5) Statistical Test

Vitor Kamada

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Reference

Tables, Graphics, and Figures from
Introductory Statistics with
Randomization and Simulation

Diez et al. (2014): Ch 2 - Foundation for inference

Rosen B and Jerdee T. 1974. "Influence of sex role stereotypes on personnel decisions." Journal of Applied Psychology 59(1):9-14

CVs were randomly assigned to 48 male bank supervisors

CVs were identical, except that half was male and the other half female

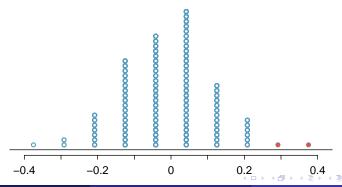
 H_0 : Gender \perp Decision vs H_A : Gender $\neg \perp$ Decision

decision promoted not promoted Total 21 24 male 3 gender female 14 10 24 48 Total 35 13

$$\frac{21}{24} - \frac{14}{24} = 29.2\%$$

100 Simulations

| | | decision | | |
|------------------|--------|----------|--------------|-------|
| | | promoted | not promoted | Total |
| gender_simulated | male | 18 | 6 | 24 |
| | female | 17 | 7 | 24 |
| | Total | 35 | 13 | 48 |



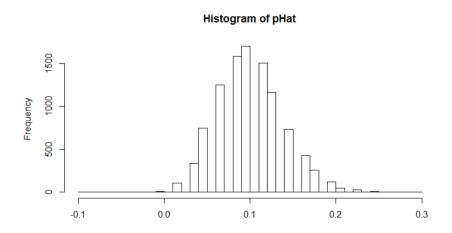
Medical Consultant

Average complication rate for liver donor surgeries in the US is about 10%

A Medical Consultant had only 3 complications in the 62 liver donor surgeries $\hat{p} = \frac{3}{62} \cong 0.048$

```
pHat <- rbinom(10^4, 62, 0.1)/62
sum(pHat<0.048)/10^4
hist(pHat, breaks=seq(-0.1,0.3,0.01))
```

10000 Simulations



$$\hat{p} < 0.048 = 0.0445$$



Frederick S and et. al. 2009. Opportunity Cost Neglect. Journal of Consumer Research 36: 553-561.

Control Group:

- (A) Buy this entertaining video.
- (B) Not buy this entertaining video.

Treatment Group:

- (A) Buy this entertaining video.
- (B) Not buy this entertaining video. Keep the \$14.99 for other purchases.

Opportunity Cost

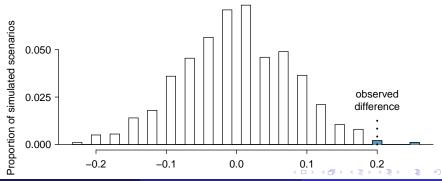
| | decision | | |
|-----------------|----------|-------------|-------|
| | buy DVD | not buy DVD | Total |
| control group | 56 | 19 | 75 |
| treatment group | 41 | 34 | 75 |
| Total | 97 | 53 | 150 |

decision buy DVD not buy DVD Total 0.747 0.253 1.000 control group treatment group 0.547 0.453 1.000 Total 0.647 0.353 1.000

$$\hat{p}_t - \hat{p}_c = \frac{34}{75} - \frac{19}{75} = 20\%$$

1000 Simulations

| | decision | | |
|---------------------------|----------|-------------|-------|
| | buy DVD | not buy DVD | Total |
| simulated-control group | 46 | 29 | 75 |
| simulated-treatment group | 51 | 24 | 75 |
| Total | 97 | 53 | 150 |



Framing Effect

| | 2-AFT, Local 6075 (American Association of University Professors-American attion of Teachers) |
|--------|---|
| I have | elected to become (select one): |
| | ${\bf Union\ member}$ with all the benefits of membership. Dues are currently assessed at the rate of .9% of gross salary. |
| | Fair Share fee payer at 81% of regular dues, with no benefits of membership. |
| | Fund contributor at 110% of regular dues to a university-wide Provost's fund (100% for those hired before September 1, 1995, or who had tenure or ESS as of September 1, 2002): ☐ Scholarship or ☐ Research |

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Decision Errors

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