Statistical and Mathematical Methods for Data Analysis

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Textbooks

- ❑ **Probability & Statistics for Engineers & Scientists**, Ninth Edition, Ronald E. Walpole, Raymond H. Myer

- ❑ **Elementary Statistics: Picturing the World,** 6th Edition, Ron Larson and Betsy Farber

- ❑ **Elementary Statistics**, 13th Edition, Mario F. Triola

Reference books

- ❑ **Probability and Statistical Inference, Ninth Edition,** Robert V. Hogg, Elliot A. Tanis, Dale L. Zimmerman

- ❑ **Probability Demystified**, Allan G. Bluman

- ❑ **Practical Statistics for Data Scientists: 50 Essential Concepts,** Peter Bruce and Andrew Bruce

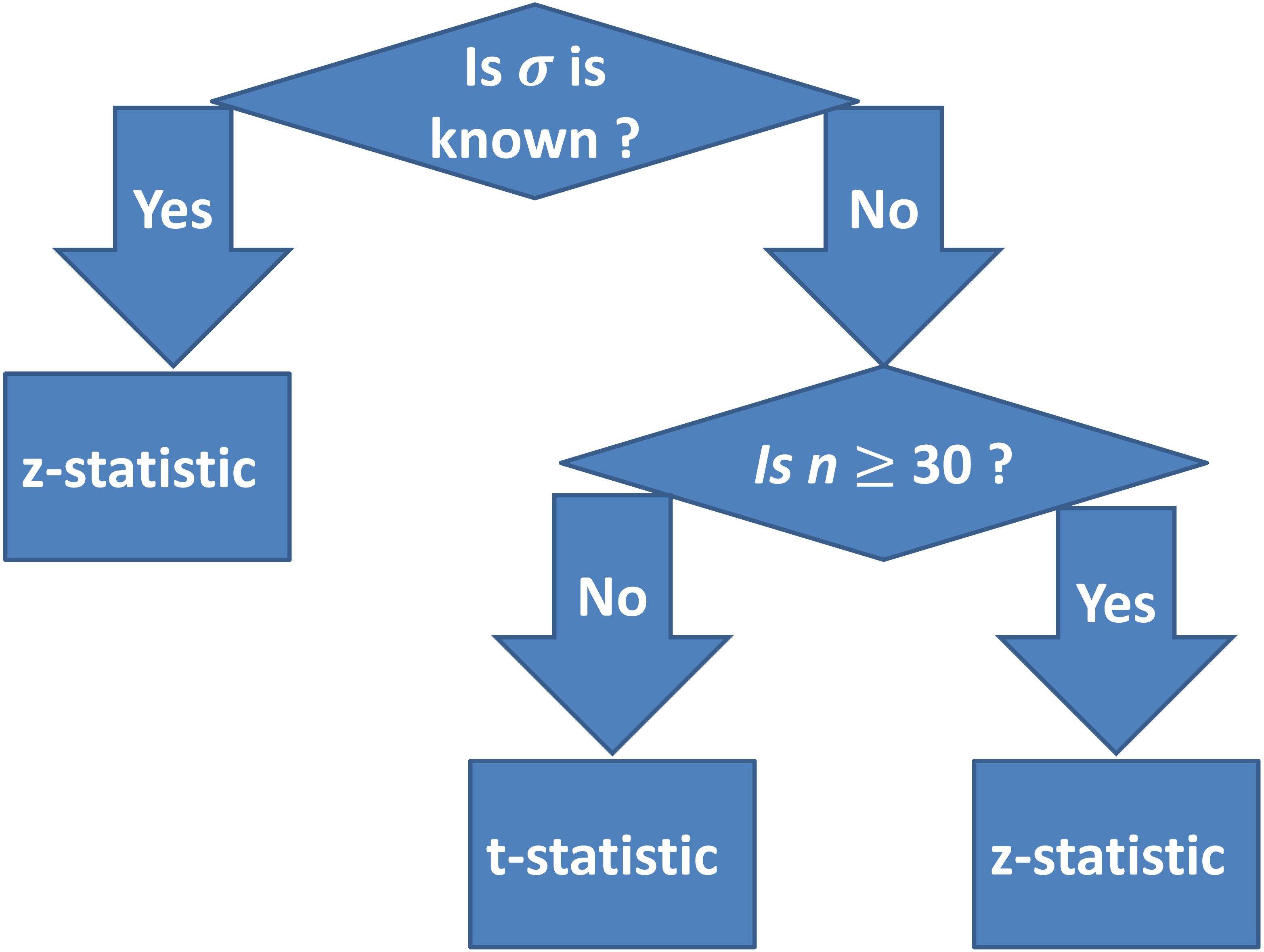
- ❑ **Schaum's Outline of Probability,** Second Edition, Seymour Lipschutz, Marc Lipson

- ❑ **Python for Probability, Statistics, and Machine Learning,** José Unpingco

References

- ❑ Probability & Statistics for Engineers & Scientists, Ninth edition, Ronald E. Walpole, Raymond H. Myer
- ❑ Elementary Statistics, Tenth Edition, Mario F. Triola

These notes contain material from the above resources.



Is σ is known ?

Yes

z-statistic

No

Is n $\geq$ 30 ?

No

t-statistic

Yes

z-statistic

$$Z_{cal} = \frac{\overline{x} - \mu}{\sigma/\sqrt{n}}$$

$$Z_{cal} = \frac{\overline{x} - \mu}{s/\sqrt{n}}$$

$$S = \sqrt{\frac{\sum(\mathbf{x} - \overline{x})^2}{n}}$$

$$S = \sqrt{\frac{1}{n}\{\sum_{i=1}^{n} \mathbf{x}^2 - \frac{(\sum_{i=1}^{n} \mathbf{x})^2}{n}\}}$$

$$t_{cal} = \frac{\overline{x} - \mu}{s/\sqrt{n}}$$

$$s = \sqrt{\frac{\sum(\mathbf{x} - \overline{x})^2}{n - 1}}$$

$$s = \sqrt{\frac{1}{n(n-1)}\{n\sum_{i=1}^{n} x^2{}_i - (\sum_{i=1}^{n} x_i)^2\}}$$

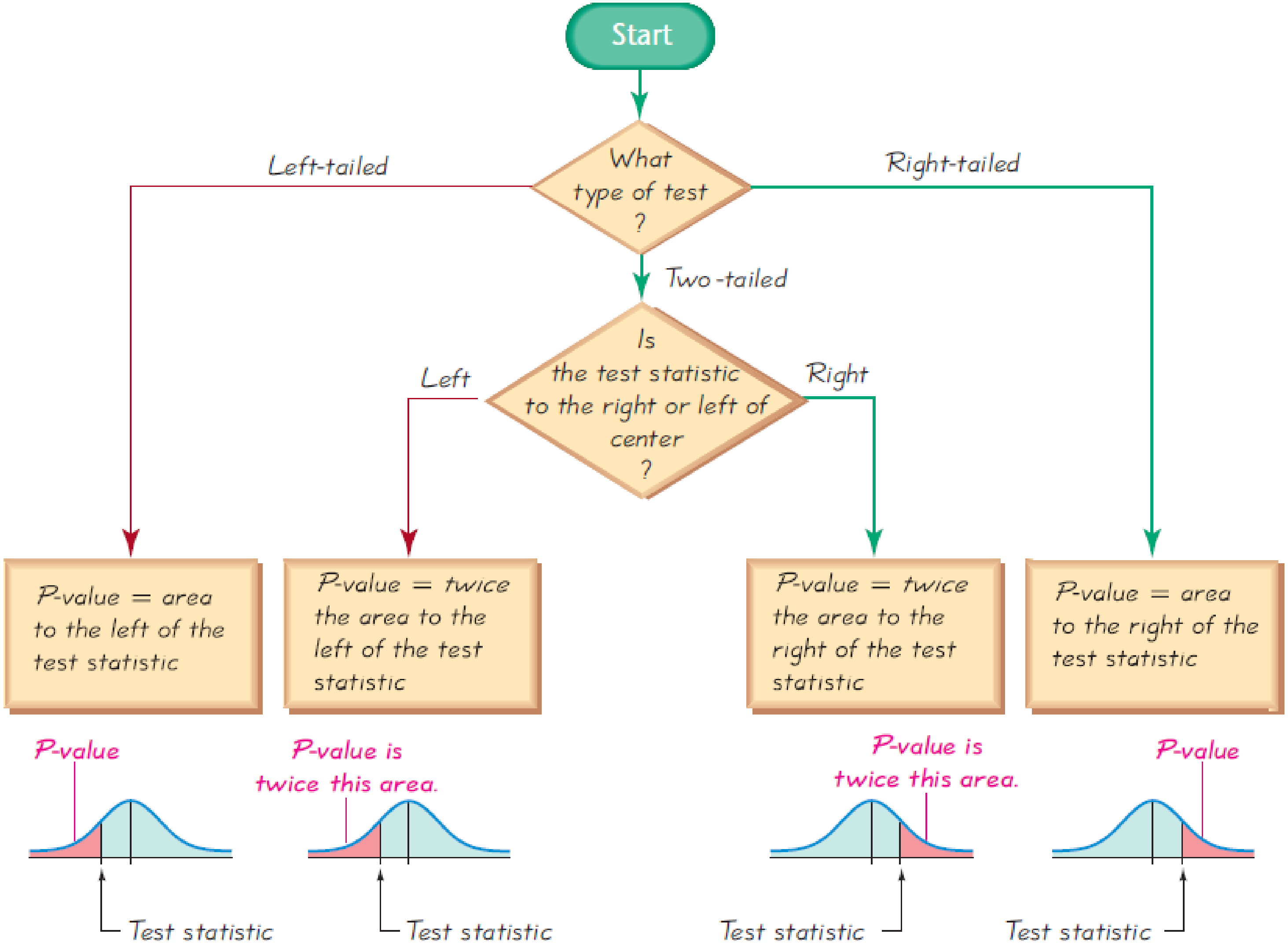
A ***P*-value** is the **lowest level (of significance)** at which the observed value of the test statistic is significant.

P-value method:

- ❑ ***Reject H_0*** if the ***P*-value $\le \alpha$** (where α is the significance level, such as 0.05).

- ❑ ***Fail to reject H_0*** if the ***P*-value > α.**

Procedure for Finding *P*-Values



Start
What type of test ?
Left-tailed
Right-tailed
Two -tailed
Is the test statistic to the right or left of center ?
Left
Right
P-value = area to the left of the test statistic
P-value = twice the area to the left of the test statistic
P-value = twice the area to the right of the test statistic
P-value = area to the right of the test statistic
P-value
P-value is twice this area.
P-value is twice this area.
P-value
Test statistic
Test statistic
Test statistic
Test statistic

Figure 1

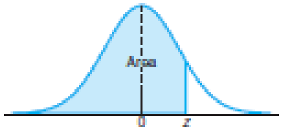
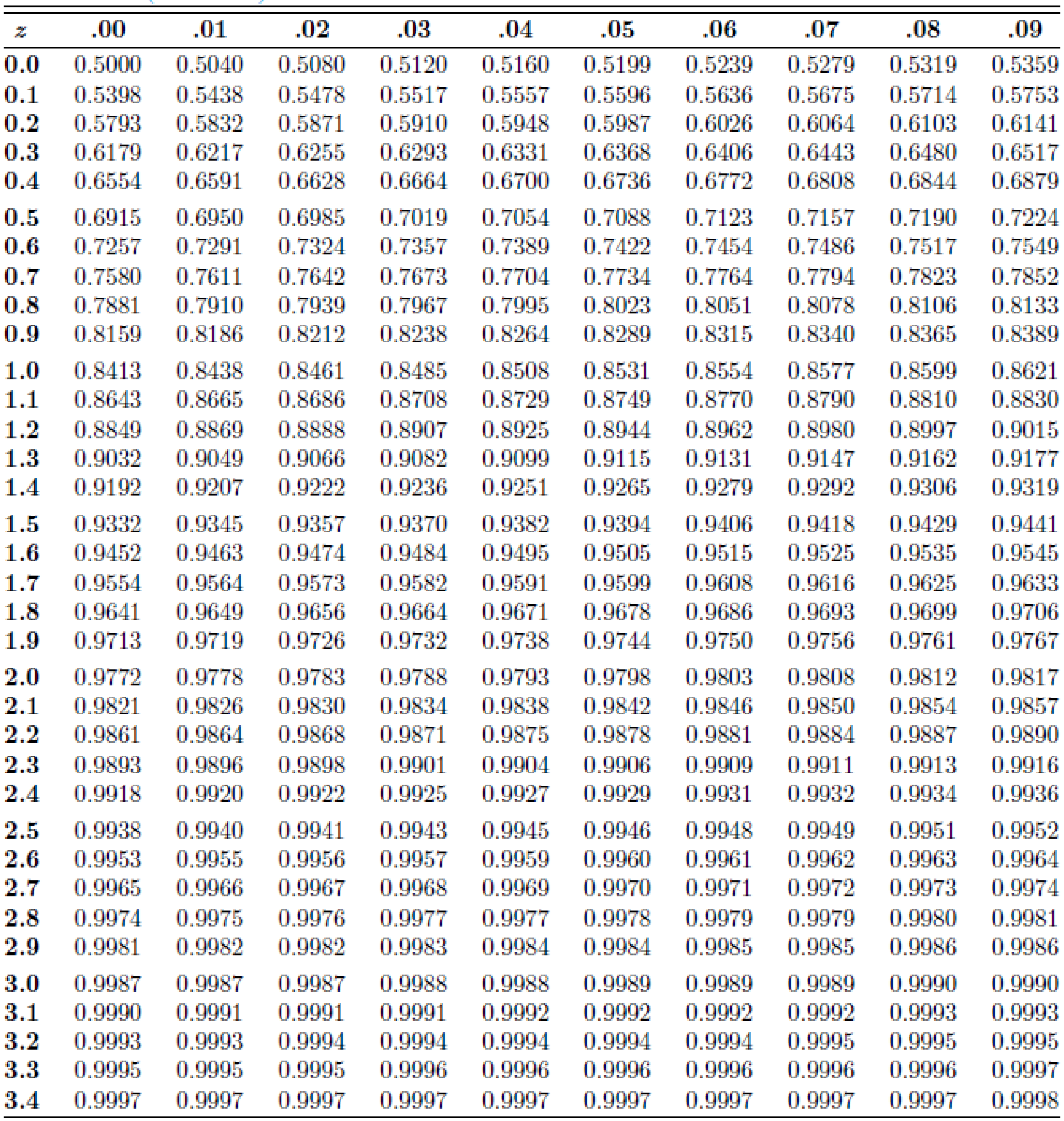


Table A.3 Areas under the Normal Curve

z	.00	.01	.02	.03	.04	.05	.06	.07	.08	.09
−3.4	0.0003	0.0003	0.0003	0.0003	0.0003	0.0003	0.0003	0.0003	0.0003	0.0002
−3.3	0.0005	0.0005	0.0005	0.0004	0.0004	0.0004	0.0004	0.0004	0.0004	0.0003
−3.2	0.0007	0.0007	0.0006	0.0006	0.0006	0.0006	0.0006	0.0005	0.0005	0.0005
−3.1	0.0010	0.0009	0.0009	0.0009	0.0008	0.0008	0.0008	0.0008	0.0007	0.0007
−3.0	0.0013	0.0013	0.0013	0.0012	0.0012	0.0011	0.0011	0.0011	0.0010	0.0010
−2.9	0.0019	0.0018	0.0018	0.0017	0.0016	0.0016	0.0015	0.0015	0.0014	0.0014
−2.8	0.0026	0.0025	0.0024	0.0023	0.0023	0.0022	0.0021	0.0021	0.0020	0.0019
−2.7	0.0035	0.0034	0.0033	0.0032	0.0031	0.0030	0.0029	0.0028	0.0027	0.0026
−2.6	0.0047	0.0045	0.0044	0.0043	0.0041	0.0040	0.0039	0.0038	0.0037	0.0036
−2.5	0.0062	0.0060	0.0059	0.0057	0.0055	0.0054	0.0052	0.0051	0.0049	0.0048
−2.4	0.0082	0.0080	0.0078	0.0075	0.0073	0.0071	0.0069	0.0068	0.0066	0.0064
−2.3	0.0107	0.0104	0.0102	0.0099	0.0096	0.0094	0.0091	0.0089	0.0087	0.0084
−2.2	0.0139	0.0136	0.0132	0.0129	0.0125	0.0122	0.0119	0.0116	0.0113	0.0110
−2.1	0.0179	0.0174	0.0170	0.0166	0.0162	0.0158	0.0154	0.0150	0.0146	0.0143
−2.0	0.0228	0.0222	0.0217	0.0212	0.0207	0.0202	0.0197	0.0192	0.0188	0.0183
−1.9	0.0287	0.0281	0.0274	0.0268	0.0262	0.0256	0.0250	0.0244	0.0239	0.0233
−1.8	0.0359	0.0351	0.0344	0.0336	0.0329	0.0322	0.0314	0.0307	0.0301	0.0294
−1.7	0.0446	0.0436	0.0427	0.0418	0.0409	0.0401	0.0392	0.0384	0.0375	0.0367
−1.6	0.0548	0.0537	0.0526	0.0516	0.0505	0.0495	0.0485	0.0475	0.0465	0.0455
−1.5	0.0668	0.0655	0.0643	0.0630	0.0618	0.0606	0.0594	0.0582	0.0571	0.0559
−1.4	0.0808	0.0793	0.0778	0.0764	0.0749	0.0735	0.0721	0.0708	0.0694	0.0681
−1.3	0.0968	0.0951	0.0934	0.0918	0.0901	0.0885	0.0869	0.0853	0.0838	0.0823
−1.2	0.1151	0.1131	0.1112	0.1093	0.1075	0.1056	0.1038	0.1020	0.1003	0.0985
−1.1	0.1357	0.1335	0.1314	0.1292	0.1271	0.1251	0.1230	0.1210	0.1190	0.1170
−1.0	0.1587	0.1562	0.1539	0.1515	0.1492	0.1469	0.1446	0.1423	0.1401	0.1379
−0.9	0.1841	0.1814	0.1788	0.1762	0.1736	0.1711	0.1685	0.1660	0.1635	0.1611
−0.8	0.2119	0.2090	0.2061	0.2033	0.2005	0.1977	0.1949	0.1922	0.1894	0.1867
−0.7	0.2420	0.2389	0.2358	0.2327	0.2296	0.2266	0.2236	0.2206	0.2177	0.2148
−0.6	0.2743	0.2709	0.2676	0.2643	0.2611	0.2578	0.2546	0.2514	0.2483	0.2451
−0.5	0.3085	0.3050	0.3015	0.2981	0.2946	0.2912	0.2877	0.2843	0.2810	0.2776
−0.4	0.3446	0.3409	0.3372	0.3336	0.3300	0.3264	0.3228	0.3192	0.3156	0.3121
−0.3	0.3821	0.3783	0.3745	0.3707	0.3669	0.3632	0.3594	0.3557	0.3520	0.3483
−0.2	0.4207	0.4168	0.4129	0.4090	0.4052	0.4013	0.3974	0.3936	0.3897	0.3859
−0.1	0.4602	0.4562	0.4522	0.4483	0.4443	0.4404	0.4364	0.4325	0.4286	0.4247
−0.0	0.5000	0.4960	0.4920	0.4880	0.4840	0.4801	0.4761	0.4721	0.4681	0.4641

Table A.3 (continued) Areas under the Normal Curve



z	.00	.01	.02	.03	.04	.05	.06	.07	.08	.09
0.0	0.5000	0.5040	0.5080	0.5120	0.5160	0.5199	0.5239	0.5279	0.5319	0.5359
0.1	0.5398	0.5438	0.5478	0.5517	0.5557	0.5596	0.5636	0.5675	0.5714	0.5753
0.2	0.5793	0.5832	0.5871	0.5910	0.5948	0.5987	0.6026	0.6064	0.6103	0.6141
0.3	0.6179	0.6217	0.6255	0.6293	0.6331	0.6368	0.6406	0.6443	0.6480	0.6517
0.4	0.6554	0.6591	0.6628	0.6664	0.6700	0.6736	0.6772	0.6808	0.6844	0.6879
0.5	0.6915	0.6950	0.6985	0.7019	0.7054	0.7088	0.7123	0.7157	0.7190	0.7224
0.6	0.7257	0.7291	0.7324	0.7357	0.7389	0.7422	0.7454	0.7486	0.7517	0.7549
0.7	0.7580	0.7611	0.7642	0.7673	0.7704	0.7734	0.7764	0.7794	0.7823	0.7852
0.8	0.7881	0.7910	0.7939	0.7967	0.7995	0.8023	0.8051	0.8078	0.8106	0.8133
0.9	0.8159	0.8186	0.8212	0.8238	0.8264	0.8289	0.8315	0.8340	0.8365	0.8389
1.0	0.8413	0.8438	0.8461	0.8485	0.8508	0.8531	0.8554	0.8577	0.8599	0.8621
1.1	0.8643	0.8665	0.8686	0.8708	0.8729	0.8749	0.8770	0.8790	0.8810	0.8830
1.2	0.8849	0.8869	0.8888	0.8907	0.8925	0.8944	0.8962	0.8980	0.8997	0.9015
1.3	0.9032	0.9049	0.9066	0.9082	0.9099	0.9115	0.9131	0.9147	0.9162	0.9177
1.4	0.9192	0.9207	0.9222	0.9236	0.9251	0.9265	0.9279	0.9292	0.9306	0.9319
1.5	0.9332	0.9345	0.9357	0.9370	0.9382	0.9394	0.9406	0.9418	0.9429	0.9441
1.6	0.9452	0.9463	0.9474	0.9484	0.9495	0.9505	0.9515	0.9525	0.9535	0.9545
1.7	0.9554	0.9564	0.9573	0.9582	0.9591	0.9599	0.9608	0.9616	0.9625	0.9633
1.8	0.9641	0.9649	0.9656	0.9664	0.9671	0.9678	0.9686	0.9693	0.9699	0.9706
1.9	0.9713	0.9719	0.9726	0.9732	0.9738	0.9744	0.9750	0.9756	0.9761	0.9767
2.0	0.9772	0.9778	0.9783	0.9788	0.9793	0.9798	0.9803	0.9808	0.9812	0.9817
2.1	0.9821	0.9826	0.9830	0.9834	0.9838	0.9842	0.9846	0.9850	0.9854	0.9857
2.2	0.9861	0.9864	0.9868	0.9871	0.9875	0.9878	0.9881	0.9884	0.9887	0.9890
2.3	0.9893	0.9896	0.9898	0.9901	0.9904	0.9906	0.9909	0.9911	0.9913	0.9916
2.4	0.9918	0.9920	0.9922	0.9925	0.9927	0.9929	0.9931	0.9932	0.9934	0.9936
2.5	0.9938	0.9940	0.9941	0.9943	0.9945	0.9946	0.9948	0.9949	0.9951	0.9952
2.6	0.9953	0.9955	0.9956	0.9957	0.9959	0.9960	0.9961	0.9962	0.9963	0.9964
2.7	0.9965	0.9966	0.9967	0.9968	0.9969	0.9970	0.9971	0.9972	0.9973	0.9974
2.8	0.9974	0.9975	0.9976	0.9977	0.9977	0.9978	0.9979	0.9979	0.9980	0.9981
2.9	0.9981	0.9982	0.9982	0.9983	0.9984	0.9984	0.9985	0.9985	0.9986	0.9986
3.0	0.9987	0.9987	0.9987	0.9988	0.9988	0.9989	0.9989	0.9989	0.9990	0.9990
3.1	0.9990	0.9991	0.9991	0.9991	0.9992	0.9992	0.9992	0.9992	0.9993	0.9993
3.2	0.9993	0.9993	0.9994	0.9994	0.9994	0.9994	0.9994	0.9995	0.9995	0.9995
3.3	0.9995	0.9995	0.9995	0.9996	0.9996	0.9996	0.9996	0.9996	0.9996	0.9997
3.4	0.9997	0.9997	0.9997	0.9997	0.9997	0.9997	0.9997	0.9997	0.9997	0.9998

EXAMPLE Finding *P*-Values First determine whether the given conditions result in a **right-tailed test,** a **left-tailed test**, or a **two-tailed test**, then use Figure 1 in the previous slide to find the *P*-value, then state a conclusion about the null hypothesis.

a. A significance level of $\boldsymbol{\alpha = 0.05}$ is used in testing the claim that $\boldsymbol{p > 0.25}$, and the sample data result in a test statistic of $\boldsymbol{z_{cal} = 1.18}$.

b. A significance level of $\boldsymbol{\alpha = 0.05}$ is used in testing the claim that $\mathbf{p} \boldsymbol{\neq 0.25}$ and the sample data result in a test statistic of $\boldsymbol{z_{cal} = 2.34}$**.**

a. With a claim of $p > 0.25$, the test is right-tailed.

$\mathbf{Z_{cal} = 1.18}$

$P(Z_{cal} > 1.18) = 1 – P(Z_{cal} < 1.18)$

$= 1 – .8810$

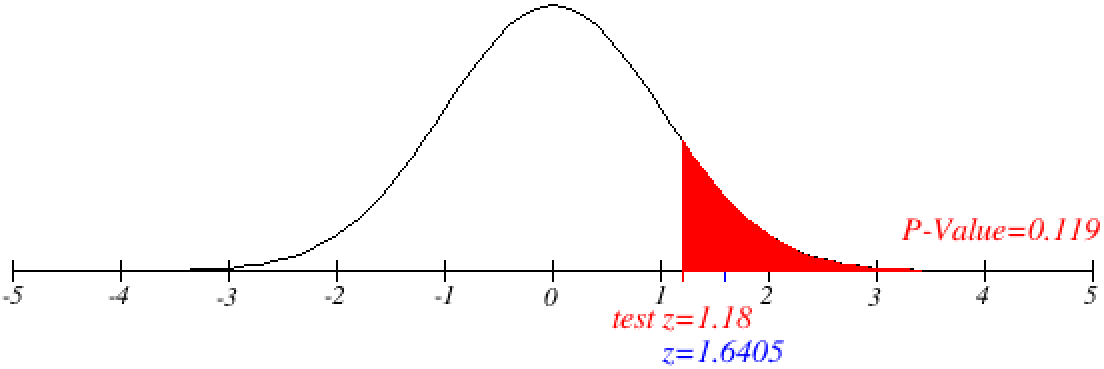
$= 0.1190$

P-value = 0.1190

***P*-value** $\leq \alpha$

0.1190 $\leq$ 0.05 (false)

We fail to reject the null hypothesis.



❑ **The *P*-value of 0.1190** is **relatively large**, indicating that the sample results **could easily occur by chance**.

b With a claim of the test is two-tailed. Using Figure 1 for a two tailed test, we see that the *P*-value is *twice* the area to the right of $\mathbf{z_{cal} = 2.34}$.

$\mathbf{P(|Z_{cal}| > 2.34) = 1 – P(|Z_{cal}|< 2.34)}$

$= 1 – 0.9904$

$= 0.0096$

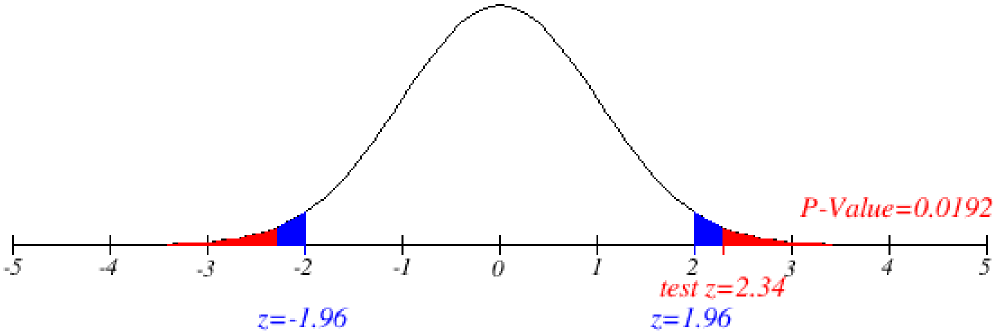
$\mathbf{P\text{-value} = 2 \times P(|Z_{cal}|> 2.34)}$

P-value $= 2 \times 0.0096$

$= 0.0192$

***P*-value $\leq \alpha$**

$0.0192 \leq 0.05$ (true)



We reject the null hypothesis.

❑ The **small *P*-value** of **0.0192** shows that the sample results are not likely to occur by chance.

Single Sample: Tests Concerning a Single Mean

Example: A random sample of 100 recorded deaths in the United States during the past year showed an average life span of 71.8 years. Assuming a population standard deviation of 8.9 years, does this seem to indicate that the mean life span today is greater than 70 years? Use a 0.05 level of significance.

Solution:

$n = 100$ (sample size)

$\bar{x} = 71.8$ (sample mean)

$\sigma = 8.9$ (population standard deviation)

$\alpha = 0.05$ (level of significance)

1. **We state our hypothesis as**:

H_0: $\mu = 70$ years

H_1: $\mu > 70$ years (one sided test)

2. **The level of significance is set** $\alpha = 0.05$.

3. **Test statistic to be used is**

$$Z_{cal} = \frac{\bar{x} - \mu}{\sigma/\sqrt{n}}$$

4. **Calculations:**

$$Z_{cal} = \frac{71.8 - 70}{8.9/\sqrt{100}} = 2.02.$$

5. **P-value**

$\mathbf{Z_{cal} = 2.02}$

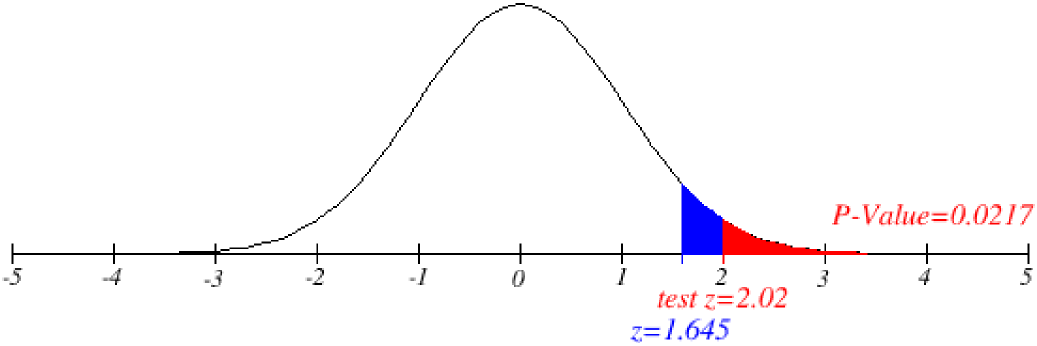
$P(Z_{cal} > 2.02) = 1 - P(Z_{cal} < 2.02)$

$= 1 - 0.9783$

$= 0.0217$

***P*-value $\leq \alpha$**

$0.0217 \leq$ **0.05 (true)**



6. **Conclusion:** We reject $\mathbf{H_o}$

Example: A manufacturer of sports equipment has developed a new synthetic fishing line that the company claims has a mean breaking strength of **8 kilograms** with a **standard deviation of 0.5** kilogram. Test the hypothesis that $\mu = 8$ kilograms against the alternative that $\mu \neq 8$ kilograms if a random sample of **50 lines** is tested and found to have a mean breaking strength of **7.8 kilograms**. Use a 0.01 level of significance.

Solution:

$\mu = 8$ (Population mean)

$n = 50$ (Sample size)

$\sigma = 0.5$ (Population standard deviation)

$\bar{x} = 7.8$ (Sample mean)

$\alpha = 0.01$ (Level of significance)

1. **We state our hypothesis as**:

$H_0: \mu = 8$

$H_1: \mu \neq 8$ (Two sided test)

2. **The level of significance is set** $\alpha = 0.01$.

3. **Test statistic to be used is**

$$Z_{cal} = \frac{\bar{x} - \mu}{\sigma/\sqrt{n}}$$

4. **Calculations:**

$$Z_{cal} = \frac{7.8 - 8}{0.5/\sqrt{50}} = -2.83.$$

$Z_{tab} = 2.575$

5. P-value

z_{cal} = 2.83.

$P(|Z_{cal}| > 2.83) = 1 - P(|Z_{cal}| < 2.83)$

$= 1 - 0.9977$

$= 0.0023$

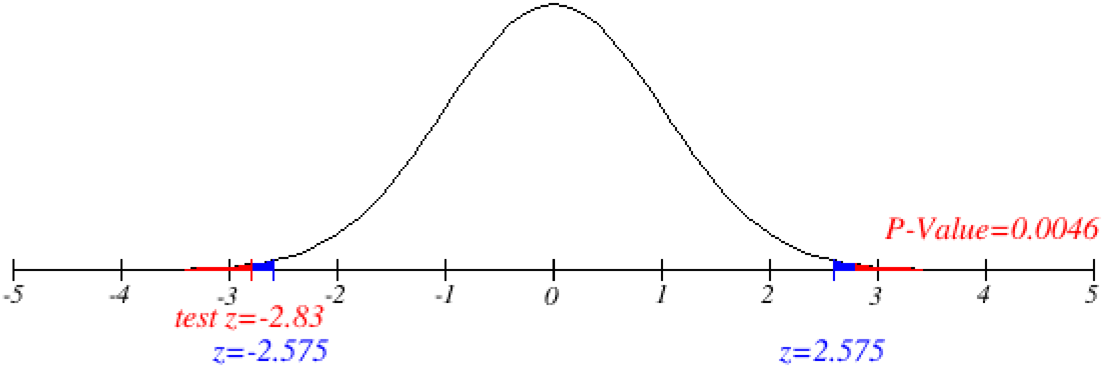
P-value $= 2 \times$ **$P(|Z_{cal}| > 2.83)$**

P-value $= 2 \times 0.0023$

$= 0.0046$

***P*-value $\leq \alpha$**

$0.0046 \leq 0.05$ (true)



6. **Conclusion:** We reject H_O

Example: The Edison Electric Institute has published figures on the number of kilowatt hours used annually by various home appliances. It is claimed that a vacuum cleaner uses an average of **46** kilowatt hours per year. If a random sample of **12** homes included in a planned study indicates that vacuum cleaners use an average of **42** kilowatt hours per year with a standard deviation of **11.9** kilowatt hours, does this suggest at the **0.05** level of significance that vacuum cleaners use, on average, less than **46** kilowatt hours annually? Assume the population of kilowatt hours to be normal.

Solution

$\mu = 46$	(Population mean)
$n = 12$	(Sample size)
$s = 11.9$	(Sample standard deviation)
$\bar{x} = 42$	(Sample mean)
$\alpha = 0.05$	(Level of significance)

1. **We state our hypothesis as**:

H_0: $\mu = 46$

H_1: $\mu < 46$ (One tailed test)

2. **The level of significance is set** $\alpha = 0.05$.

3. **Test statistic to be used is**

$$t_{cal} = \frac{\bar{x} - \mu}{s/\sqrt{n}}$$

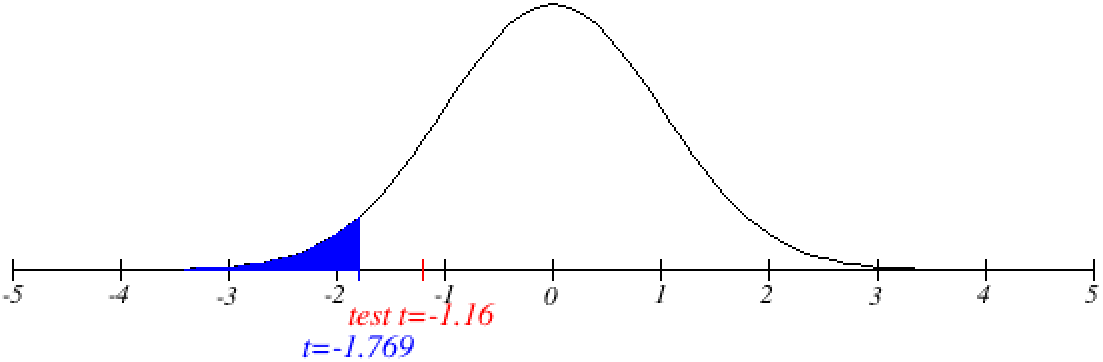
4. **Calculations:**

$$t_{cal} = \frac{42 - 46}{11.9/\sqrt{12}} = -1.16$$

5. **Critical region:**

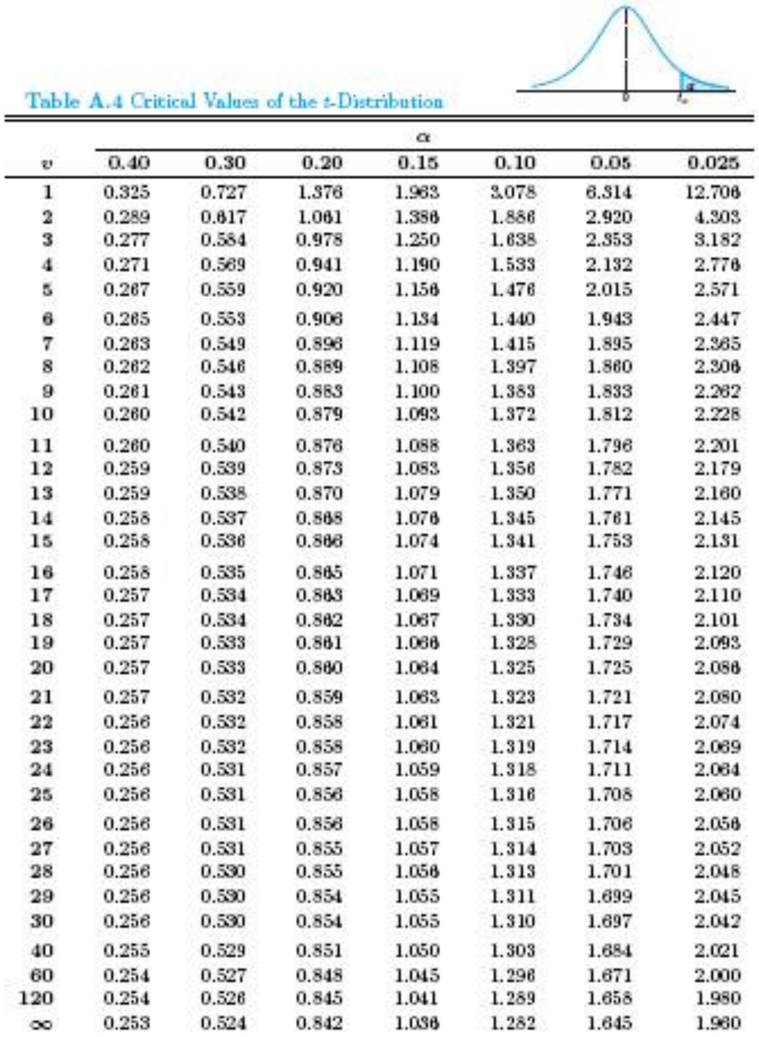
$t_{cal} < t_{tab}$

Where $-t_{tab} = -t_{(\alpha, n-1)} = -t_{(0.05, 11)} = -1.769$



6. **Conclusion:** Since calculated value of t_{cal} is greater than the tabulate value of t, so we accept H_O

Table A.4 Critical Values of the t-Distribution

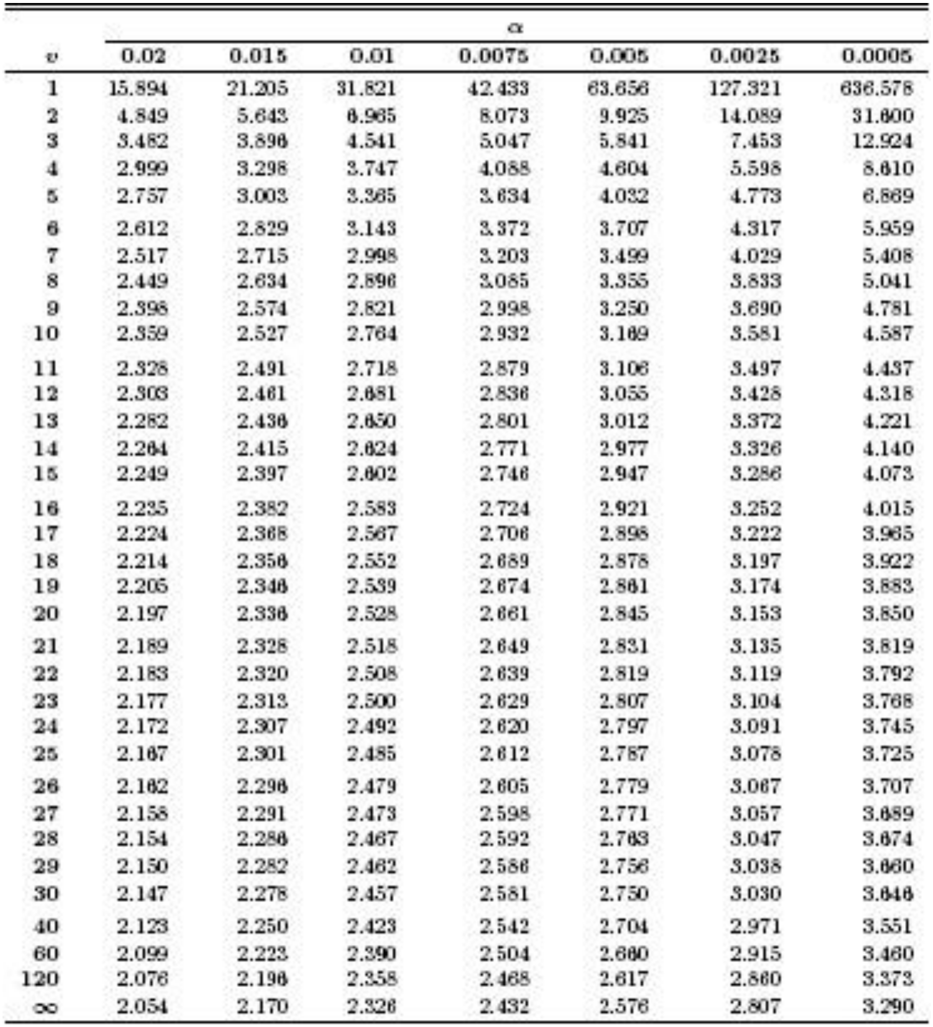


0
t_α
α

Table A.4 Critical Values of the t-Distribution

	α						
v	0.40	0.30	0.20	0.15	0.10	0.05	0.025
1	0.325	0.727	1.376	1.963	3.078	6.314	12.706
2	0.289	0.617	1.061	1.386	1.886	2.920	4.303
3	0.277	0.584	0.978	1.250	1.638	2.353	3.182
4	0.271	0.569	0.941	1.190	1.533	2.132	2.776
5	0.267	0.559	0.920	1.156	1.476	2.015	2.571
6	0.265	0.553	0.906	1.134	1.440	1.943	2.447
7	0.263	0.549	0.896	1.119	1.415	1.895	2.365
8	0.262	0.546	0.889	1.108	1.397	1.860	2.306
9	0.261	0.543	0.883	1.100	1.383	1.833	2.262
10	0.260	0.542	0.879	1.093	1.372	1.812	2.228
11	0.260	0.540	0.876	1.088	1.363	1.796	2.201
12	0.259	0.539	0.873	1.083	1.356	1.782	2.179
13	0.259	0.538	0.870	1.079	1.350	1.771	2.160
14	0.258	0.537	0.868	1.076	1.345	1.761	2.145
15	0.258	0.536	0.866	1.074	1.341	1.753	2.131
16	0.258	0.535	0.865	1.071	1.337	1.746	2.120
17	0.257	0.534	0.863	1.069	1.333	1.740	2.110
18	0.257	0.534	0.862	1.067	1.330	1.734	2.101
19	0.257	0.533	0.861	1.066	1.328	1.729	2.093
20	0.257	0.533	0.860	1.064	1.325	1.725	2.086
21	0.257	0.532	0.859	1.063	1.323	1.721	2.080
22	0.256	0.532	0.858	1.061	1.321	1.717	2.074
23	0.256	0.532	0.858	1.060	1.319	1.714	2.069
24	0.256	0.531	0.857	1.059	1.318	1.711	2.064
25	0.256	0.531	0.856	1.058	1.316	1.708	2.060
26	0.256	0.531	0.856	1.058	1.315	1.706	2.056
27	0.256	0.531	0.855	1.057	1.314	1.703	2.052
28	0.256	0.530	0.855	1.056	1.313	1.701	2.048
29	0.256	0.530	0.854	1.055	1.311	1.699	2.045
30	0.256	0.530	0.854	1.055	1.310	1.697	2.042
40	0.255	0.529	0.851	1.050	1.303	1.684	2.021
60	0.254	0.527	0.848	1.045	1.296	1.671	2.000
120	0.254	0.526	0.845	1.041	1.289	1.658	1.980
∞	0.253	0.524	0.842	1.036	1.282	1.645	1.960

Table A.4 (continued) Critical Values of the t-Distribution



	α						
v	0.02	0.015	0.01	0.0075	0.005	0.0025	0.0005
1	15.894	21.205	31.821	42.433	63.656	127.321	636.578
2	4.849	5.643	6.965	8.073	9.925	14.089	31.600
3	3.482	3.896	4.541	5.047	5.841	7.453	12.924
4	2.999	3.298	3.747	4.088	4.604	5.598	8.610
5	2.757	3.003	3.365	3.634	4.032	4.773	6.869
6	2.612	2.829	3.143	3.372	3.707	4.317	5.959
7	2.517	2.715	2.998	3.203	3.499	4.029	5.408
8	2.449	2.634	2.896	3.085	3.355	3.833	5.041
9	2.398	2.574	2.821	2.998	3.250	3.690	4.781
10	2.359	2.527	2.764	2.932	3.169	3.581	4.587
11	2.328	2.491	2.718	2.879	3.106	3.497	4.437
12	2.303	2.461	2.681	2.836	3.055	3.428	4.318
13	2.282	2.436	2.650	2.801	3.012	3.372	4.221
14	2.264	2.415	2.624	2.771	2.977	3.326	4.140
15	2.249	2.397	2.602	2.746	2.947	3.286	4.073
16	2.235	2.382	2.583	2.724	2.921	3.252	4.015
17	2.224	2.368	2.567	2.706	2.898	3.222	3.965
18	2.214	2.356	2.552	2.689	2.878	3.197	3.922
19	2.205	2.346	2.539	2.674	2.861	3.174	3.883
20	2.197	2.336	2.528	2.661	2.845	3.153	3.850
21	2.189	2.328	2.518	2.649	2.831	3.135	3.819
22	2.183	2.320	2.508	2.639	2.819	3.119	3.792
23	2.177	2.313	2.500	2.629	2.807	3.104	3.768
24	2.172	2.307	2.492	2.620	2.797	3.091	3.745
25	2.167	2.301	2.485	2.612	2.787	3.078	3.725
26	2.162	2.296	2.479	2.605	2.779	3.067	3.707
27	2.158	2.291	2.473	2.598	2.771	3.057	3.689
28	2.154	2.286	2.467	2.592	2.763	3.047	3.674
29	2.150	2.282	2.462	2.586	2.756	3.038	3.660
30	2.147	2.278	2.457	2.581	2.750	3.030	3.646
40	2.123	2.250	2.423	2.542	2.704	2.971	3.551
60	2.099	2.223	2.390	2.504	2.660	2.915	3.460
120	2.076	2.196	2.358	2.468	2.617	2.860	3.373
∞	2.054	2.170	2.326	2.432	2.576	2.807	3.290