

- for smaller dof  $t > z_{\frac{\alpha}{2}}$  & CI size  $\uparrow$

## Session - 45

### • Hypothesis Testing -

↳ A statistical method use to make a decision about a population based on sample data

### • Null hypothesis ( $H_0$ )

↳ It is a statistical statement that represent default or initial assumption about population parameter

↳ It assumes there is no effect, no diff. & or no relationship b/w variables.

### • Alternative Hypothesis ( $H_1$ or $H_a$ )

↳ opposite of null hypothesis

$$H_0: \mu = 60 \text{ min}$$

$$H_1: \mu \neq 60 \text{ min}$$

→ Failing to reject null hypothesis doesn't mean null hypo. is true, its just mean that there is not enough evidence to support alternative hypothesis

### • Steps involved in Hypothesis testing -

#### 1) Rejectn Approach -

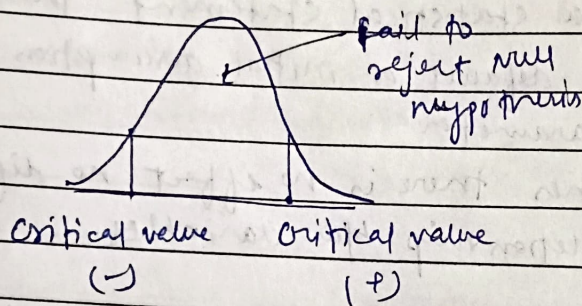
- 1) Formulate Null & Alternate hypo
- 2) Select significance value (its prob. of rejecting null hypo. when its actually true) generally 0.01 or 0.05



- 3) Check assumption of data
- 4) Decide test (Z, t, ANOVA etc)
- 5) State relevant test statistic
- 6) Conduct the test
- 7) Reject or not reject null hypo.
- 8) Interpret the result

### • Significance level.

- ↳ It represents the prob. of rejecting Null hypothesis when it is actually true
- ↳ Also called Type-1 error



• In hypothesis testing two types of errors can occur -

i) Type-1 error = (false true)

↳ we reject Null hypothesis when it is actually true.

we can use ' $\alpha$ ' to reduce the risk

ii) Type-2 error (false -ve)

↳ Null hypothesis is not rejected when it is actually false

↳ we can use  $\beta$  here

If we decrease Type-1 error then Type-2 error will increase



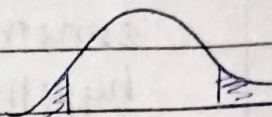
• one sided v/s two sided test -

i) Two tailed test

↳ in alternate hypothesis - ' $\neq$ ' comes

Advantage -

- Detects effect in both direction
- More conservative (it reduces risk of type-I error)



Disadvantage -

- Less powerful (Type-II error can occur)
- Not appropriate for directional hypothesis

ii) 1 tailed test -

Advantage -

- more powerful
- Directional hypothesis

Disad -

- missed effects

- increased risk of type-I error