

## MATHEMATICS 201-510-LW

Business Statistics

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### Review Exercises

- In a survey on Canadian education, a random sample of 500 students rated their teacher. The results were as follows: 123 rated their teacher as Excellent, 225 as Very Good, 133 as Good and 19 as Not Good.
  - Construct a relative frequency distribution table.
  - Construct a bar graph.
  - Construct a circle graph.
  - Construct a 95% confidence interval for the proportion of students who rated their teacher as being Excellent.
  - At the 5% level of significance, can you conclude that more than 65% of students rate their teacher as either being Excellent or as Very Good? Use the  $p$ -value approach.
  - At the 5% level of significance, can you conclude that the ratings of teachers do not fall equally in the four categories (Excellent, Very Good, Good and Not Good)? Use the classical approach.
- The breakfast cereal “Raisins & Fibers” is supposed to contain 200 raisins per box. A random sample of boxes is taken, and the number of raisins counted. Here are the results.

|     |     |     |     |     |     |     |     |     |     |
|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| 182 | 182 | 182 | 186 | 187 | 187 | 188 | 188 | 189 | 192 |
| 192 | 193 | 195 | 195 | 196 | 197 | 199 | 199 | 199 | 199 |
| 200 | 201 | 201 | 202 | 203 | 203 | 203 | 203 | 204 | 206 |
| 207 | 207 | 208 | 208 | 210 | 210 | 213 | 215 | 216 | 216 |
| 217 | 217 | 217 | 218 | 220 | 223 | 224 | 225 | 228 | 231 |

- Construct a relative frequency distribution table.
  - Construct a histogram.
  - Find the mean.
  - Find the median.
  - Find the mode.
  - Find the range.
  - Find the sample variance.
  - Find the standard deviation
  - Find  $Q_1$
  - Find  $Q_3$ .
  - Find the coefficient of variation.
  - Draw a box and whisker graph.
  - Construct a 95% confidence interval for the mean number of raisins in a box of cereal “Raisins & Fibers”.
  - At the 5% level of significance, can you conclude that the boxes of cereals “Raisins & Fibers” have more than 200 raisins? Try with both approaches, the classical and the  $p$ -value.
- Here is a frequency distribution showing the ages of 121 randomly selected people who have a bachelor’s degree or higher.

| Ages      | 18-24 | 25-34 | 35-44 | 45-54 | 55-64 | 65-84 | 85-104 |
|-----------|-------|-------|-------|-------|-------|-------|--------|
| Frequency | 8     | 32    | 35    | 23    | 11    | 9     | 3      |

Use this frequency distribution to estimate

- the mean
- the variance
- the standard deviation.

4. A large law firm wants to estimate the number of months cases take before they are settled. To accomplish this, 10 settled cases were taken at random, and the length of time (in months) before a settlement was noted. The results were:

4      12      7      10      15      5      2      22      15      18

Assume that the number of months cases take before been settled is normally distributed.

- a) Find the mean.
  - b) Find the median.
  - c) Find the mode.
  - d) Find the range.
  - e) Find the sample variance.
  - f) Find the standard deviation
  - g) Find  $Q_1$
  - h) Find  $Q_3$ .
  - i) Find the coefficient of variation.
  - j) Draw a box and whisker graph.
- k) Construct a 90% confidence interval for the mean length of time before a case is settled.
- l) At the 10% level of significance, can you conclude that cases are settled, on average, in less than one year (12 months)? Try with both approaches, the classical and the  $p$ -value.
5. Many real estate representatives establish apartment rents and house prices on the basis of area of heated floor space. The following data in the table gives the area of heated floor space and sales prices for a number of randomly selected houses that were recently sold in Quebec city.

|                |       |       |       |       |       |       |
|----------------|-------|-------|-------|-------|-------|-------|
| Area ( $m^2$ ) | 135.6 | 195.8 | 161.9 | 139.3 | 173.2 | 222.1 |
| Price (\$1000) | 150   | 273   | 254   | 205   | 256   | 375   |
| Area ( $m^2$ ) | 183.7 | 149.6 | 142.1 | 163.4 | 169.2 | 205.9 |
| Price (\$1000) | 307   | 167   | 231   | 285   | 302   | 305   |

- a) Find the equation of the least-squares line.
- b) Sketch a scatter diagram containing the least-squares line.
- c) Find a 95% confidence interval for the  $y$ -intercept  $\alpha$  of the regression line.
- d) Find a 95% confidence interval for the slope  $\beta$  of the regression line.
- e) Determine if the  $y$ -intercept  $\alpha$  of the regression line is different than zero at the 5% level of significance. Try with both approaches, the classical and the  $p$ -value.
- f) Determine if the slope  $\beta$  of the regression line is greater than one at 5% level of significance. Try with both approaches, the classical and the  $p$ -value.
- g) If a house has an area of 200 square meters, what is the forecasted price?
- h) Construct a 95% confidence interval for the forecasted price of a house having an area of 200 square meters.
- i) Find the coefficient of correlation and the coefficient of determination.
- j) Construct a 95% confidence interval for the population correlation.
- k) Determine if the correlation is significant at the 5% level of significance. Try with both approaches, the classical and the  $p$ -value.

6. A box contains six red, five black, and four green balls. If two balls are selected at random without replacement from the urn, what is the probability that
  - a) both balls are red
  - b) one ball is red and the other is green
  - c) the second ball is black
  - d) the first ball is green given that the second one is red.
  
7. The owner of a music store noted the buying behavior of customers. He found, during a single day, that 87 people had bought CD's, 98 DVD's, 21 both and 123 neither. Find the probability that a customer buys
  - a) Only a CD's.
  - b) CD's or DVD's.
  
8. A bridge hand is a subset of thirteen cards drawn from a pack of fifty-two cards. If thirteen cards are selected at random, what is the probability that the bridge hand will
  - a) contain only hearts?
  - b) have exactly two kings?
  - c) have exactly 8 hearts?
  
9. There is money to send four of the fourteen city council members to a conference in Vancouver. All want to go, so they decide to choose the members to go to the conference by a random process.
  - a) How many different combinations of four council members can be selected from the fourteen who want to go to the conference?
  - b) If Paul and Greg are two members of the council, what is the probability that they both will go?
  - c) What is the probability that neither of them will go?
  - d) Only one will go?
  - e) If the city council is made of ten men and four women, what is the probability that the committee will contain two men and two women?
  - f) If, in the members chosen, one is to be the representative for finances, one for the environment, one for public transportation and the other for human resources, then in how many ways can the committee be chosen?
  
10. A worker-operated machine produces a defective item with probability 0.01 if the worker follows the machine's operating instructions exactly, and with probability 0.03 if he does not. Suppose the worker follows the instructions 90% of the time.
  - a) What proportion of all items produced by the machine will be defective?
  - b) If an item is defective, what is the probability the worker followed the instructions?
  
11. One hundred boys and one hundred girls were asked if they had ever been frightened by a television program. Thirty of the boys and sixty of the girls said they had been frightened. If one of these children is selected at random,
  - a) what is the probability that he or she has been frightened?
  - b) What is the probability the child is a girl, given he or she has been frightened?
  - c) What is the probability the child is a girl or has been frightened?

12. Two thousand randomly selected adults were asked if they think they are financially better off than their parents. The following table gives the two-way classification of the responses based on the education levels of the persons included in the survey and whether they are financially better off, the same, or worse off than their parents.

|            | Education Level     |       |                 |
|------------|---------------------|-------|-----------------|
|            | High school or less | CEGEP | More than CEGEP |
| Better off | 140                 | 450   | 420             |
| Same       | 60                  | 250   | 110             |
| Worse off  | 200                 | 300   | 70              |

Suppose one adult is selected at random from these 2000 adults. Find the following probabilities.

- The adult is better off.
  - The adult is better off and has a CEGEP.
  - The adult is better off or has a CEGEP.
  - The adult is better off given that he has a CEGEP.
  - Are the events better off and CEGEP independent?
  - Are the events better off and CEGEP mutually exclusive?
  - Test at the 5% significance level if the financial status is independent of educational level. Try with both approaches, the classical and the  $p$ -value.
13. At an iron foundry, it has been established that the sand used for molding iron casting is too wet 5% of the time and too dry 3% of the time. Also, defective castings occur 1% of the time when the sand has the correct amount of moisture, 7% of the time when the sand is too dry, and 30% of the time when the sand is too wet. Suppose a casting is selected at random and found to be defective, what is the probability the sand was too wet?
14. Sarah is late, on average, four times a month.
- In a given month, what is the probability that she will be late once?
  - In a given month, what is the probability that she will be late at least two times?
  - For a period of three months, what is the probability that she will not be late?
15. The probability that a heart transplant performed at the Hospital is successful (that is, the patient survives 1 year or more after undergoing such an operation) is 0.7. Six patients have recently undergone such an operation.
- Construct a probability histogram for the number of patients (out of the six) who will still be alive 1 year from now.
  - How many are expected to survive one year from now?
  - What is the standard deviation for this probability distribution?
16. A box contains 4 green and 3 blue marbles. Three marbles are chosen at random.
- Let  $x$  denote the number of green marbles that are chosen. Find the probability distribution and make a probability histogram.
  - Find the mean of this distribution.
  - Find the standard deviation of this distribution

17. A company offers insurance covering damage of 10%, 30%, 50%, 75% or 100%. The owner of a particular property wishes to insure it for \$500 000. Based on past experience, the company assesses yearly damage probabilities (for the various respective damage percentages) at 0.0012, 0.0008, 0.0006, 0.0004 and 0.0001. What base figure should the company use in establishing the annual premium to charge for insuring the property?
18. Employees of a firm receive annual reviews. In a certain department, 4 employees received excellent ratings, 15 received good ratings, and 1 received a marginal rating. If 3 employees in this department are randomly selected to complete a form for an internal study of the firm, find the probability that
- all 3 selected were rated excellent
  - one from each category was selected.
19. In a carton of eggs, three out of the twelve are broken. If four eggs are selected at random, find the probability that
- none are broken;
  - three are broken;
  - exactly two are broken.
20. Suppose the probability of Henry getting a job interview at a place where he applied is 0.12.
- What is the probability that he gets no job interviews out of 15 job applications?
  - What is the probability that he gets 3 job interviews out of 15 job applications?
21. Dwight sales, on average, four cars per week.
- In a given week, what is the probability that he will sale five or six cars?
  - In a given day, what is the probability that he will sale at least one car?
22. A new drug has been found to be effective in treating 75% of the people afflicted by a certain disease. If the drug is administered to 500 people who have this disease, what are the mean and the standard deviation of the number of people for whom the drug can be expected to be effective?
23. Market research has shown that Canadians will watch an average of 25 movies per year with a standard deviation of 7 movies. Assuming that the number of movies watched by Canadians is normally distributed, find the probability that
- a Canadian watches between 20 and 26 movies during a year.
  - a Canadian watches more than 30 movies during a year
  - a group of 15 Canadians watched an average of less than 22 movies during a year.
24. A new drug cures 80% of the patients to whom it is administered. It is given to 35 patients. Find the probability that among these patients, the following results occur.
- Exactly 30 are cured.
  - All are cured.
  - No one is cured.
  - Twenty or fewer are cured.
  - Between 20 and 30 are cured.
25. It has been established that approximately three quarters of Canadians buy a magazine at least once a month. In a random sample of 100 Canadians, what is the probability that
- more than 70 will buy a magazine at least once a month?
  - between 60 and 85 students (inclusively) Canadians will buy a magazine at least once a month?

26. A criminologist developed a questionnaire for predicting whether a teenager will become a delinquent or not. Scores on the questionnaire can range from 0 to 100, with higher values supposedly reflecting a greater criminal tendency. It has been found that the scores are normally distributed with a mean of 60 and a standard deviation of 10.
- As a rule of thumb, the criminologist decides to classify a teenager as potentially delinquent if the teenager's score exceeds 75. What is the probability that a teenager chosen at random is classified as delinquent?
  - If the criminologist wants to refer to a psychologist the 15% highest scoring teenagers, what score must a teenager obtain to be referred?
  - Find the first and third quartiles.

27. Each day the quality control department at a food processing plant takes a random sample of 6 cans of frozen orange juice and measures their weight, to see if the process is in control. Here are the results for the past 12 days.

| Day |       |       |       |       |       |       | $\bar{x}$ | $R$ |
|-----|-------|-------|-------|-------|-------|-------|-----------|-----|
| 1   | 499.5 | 500.0 | 497.6 | 506.1 | 503.2 | 497.1 |           |     |
| 2   | 501.1 | 501.0 | 504.3 | 497.6 | 504.0 | 496.5 | 500.75    | 7.8 |
| 3   | 497.9 | 500.9 | 501.1 | 500.9 | 500.4 | 500.4 | 500.27    | 3.2 |
| 4   | 500.5 | 502.2 | 503.3 | 503.6 | 504.7 | 500.5 | 502.47    | 4.2 |
| 5   | 506.0 | 503.9 | 502.5 | 504.1 | 496.1 | 500.1 | 502.12    | 9.9 |
| 6   | 495.8 | 497.2 | 499.8 | 499.5 | 494.4 | 495.3 | 497.00    | 5.4 |
| 7   | 499.3 | 506.6 | 502.3 | 500.7 | 500.2 | 498.6 | 501.28    | 8.0 |
| 8   | 504.6 | 507.1 | 498.4 | 498.5 | 500.6 | 502.8 | 502.00    | 8.7 |
| 9   | 503.9 | 498.1 | 496.3 | 502.3 | 501.4 | 502.4 | 500.73    | 7.6 |
| 10  | 503.4 | 505.5 | 501.8 | 500.0 | 505.2 | 502.3 | 503.03    | 5.5 |
| 11  | 506.2 | 502.2 | 504.1 | 497.6 | 497.9 | 501.8 | 501.63    | 8.6 |
| 12  | 502.9 | 498.4 | 503.1 | 499.5 | 500.9 | 499.2 | 500.67    | 4.7 |

- Fill in the missing numbers in the last two columns.
  - Make an  $\bar{x}$  chart. Is the process in control?
  - Make an  $R$  chart. Is the process in control?
28. Each day the quality control department at a food processing plant takes a random sample of 6 cans of frozen orange juice and measures their weight, to see if the process is in control. Here are the results for the past 12 days. If, when a production process is under control, it has been determined that  $\mu = 502.5$  grams and  $\sigma = 1.87$  grams, what is the centerline and the control limits, for
- an  $\bar{x}$  chart?
  - an  $\sigma$  chart?
29. Each day the quality control department at a food processing plant takes a random sample of 120 cans of frozen orange juice and counts the number of cans of orange juice whose weight is less than 500g. The number of underweight cans is noted below for the past 15 weeks. Is the process in control?

2    1    1    2    11    6    6    10    6    6    7    9    7    4    2

30. The number of machine malfunctions at a large manufacture was noted for the past 15 weeks. Is the process in control? Here are the results.

8 12 9 10 11 13 9 11 10 15 9 7 8 19 6

31. In a study on work ethics, an “ethics scale” was administered to a group of 73 randomly selected employees of a large corporation. The “ethics scale” has scores ranging from 101 to 201. The mean score for the “ethics scale” was 178.70 with a sample standard deviation of 7.81.

- Construct a 95% confidence interval for the mean score of the employees.
- How large a sample is needed if we wish to be 99% confident that the sample mean score is within 2 points of the population score for employees?
- If, in the general population, the mean score is 175.32, can we conclude that the employees at the corporation rate higher on the “ethics scale” than the general population? Use a 2% level of significance. Try with both approaches, the classical and the  $p$ -value.

32. During a television miniseries, what is the average length of time between commercial breaks? A random sample of 20 such periods was selected from miniseries that were aired on commercial television stations last year. The times between commercial breaks were (to the nearest minute)

5 7 8 14 13 10 9 8 11 12  
14 11 9 10 6 8 12 5 11 8

Assume that the length of time between commercial breaks is normally distributed.

- Find a 95% confidence interval for the mean length of time between commercial breaks.
  - At the 5% level of significance, can you conclude that the average time between commercial breaks is less than 10 minutes? Try with both approaches, the classical and the  $p$ -value.
33. In order to estimate the dropout rate, a random sample of 193 Quebecers in the age group 16 – 19 years old were selected and it was found that 32 were high-school dropouts.
- Construct a 98% confidence interval for the proportion of high school dropouts.
  - If the proportion of high school dropouts was 22.1% in 1990, does this indicate that the proportion of dropouts has decreased? Use a 2% level of significance. Try with both approaches, the classical and the  $p$ -value.
34. A comparison is made between two bus lines that run from Quebec to Toronto to determine if arrival times are off schedule by the same amount of time. For 81 randomly selected runs, bus line A was observed to be off schedule an average time of 53 min with standard deviation 19 min. For 100 randomly selected runs, bus line B was observed to be off schedule an average of 62 min with standard deviation 15 min.
- Construct a 98% confidence interval for the difference in off-schedule times.
  - Does the data indicate a significant difference in off-schedule times? Use a 2% level of significance. Try with both approaches, the classical and the  $p$ -value.

35. A researcher wants to determine the proportion of Canadians who own a car.
- How large a sample is required to be 95% sure that the sample proportion is off by no more than 4%?
  - How large a sample is required to be 95% sure that the sample proportion is off by no more than 4% if a preliminary sample gave a proportion of 37%?

36. The manager of a sporting goods store offered a bonus commission to his salespeople when they sold more goods. A new manager dropped the bonus system. For a random sample of six sales people, the weekly sales (in thousands of dollars) are shown in the following table with and without the bonus system:

| <i>Salesperson</i> | 1   | 2   | 3   | 4   | 5   | 6   |
|--------------------|-----|-----|-----|-----|-----|-----|
| With Bonus         | 2.9 | 3.0 | 5.8 | 4.4 | 5.3 | 5.6 |
| Without Bonus      | 2.8 | 2.5 | 5.9 | 3.5 | 4.6 | 4.6 |

Assume the weekly sales are normally distributed.

- Construct the 95% confidence interval for the mean difference in the weekly sales
  - Use a 5% level of significance to test the claim that the average weekly sales dropped when the bonus system was discontinued. Use the classical approach.
  - Same as (b) but using the  $p$ -value approach.
37. Does life insurance matter if you are male or female? The following is based on information from *Consumer Reports*. For similar benefits (male and female), the annual premiums paid by a person 45 years old for a \$250 000 annual renewable term life insurance policy were as follows:

Males: In a sample of 22 males, the average annual premium was \$483.43 with standard deviation \$126.62.

Females: In a sample of 31 females, the average annual premium was \$414.43 with standard deviation \$105.99.

Assume the annual premiums by both groups are normally distributed.

- Construct the 90% confidence interval for the mean difference in annual premiums.
  - Use a 10% level of significance to test the claim that the annual premiums between male and female are different. Use the classical approach.
  - Same as (b) but using the  $p$ -value approach.
38. A random sample of 378 hotel guests was taken one year ago, and it was found that 178 requested nonsmoking rooms. Recently, a random sample of 516 hotel guests showed that 320 requested nonsmoking rooms.
- Construct the 98% confidence interval for the difference in the two proportions of guests who requested nonsmoking rooms.
  - Use a 2% level of significance to test the claim that the proportion of customers requesting nonsmoking rooms is different now from one year ago. Use the classical approach.
  - Same as (b) but using the  $p$ -value approach.

39. As part of a marketing research, a random sample of adults was selected to taste three different kinds of frozen dinners (Fish, Chicken and Pasta) from the same company, and rate them as either Good or Not Good. The following table gives the results of the survey.

|          | Fish | Chicken | Pasta |
|----------|------|---------|-------|
| Good     | 17   | 24      | 29    |
| Not Good | 33   | 26      | 21    |

Test at the 5% significance level if the rating is independent of the kind of frozen dinner. Try both approaches.

40. The owner of an online sports store wants to compare the sales with the geographical distribution of the population. According to Statistics Canada (2006 Census), 7.2% of the population lives in the Maritimes, 23.9% in Quebec, 38.6% in Ontario, 17.2% in the Prairies and 13.1% in British Columbia. Here is the breakdown in a random sample of orders.

| Maritimes | Quebec | Ontario | Prairies | B.C. |
|-----------|--------|---------|----------|------|
| 22        | 105    | 185     | 55       | 36   |

At the 1% level of significance, is the distribution of destination of the orders shipped reflective of that of the population? Try both approaches.

41. A random sample of seven SLC students produced the following data on their heights (cm).

174 179 185 196 165 178 171

- Construct a 95% confidence interval for the standard deviation of heights for SLC students.
  - Test at the 5% level of significance that the standard deviation is less than 20 cm. Try with both approaches, the classical and the  $p$ -value approach.
42. Sherlock Holmes thought that he could determine the height of an individual based on the shoe size of the person. To observe this relationship, the shoe size of 40 randomly selected men was noted, along with their heights in centimeters. The following information was obtained.

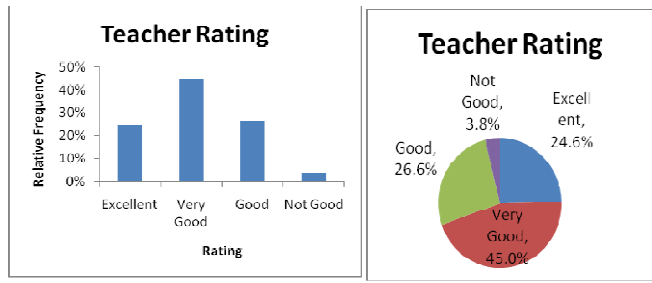
$$SS_x = 297.77 \quad SS_y = 3029.1 \quad SS_{xy} = 842.95 \quad \bar{x} = 8.425 \quad \bar{y} = 171.65$$

- Find the equation of the least-squares line.
- Find a 90% confidence interval for the  $y$ -intercept  $\alpha$  of the regression line.
- Find a 90% confidence interval for the slope  $\beta$  of the regression line.
- Determine if the  $y$ -intercept  $\alpha$  of the regression line is less than 150 at the 10% level of significance. Try with both approaches, the classical and the  $p$ -value.
- Determine if the slope  $\beta$  of the regression line is greater than 2 at the 10% level of significance. Try with both approaches, the classical and the  $p$ -value.
- If a person has a shoe size of 11, find a 90% confidence interval for the predicted height.
- Find the coefficient of correlation and the coefficient of determination.
- Construct a 90% confidence interval for the population correlation.
- Determine if the correlation is significant at the 10% level of significance. Try with both approaches, the classical and the  $p$ -value.

**ANSWERS**

1. a)

| Teacher Rating |           |                    |
|----------------|-----------|--------------------|
| Rating         | Frequency | Relative Frequency |
| Excellent      | 123       | 24.6%              |
| Very Good      | 225       | 45.0%              |
| Good           | 133       | 26.6%              |
| Not Good       | 19        | 3.8%               |
| <i>Total</i>   | 500       | 100%               |

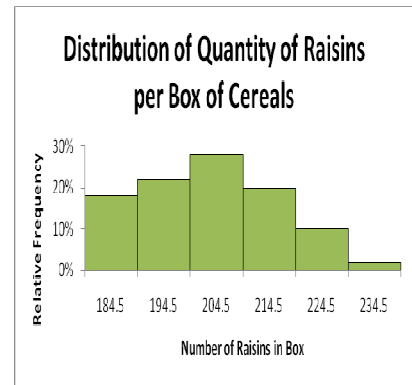


d) 20.82% to 29.38%      e)  $H_0 : p = 0.65$       test statistic:  $z = 2.16$       Reject  $H_0$   
 $H_a : p > 0.65$        $p - \text{value} = 0.0154$

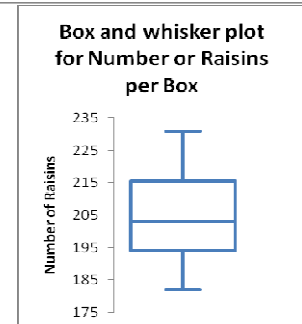
f)  $H_0$  : The ratings fall equally in the four categories.      critical value:  $\chi^2_{(3,0.05)} = 7.81$   
 $H_A$  : The ratings do not fall equally in the four categories.      test statistic:  $z = 170.43$   
 Reject  $H_0$

2. a)

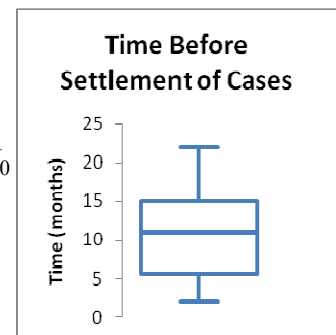
| Distribution of Quantity of Raisins per Box of Cereals |    |     |           |                    |                |
|--|----|-----|-----------|--------------------|----------------|
| Number of Raisins                                      |    |     | Frequency | Relative Frequency | Class Midpoint |
| 180  | to | 189 | 9         | 18%                | 184.5          |
| 190  | to | 199 | 11        | 22%                | 194.5          |
| 200  | to | 209 | 14        | 28%                | 204.5          |
| 210  | to | 219 | 10        | 20%                | 214.5          |
| 220  | to | 229 | 5         | 10%                | 224.5          |
| 230  | to | 239 | 1         | 2%                 | 234.5          |
| <i>Total</i>   |    |     | 50        | 100%               |                |



c) 203.66 raisins      d) 203 raisins      e) 199 raisins  
 f) 49 raisins      g) 163.13 raisins<sup>2</sup>      h) 12.77 raisins  
 i) 194 raisins      j) 215.5 raisins      k) 6.27%  
 m) 200.12 to 207.20  
 n)  $H_0 : \mu = 200$       critical value:  $z_{0.05} = 1.645$       Reject  $H_0$   
 $H_A : \mu > 200$       test statistic:  $z = 2.03$   
 $p - \text{value} = 0.0212$



3. a) 43.32 years      b) 258.1 years      c) 16.1 years  
 4. a) 11 months      b) 11 months      c) 15 months  
 d) 20 months      e) 48.489 months<sup>2</sup>      f) 6.5549 months  
 g) 5.5 months      h) 15 months      i) 59.54%  
 k) 7.20 to 14.80  
 l)  $H_0 : \mu = 12$       critical value:  $t_{(9,0.90)} = -1.383$       Fail to reject  $H_0$   
 $H_A : \mu < 12$       test statistic:  $t = -0.48$   
 $0.315 < p - \text{value} < 0.350$



5. a)  $y = -81.345 + 2.0012x$   
 c) -223.84 to 61.15.      d) 1.174 to 2.829.

e)  $H_0 : \alpha = 0$  critical value:  $t_{(10,0.025)} = 2.228$  Fail to reject  $H_0$

$H_A : \alpha \neq 0$  test statistic:  $t = -1.27$   
 $0.222 < p\text{-value} < 0.258$

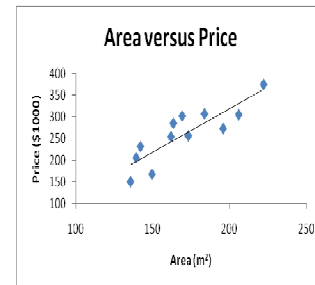
f)  $H_0 : \beta = 1$  critical value:  $t_{(10,0.05)} = 1.812$  Reject  $H_0$

$H_A : \beta > 1$  test statistic:  $t = 2.70$   
 $0.011 < p\text{-value} < 0.013$

g) \$318 904 h) \$236 641 to \$401 166 i) 0.8624

k)  $H_0 : \rho = 0$  critical value:  $t_{(10,0.025)} = 2.228$  Reject  $H_0$

$H_A : \rho \neq 0$  test statistic:  $t = 5.39$   
 $p\text{-value} < 0.002$



j) 74.38%

6. a)  $\frac{1}{7}$  b)  $\frac{8}{35}$

c)  $\frac{1}{3}$  d)  $\frac{2}{7}$

7. a)  $\frac{66}{287}$  b)  $\frac{164}{287}$

8. a)  $\frac{1}{635013559600}$  b)  $\frac{4446}{20825}$  c)  $\frac{105857037}{90716222800}$

9. a) 28 b)  $\frac{1}{28}$  c)  $\frac{15}{28}$  d)  $\frac{3}{7}$

10. a) 0.012 b) 0.75

11. a)  $\frac{9}{20}$  b)  $\frac{2}{3}$  c)  $\frac{13}{20}$

12. a)  $\frac{101}{400}$  b)  $\frac{9}{40}$  c)  $\frac{73}{100}$  d)  $\frac{9}{20}$

e) No  $P(B) = \frac{101}{200} \neq P(B|C) = \frac{9}{20}$

f) No  $P(B \text{ and } C) = \frac{9}{40} \neq 0$  critical value:  $\chi^2_{(2,0.05)} = 9.49$

g)  $H_0$  : Financial status is independent of educational level test statistic:  $\chi^2 = 212.03$

$H_a$  : Financial status is dependent of educational level  $p\text{-value} < 0.005$

Fail to reject  $H_0$

13. 0.5703

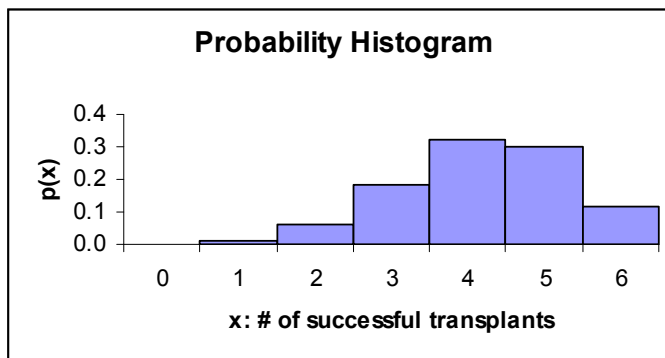
14. a) 0.0733

b) 0.2149

c) 0.00000614

15. a)

| Probability distribution for Successful Transplants |         |
|---|---------|
| $x$   | $p(x)$  |
| 0   | 0.00073 |
| 1   | 0.01021 |
| 2   | 0.05954 |
| 3   | 0.18522 |
| 4   | 0.32414 |
| 5   | 0.30253 |
| 6   | 0.11765 |

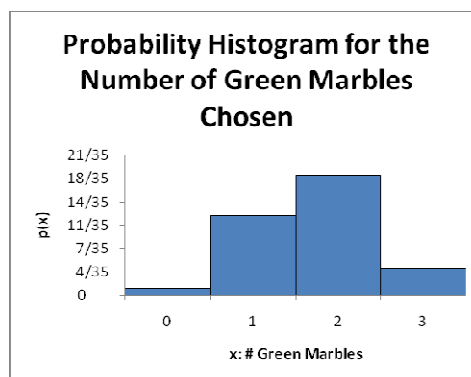


b) 4.2

c) 1.12

16. a)

| Probability Distribution for Number of Green Marbles |                 |
|--|-----------------|
| $x$  | $p(x)$          |
| 0  | $\frac{1}{35}$  |
| 1  | $\frac{12}{25}$ |
| 2  | $\frac{18}{35}$ |
| 3  | $\frac{4}{35}$  |



b) 1.71

c) 0.6999

17. \$480

19. a)  $\frac{14}{55}$     b)  $\frac{1}{55}$     c)  $\frac{12}{55}$

21. a) 0.2605    b) 0.5507

23. a) 0.3168    b) 0.2389

24. a) 0.1286    b) 0.00041

25. a) 0.8508    b) 0.9920

27. a) 500.58 and 9.0

b) UCL = 504.37 g  
 2/3 UCL = 503.26 g  
 Center line = 501.04 g  
 2/3 LCL = 498.83 g  
 LCL = 497.72 g  
 Out of Control Signal 1

c) UCL = 13.79 g  
 2/3 UCL = 11.49 g  
 Center line = 6.88 g  
 2/3 LCL = 2.29 g  
 LCL = 0.00 g  
 In Control

28. b) UCL = 505.7 g  
 2/3 UCL = 504.7 g  
 Center line = 502.5 g  
 2/3 LCL = 500.3 g  
 LCL = 499.3 g

29. UCL = 0.1009  
 2/3 UCL = 0.0821  
 Center line = 0.0444  
 2/3 LCL = 0.0068  
 LCL = 0  
 Out of Control Signal 2

30. UCL = 20.17  
 2/3 UCL = 16.94  
 Center line = 10.47  
 2/3 LCL = 4.00  
 LCL = 0.76  
 In Control

31. a) 176.91 to 180.49  
 c)  $H_0 : \mu = 175.32$   
 $H_A : \mu > 175.32$

18. a)  $\frac{1}{285}$     b)  $\frac{1}{19}$

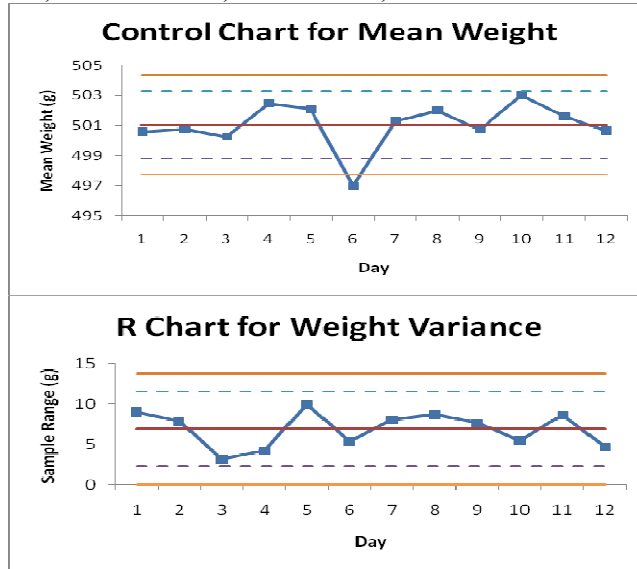
20. a) 0.1470    b) 0.1696

22. 375 people, 9.68 people

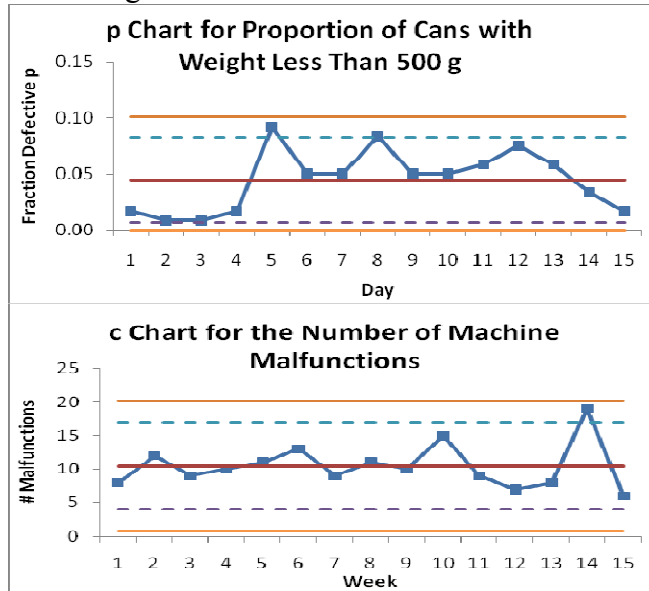
c) 0.0485

c)  $\sim 0$     d) 0.0008    e) 0.7349

26. a) 0.2119    b) 72.4    c) 55.3 and 68.7



UCL = 9.50 g  
 2/3 UCL = 7.91 g  
 Center line = 4.74 g  
 2/3 LCL = 1.58 g  
 LCL = 0 g



b) 102 students  
 critical value:  $z_{0.02} = 2.05$      $p$ -value = 0.000  
 test statistic:  $z = 3.70$     Reject  $H_0$

32. a) 8.28 minutes to 10.82 minutes  
 b)  $H_0 : \mu = 10$  minutes      critical value:  $t_{(19,0.95)} = -1.729$        $p$  – value  $< 0.004$   
 $H_A : \mu < 10$  minutes      test statistic:  $t = -0.74$       Fail to reject  $H_0$
33. a) 10.35% to 22.81%  
 b)  $H_0 : p = 0.221$       critical value:  $z_{0.98} = -2.05$        $p$  – value = 0.0322  
 $H_A : p < 0.221$       test statistic:  $z = -1.85$       Fail to reject  $H_0$
34. a) 2.98 minutes to 15.02 minutes  
 b)  $H_0 : \mu_B - \mu_A = 9$  minutes      critical value:  $z_{0.02} = 2.33$        $p$  – value = 0.0006  
 $H_A : \mu_B - \mu_A \neq 9$  minutes      test statistic:  $z = 3.48$       Reject  $H_0$
35. a) 55 dollars to 979 dollars  
 b)  $H_0 : \mu_d = 0$       critical value:  $t_{(5,0.05)} = 2.015$        $0.017 < p$  – value  $< 0.019$   
 $H_A : \mu_d > 0$       test statistic:  $t = 2.88$       Reject  $H_0$
36. a) \$15.30 to \$122.70  
 b)  $H_0 : \mu_m - \mu_f = 0$       critical value:  $t_{(21,0.05)} = 1.72$        $p$  – value = 0.048  
 $H_A : \mu_m - \mu_f \neq 0$       test statistic:  $t = 2.09$       Reject  $H_0$
37. a) 7.3% to 22.7%  
 b)  $H_0 : p_n - p_o = 0$       critical value:  $z_{0.01} = 2.33$        $p$  – value = 0.0002  
 $H_A : p_n - p_o \neq 0$       test statistic:  $z = 4.43$       Reject  $H_0$
38.  $H_0$  : Rating is independent of the kind of frozen dinner      critical value:  $\chi^2_{(2,0.05)} = 5.99$   
 $H_A$  : Rating is dependent of the kind of frozen dinner      test statistic:  $\chi^2 = 5.84$   
 Fail to reject  $H_0$
39.  $H_0$ : Distribution of destination reflective of that of the population  
 $H_A$ : Distribution of destination not reflective of that of the population  
 critical value:  $\chi^2_{(3,0.01)} = 13.28$        $p$  – value  $< 0.005$   
 test statistic:  $\chi^2 = 15.36$       Reject  $H_0$
40. a) 6.48 cm to 22.16 cm  
 b)  $H_0 : \sigma^2 = 400$       critical value:  $\chi^2_{(6,0.95)} = 1.64$        $0.025 < p$  – value  $< 0.05$   
 $H_A : \sigma^2 < 400$       test statistic:  $\chi^2 = 1.52$       Reject  $H_0$
41. a)  $y = 147.80 + 2.831x$       b) 142.24 to 151.36      c) 2.429 to 3.233  
 d)  $H_0 : \alpha = 0$       critical value:  $t_{(38,0.05)} = -1.304$        $0.139 < p$  – value  $< 0.162$   
 $H_A : \alpha < 150$       test statistic:  $t = -1.04$       Fail to reject  $H_0$   
 e)  $H_0 : \beta = 2$       critical value:  $t_{(38,0.05)} = 1.304$        $p$  – value = 0.001  
 $H_A : \beta > 2$       test statistic:  $t = 3.49$       Reject  $H_0$   
 f) 171.84 cm to 186.04 cm      g) 0.8876 and 78.78%      h) 0.814 to 0.933  
 i)  $H_0 : \rho = 0$       critical values:  $\pm t_{(38,0.05)} = \pm 1.686$       Reject  $H_0$   
 $H_A : \rho \neq 0$       test statistic:  $t = 11.88$   
 $p$  – value  $< 0.002$