Performing Hypothesis Testing for One-sample t-tests in Excel 2016

You should already have the Excel tutorial file open.

1. Copy a single continuous variable into a new sheet. In this case we will copy "Phone Time."

Phone Time

12 Mean

25 Sample Size

1.5 SD

30 SE

23 DF

13

23

50

- 2. Create a table as the one on the right in order to arrange the necessary information for calculating the t-statistic.
- 3. Calculate the mean, standard deviation, and n in blank cells next to the variable:
 - Mean: =AVERAGE([select data])
 - Standard deviation: =STDEV([select data])
 - n: =COUNT([select data])
- 4. Calculate the standard error. Divide the standard deviation by the square root of the number of cases of data, n.
 - SE: =[standard deviation]/SQRT(n)
- 5. Calculate the degrees of freedom. Subtract 1 from n.
 - DF =[n]-1

For Hypothesis test:

- 6. To find the t-statistic, you use the mean and standard error you calculated above. If the null hypothesis assumes a mean of μ , then the t-statistic is calculated with this equation.
 - t stat =([Mean]-[μ])/[SE]

Click on the cell values which you previously calculated to include them in the t-statistic equation.

After you calculate the appropriate t-statistic based on the μ value given in the problem. Then:

- 7. To find the p-value for a *right-sided* or *greater than* alternative hypothesis test:
 - p-value: =T.DIST.RT([t stat],[DF])
 - t-critical: **=T.INV(0.95, [DF])**
- 8. To find the p-value and t-critical for a *left-sided* or *less than* alternative hypothesis test:
 - p-value: =T.DIST([t stat],[DF],TRUE)
 - t-critical: **=T.INV(0.05, [DF])**
- 9. To find the p-value for a two-sided alternative hypothesis test:
 - p-value: = T.DIST.2T([t stat],[DF])
 - t-critical: **=T.INV.2T(0.05, [DF])**

***NOTE: When using two-tailed tests in Excel, you will get an error message if your t-statistic is negative when calculating the p-value. Additionally, the t-critical

provided will always be positive. For the p-value always type in a positive t-statistic and compare your t-statistic (disregarding original sign) to the t-critical provided.

For Confidence Intervals:

- 10. If you would like to calculate a confidence interval for a two-sided test, multiply the standard error by the critical value t*. To find t*:
 - For a 95% confidence interval, calculate t* (t-critical). =**T.INV.2T(0.05,[DF])**
- 11. The 95 % confidence interval is found by using the equations =[mean] + (t*× SE) for the upper bound, and =[mean] (t*× SE) for the lower bound