

Theory:  $\hat{p} \sim N(p, \underbrace{\sqrt{\frac{p(1-p)}{n}}}_{\text{SD}})$

population proportion

$$p \approx \hat{p}, \quad SE = \sqrt{\frac{\hat{p}(1-\hat{p})}{n}}$$

Application #1: CI

$$\hat{p} - \underbrace{2}_{95\%} \sqrt{\frac{\hat{p}(1-\hat{p})}{n}} \leq p \leq \hat{p} + \underbrace{2}_{95\%} \sqrt{\frac{\hat{p}(1-\hat{p})}{n}}$$

## Application #2: HT

$$\underbrace{H_0: p = p_0}_{\text{null}} \quad \text{vs.} \quad \underbrace{H_a: \begin{matrix} p < p_0 \\ p \neq p_0 \\ p > p_0 \end{matrix}}_{\text{alternative}} \quad \left. \vphantom{H_a} \right\} \begin{matrix} \text{one of} \\ \text{these} \end{matrix}$$

Then compute

$$Z = \frac{\hat{p} - p_0}{\sqrt{\frac{p_0(1-p_0)}{n}}}$$

test statistic based on  $H_0$

) get the p-value,

then conclude.

$$\underline{6.5^2}$$

$$n = 616$$

$$\hat{p} = \frac{438}{616} = .711$$

$$p\text{-value} = .276$$

$$H_0: p = .7 \text{ vs. } H_a: p > .7$$

$$z = \frac{.711 - .7}{\sqrt{\frac{(.7)(.3)}{616}}} = .596$$

$.0185 \rightarrow$

Theory:  $\bar{X} \sim N(\mu, \frac{\sigma}{\sqrt{n}})$

population  
mean

$\sigma$  = pop.  
SD

SD for  
 $\bar{X}$ 's

$$\mu \approx \bar{X}$$

$$\sigma \approx S$$

sample  
SD

compute test statistic

$$t = \frac{\bar{X} - \mu_0}{\left( \frac{s}{\sqrt{n}} \right)}$$

from  $H_0$

SE

$$df = n - 1$$

6.63

$$n = 1,000$$

$$\mu = 28, \quad \sigma = 5$$

$$\bar{X} \sim N\left(28, \frac{5}{\sqrt{1,000}}\right)$$

$$\bar{X} \sim N(28, .16)$$

$$\underline{\underline{.16}}$$