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The university conducts a survey with 750 randomly selected students on campus and finds that 510 of these students (or 68% of the sampled students) approve of the new facility and the remaining 240 students or 32% students do not approve of it.

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- The University has a sample of **750 responses**.



## Hypothesis Testing *involving a population proportion*

### **Step 1 : Formulate Hypothesis**

$$H_0: p \geq 0.70$$

$$H_A: p < 0.70$$



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$$\text{z-statistic} = \frac{\bar{p} - p}{\sqrt{\frac{p(1-p)}{n}}} = -1.1952$$

*The following conditions should be met...*

$$n\bar{p} > 5 \quad \text{and} \quad n(1 - \bar{p}) > 5$$

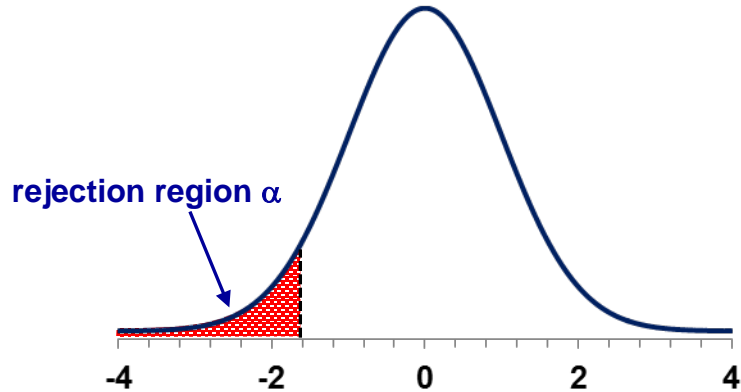
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[single tail test, rejection region on the L.H.S.]

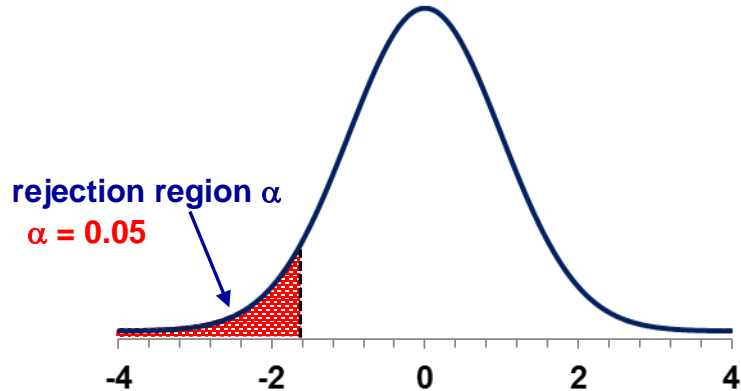




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**Step 3 : Cutoff values for the z-statistic  $\alpha = 0.05$**

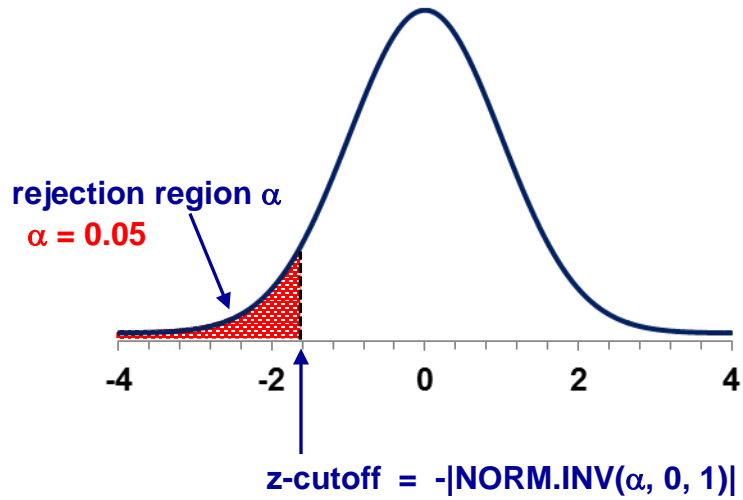
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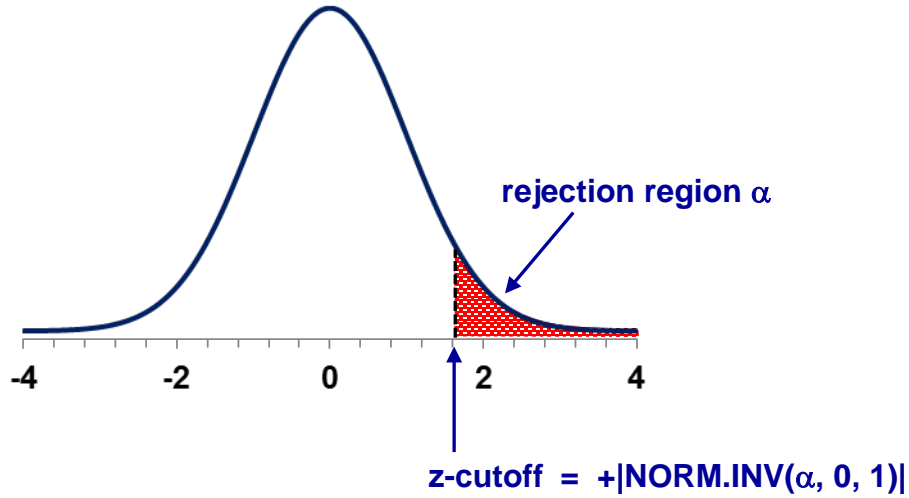
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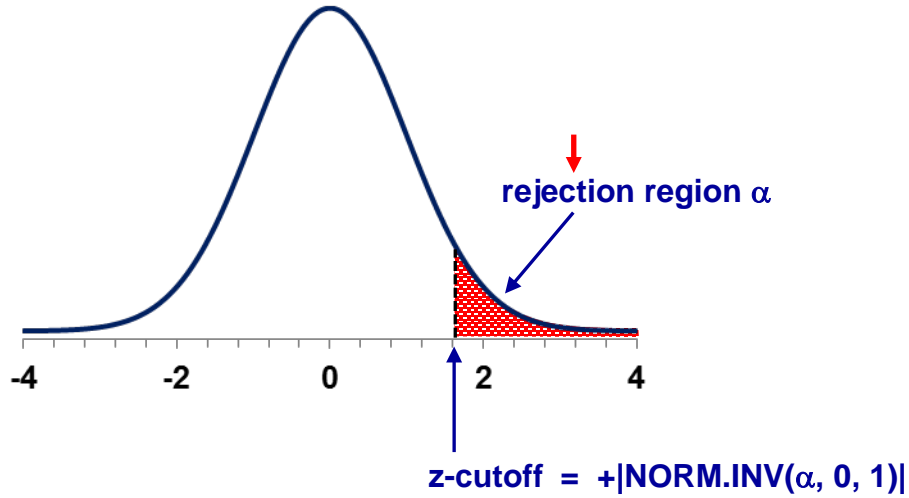
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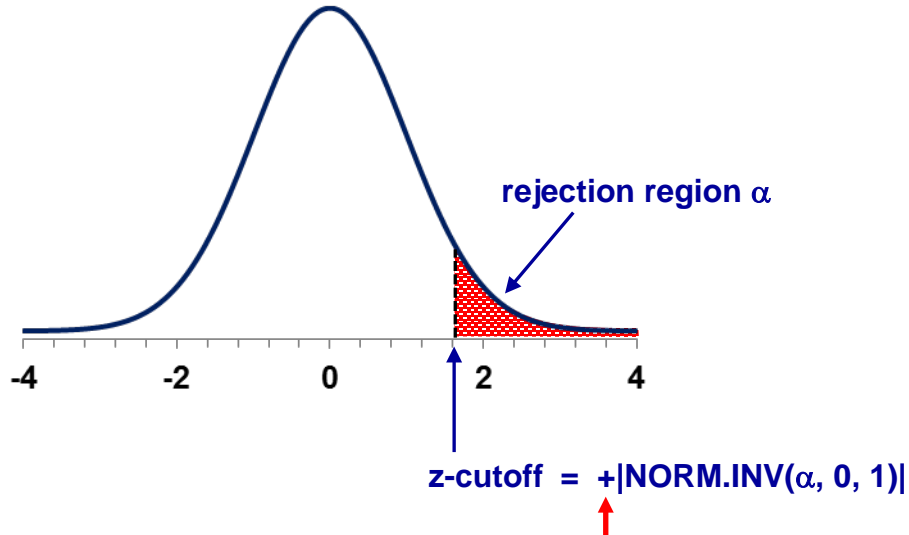
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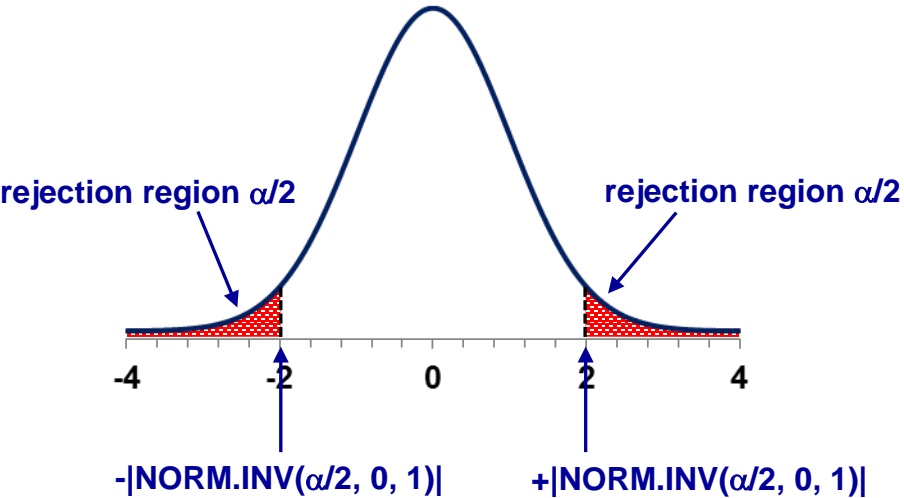
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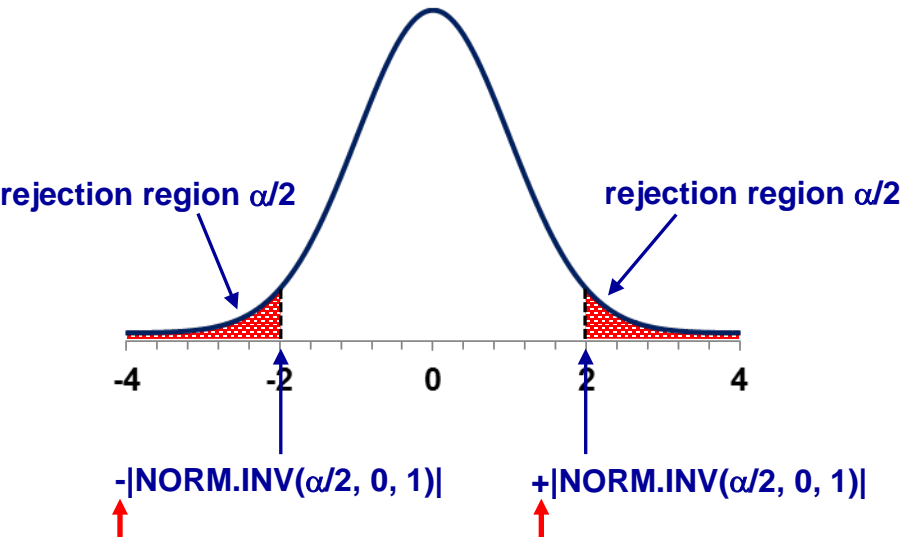
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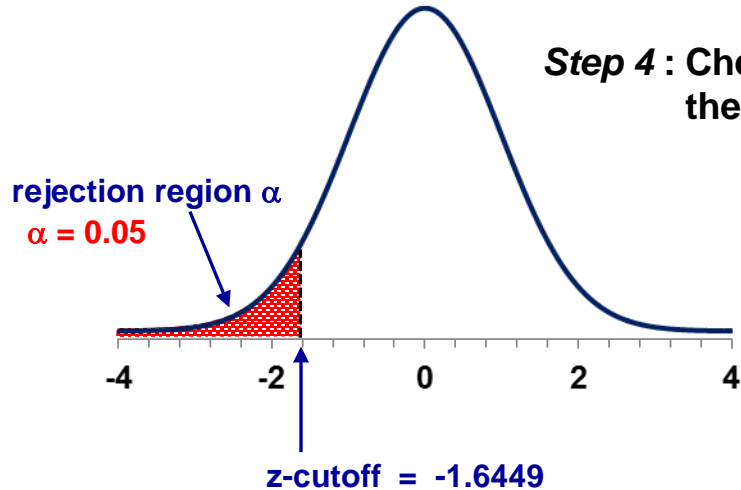


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**Step 4 :** Check whether z-statistic falls in the rejection region



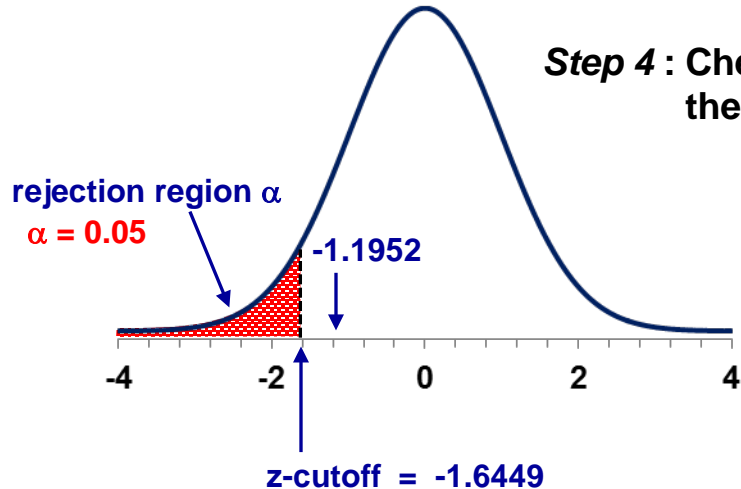


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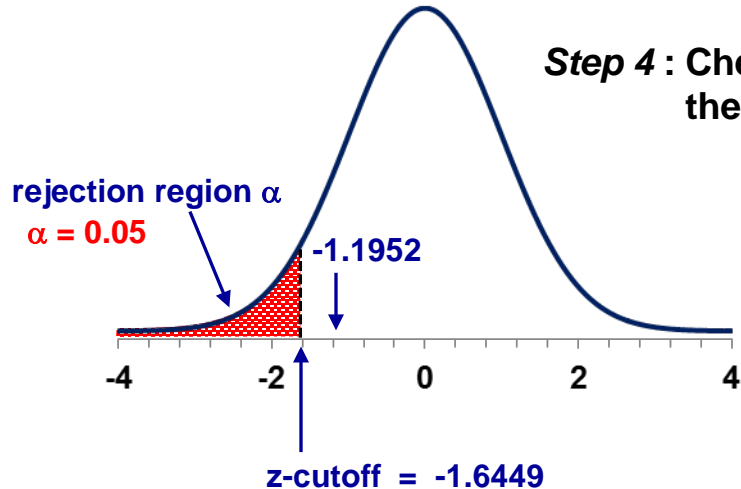
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➤ Do not reject Null hypothesis

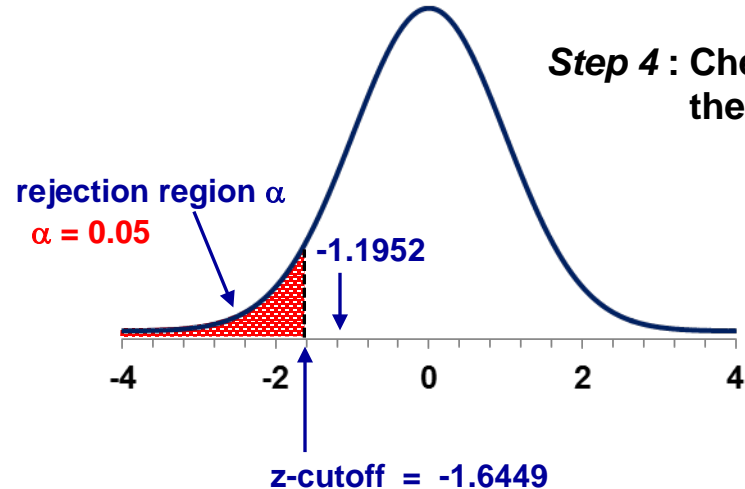


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- Do not reject Null hypothesis
- The lunch facility should be made permanent