

Introduction to Statistical Testing

In the previous lesson, you learned that the primary methods of inference break down into two fundamental activities: interval estimation and hypothesis testing. If you're asking the question "what is the unknown value?", then you would compute an interval estimate of the value. However, if you're asking a question like "is the unknown value greater than X?", then you would conduct a hypothesis test.

In hypothesis testing, and in statistical testing in general, you need to make a decision based on sample data, without having full knowledge about a population.

In this lesson, you are introduced to the core terminology used in statistical testing. You learn about the statistical decision-making process, null and alternative hypotheses, p-values, significance levels, practical versus statistical significance, and common errors in hypothesis testing.

This is a non-theoretical introduction to some very powerful and important statistical concepts.

For more information about statistical decision making and hypothesis testing, see the Read About It for this module.

Statistical Thinking for Industrial Problem Solving

Copyright © 2020 SAS Institute Inc., Cary, NC, USA. All rights reserved.

Close