ASQ CRE Prep course

Lesson II. B. 3. a.

Hypothesis Testing

The Process

What does it mean?

STATISTICAL COMPARISONS

Drawing Conclusions

- **Observe a sample**

- **Surmise something about the population**

7 Step Process

1. Define the problem
2. Null hypothesis
3. Alt. hypothesis
4. Critical Value
5. Test Statistic
6. Make an inference
7. Communicate

Hypothesis Testing Terms

- **Null Hypothesis**

- **Test Statistic**

- **Types of Errors**
  - **Type I error**
  - **Type 2 error**

- **One and two tailed tests**

Null Hypothesis

True   False

Decision Made

Fail to Reject H_o

Reject H_o

What is lower practical limit of confidence?

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Lesson II. B. 3. b.

Hypothesis Testing

For Means