## Business Statistics Mr. Nelson

## BEFORE STARTING A TEST OF SIGNIFICANCE - Means

Before starting the procedure, assemble the sample data in a single column and calculate the following:

Sample proportion $\hat{\rho}$ (Excel's "countif" formula may be helpful here).

Select a null hypothesis value ( $\rho_{0}$ ), an assumed value of the population proportion to which the sample proportion will be compared).

Select a significance level \% ( $\alpha$ ) (usually between 1\% to 10\%).

Lastly, I will need the name of the population, and focus proportion (see your proposal).

Select a significance level $\%(\alpha)$ will need to be determined (usually between $1 \%$ to $10 \%$ ).

Lastly, you will need the name of the population, and quantitative variable.

| EXAMPLE DATA: |  |  |  |
| :---: | :---: | :---: | :---: |
| $\hat{\mathbf{\rho}}=19.4 \%$ | $\boldsymbol{\rho}_{0}=35 \%$ | $\alpha=5 \%$ | $\mathrm{n}=36$ |
| Population | Female Granada Hills Charter High School students |  |  |
| Focus Proportion | Students who have downloaded videos illegally |  |  |

RETURN to Example Step One

