




There is convincing evidence that mean price of used cars sold in last 12 months is $< \$21,000$.

Hypothesis Testing for proportion p

State $H_0: p = p_0, p \geq p_0, p \leq p_0$
 $H_a: p \neq p_0, p < p_0, p > p_0$.

Check 10% Condition: $N \geq 10n$

Large counts: np_0 and $n(1-p_0)$ are ≥ 10 .

Compute P-value $P = pnorm(\hat{p}, \text{mean} = p_0, \text{sd} = \sqrt{\frac{p_0(1-p_0)}{n}})$... left-tail 
 $P = pnorm(\hat{p}, \text{mean} = p_0, \text{sd} = \sqrt{\frac{p_0(1-p_0)}{n}}, \text{lower.tail} = \text{FALSE})$... right-tail 
 $P = 2 \cdot pnorm(\hat{p}, \text{mean} = p_0, \text{sd} = \sqrt{\frac{p_0(1-p_0)}{n}})$... two-tail 

Conclude: If $P < \alpha$, we reject H_0 . If $P \geq \alpha$, we fail to reject H_0 .

Ex News claim $\geq 29\%$ of US employees have changed jobs in the past 3 years. In a random sample of 180 US employees, 33 have changed jobs in the past 3 years. At the $\alpha = 0.10$ level, is there enough evidence to ~~support~~ ^{counter} the news' claim?

A State $H_0: p \geq 0.29, H_a: p < 0.29$.

Check: 10% Condition: There are $N \geq 10 \cdot 180 = 1800$ US employees \checkmark .

Large counts: $n \cdot p_0 = 180 \cdot 0.29 = 52.2 \geq 10, n \cdot (1-p_0) = 180 \cdot 0.71 = 127.8 \geq 10 \checkmark$.

Compute: $P = pnorm\left(\frac{33}{180}, \text{mean} = 0.29, \text{sd} = \sqrt{\frac{0.29(0.71)}{180}}\right) = 0.065$.

Conclude: Since $P = 0.065 \geq \alpha = 0.10$, ~~there is~~ we reject H_0 . There is

convincing evidence that $< 29\%$ of US employees changed jobs in past 3 yrs.