

**NAMIBIA UNIVERSITY  
OF SCIENCE AND TECHNOLOGY**

**Faculty of Health and Applied Sciences**

Department of Mathematics and Statistics

<b>QUALIFICATIONS:</b> B. Business Admin, B. Marketing, B. Human Resource Management, B. Public Management and B. Logistics and Supply Chain Management	
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<b>COURSE:</b> BASIC BUSINESS STATISTICS 1B	<b>COURSE CODE:</b> BBS112S
<b>DATE:</b> JANUARY 2019	<b>SESSION:</b> 1
<b>DURATION:</b> 3 HOURS	<b>MARKS:</b> 100

<b>SECOND OPPORTUNITY EXAMINATION QUESTION PAPER</b>	
<b>EXAMINER(S)</b>	MR EM MWAHI, MR I NDADI, MR R MUMBUU, MR S KASHIHALWA, MR G MBOKOMA, MR A ROUX, MR G TAPEDZESA
<b>MODERATOR:</b>	MR J J SWARTZ

**THIS QUESTION PAPER CONSISTS OF 6 PAGES**

(Including this front page)

**INSTRUCTIONS**

1. Answer all the questions and number your solutions correctly.
2. **Question 1** of this question paper entails multiple choice questions with options A to D. Write down the letter corresponding to the best option for each question.
3. For **Question 2 & 3** you are required to show clearly all the steps used in the calculations.
4. All written work **MUST** be done in blue or black ink.
5. Untidy/ illegible work will attract no marks.

**PERMISSIBLE MATERIALS**

1. Non-Programmable Calculator without the cover

**ATTACHMENTS**

1. Standard normal Z-table, Student t-table and Chi-square table

**QUESTION 1 [20 MARKS]**

**Write down the letter corresponding to the best answer for each question.**

- 1.1 When the population is divided into mutually exclusive sets, and then a simple random sample is drawn from each set, this is called: [2]
- A. Simple random sampling.                      B. Stratified random sampling.  
C. Cluster random sampling.                      D. Systematic random sampling.
- 1.2 A marketing research firm divides the population of a state into geographic areas, and randomly selects some of the areas and takes a simple random sample of each selected area. This is an example of a [2]
- A. Cluster random sample                      B. Systematic random sample  
C. Simple random sample                      D. Stratified random sample.
- 1.3 The use of the laws of probability to make inferences and draw statistical conclusions about populations based on sample data is referred to as \_\_\_\_ [2]
- A. Descriptive statistics                      B. Inferential statistics  
C. Sample statistics                      D. Population statistics
- 1.4 A sample of size 55 is drawn from a slightly skewed distribution. What is the approximate shape of the sampling distribution? [2]
- A. Skewed Distribution                      B. Chi-square Distribution  
C. Normal Distribution                      D. Uniform Distribution
- 1.5 What should be the value of Z used in a 92% confidence interval? [2]
- A. 2.70                      B. 1.75  
C. 1.81                      D. 1.89

- 1.6 A researcher is studying students' behaviour in colleges in California. She takes a sample of 400 students from 10 colleges. The average age of these 400 students in California is? [2]
- A. A statistic. B. A parameter.  
C. The median. D. A population.
- 1.7 The standard deviation of a normal population is 10. You take a sample of 25 items from this population and compute a 95% confidence interval. In order to compute the confidence interval, you will use : [2]
- A. The t table because the degrees of freedom will be 24.  
B. The t table because the sample standard deviation is known.  
C. The z table because the population standard deviation is known.  
D. The z table because the sample size is small.
- 1.8 If in a random sample of 600 items, 132 are found to be defective. If the null hypothesis is that 21% of the items in the population are defective, what is the value of the test statistic? [2]
- A. 0.22 B. 1  
C. 0.60 D. 0.21
- 1.9 A 91% confidence interval for population proportion is 32.4% to 47.6%, the value of sample proportion is: [2]
- A. 40% B. 32.4%  
C. 47.6% D. 80%
- 1.10 A null hypothesis was rejected at level  $\alpha=0.10$ . What will be the result of the test at level  $\alpha=0.05$ ? [2]
- A. Reject  $H_0$  B. Fail to Reject  $H_0$   
C. No conclusion can be made D. Reject  $H_a$

**QUESTION 2 [45 MARKS]**

2.1 The lifetime of a light bulb is normally distributed with the mean 3000 hours and a standard deviation of 696 hours. A simple random sample of 36 bulbs is taken.

2.1.1 What are the expected value, standard deviation, and shape of the sampling distribution of  $\bar{x}$ ? [3]

2.1.2 What is the probability that the average lifetime in the sample will be between 2670.56 and 2809.76 hours? [5]

2.2 The personnel department of a large corporation wants to estimate the family dental expenses of its employees to determine the feasibility of providing dental insurance plan. A random sample of 10 employees reveals the following family dental expenses (in N\$) for the past year.

110 362 246 85 510 208 173 425 316 179

2.2.1 Find the mean point estimate for the employees' dental expenditure in the past year. [3]

2.2.2 Compute a 95% confidence interval for the true population mean in the employees' dental expenditure. [5]

2.3 Hypothesis testing is a process formalized in a five-step procedure. List down the five steps involved in hypothesis testing in statistics [5]

2.4 Nangolo, as an eight-year old, established a mean time of 16.43 seconds for swimming the 25-yard pool, with a standard deviation of 0.8 seconds. His dad, Jonas, thought that Nangolo could swim the 25-yard pool faster by using goggles. Jonas bought Nangolo a new pair of expensive goggles and timed him for fifteen 25-yard pool swims. For the 15 swims, Nangolo's mean time was 16 seconds. Jonas thought that the goggles helped Nangolo to swim faster than the 16.43 seconds. Assuming that the swim times for the 25-yard pool are normal, test Mr Jonas's thought at 5% level of significance.[10]

- 2.5 A public opinion poll surveyed a simple random sample of 1000 voters. Respondents were classified by gender (male or female) and by voting preference (Republican, Democrat, or Independent). Results are shown in the contingency table below.

Gender	Voting Preferences		
	Republican	Democrat	Independent
Male	200	150	50
Female	250	300	50

Do the men's voting preferences independent of the women's preferences? Use a 0.05 level of significance. [14]

**QUESTION 3 [35 MARKS]**

- 3.1 The number of houses sold quarterly by Valley Estates in the Walvis Bay is recorded for the 12 quarters from 2008 to 2010, as shown in Table below.

Quarter	2008	2009	2010
Q1	54	55	49
Q2	58	61	55
Q3	94	87	95
Q4	70	66	74

- 3.1.1 Calculate a 3-period moving average for the quarterly house sales data. [8]
- 3.1.2 Construct the trend-line equation for the quarterly house sales data (2008–2011) for Valley Estates. Use the sequential coding method, starting your coding from one. [10]
- 3.1.3 Use the regression trend-line to estimate the number of houses to be sold in the fourth quarter for the year 2011. [3]

3.2 In Oshakati town, the monthly food expenses of a typical family between the year 2000 and the year 2004 were as following:

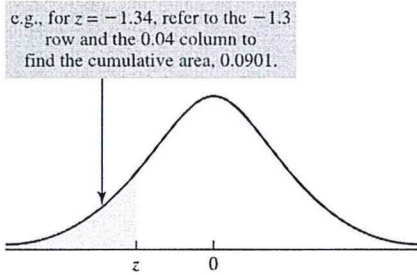
Product	Measurement	2000		2004	
		Quantity	Price (N\$)	Quantity	Price (N\$)
Bread	kg	18	94	25	110
Milk	litre	32	86	44	130
Salami	dkg	300	74	380	81

Using the year 2000 as the base period, answer the following questions:

3.2.1 Calculate the Laspeyres quantity index and interpret your results. [7]

3.2.2 Calculate the Paasche price index and interpret your results. [7]

The Standard Normal Distribution

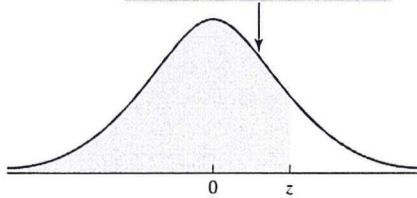


<i>z</i>	0.00	0.01	0.02	0.03	0.04	0.05	0.06	0.07	0.08	0.09
-3.0	0.0013	0.0013	0.0013	0.0012	0.0012	0.0011	0.0011	0.0011	0.0010	0.0010
-2.9	0.0019	0.0018	0.0018	0.0017	0.0016	0.0016	0.0015	0.0015	0.0014	0.0014
-2.8	0.0026	0.0025	0.0024	0.0023	0.0023	0.0022	0.0021	0.0021	0.0020	0.0019
-2.7	0.0035	0.0034	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

Source: Cumulative standard normal probabilities generated by Minitab, then rounded to four decimal places.

The Standard Normal Distribution

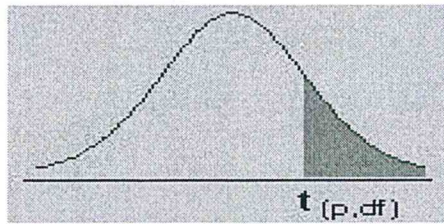
e.g., for  $z = 1.34$ , refer to the 1.3 row and the 0.04 column to find the cumulative area, 0.9099.



z	0.00	0.01	0.02	0.03	0.04	0.05	0.06	0.07	0.08	0.09
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

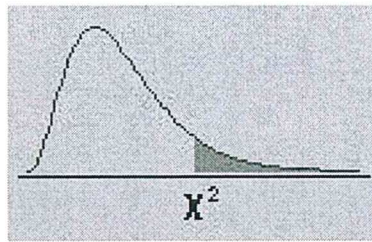


# APPENDIX D: The t-distribution



dfp	0.40	0.25	0.10	0.05	0.025	0.01	0.005	0.0005
1	0.324920	1.000000	3.077684	6.313752	12.70620	31.82052	63.65674	636.6192
2	0.288675	0.816497	1.885618	2.919986	4.30265	6.96456	9.92484	31.5991
3	0.276671	0.764892	1.637744	2.353363	3.18245	4.54070	5.84091	12.9240
4	0.270722	0.740697	1.533206	2.131847	2.77645	3.74695	4.60409	8.6103
5	0.267181	0.726687	1.475884	2.015048	2.57058	3.36493	4.03214	6.8688
6	0.264835	0.717558	1.439756	1.943180	2.44691	3.14267	3.70743	5.9588
7	0.263167	0.711142	1.414924	1.894579	2.36462	2.99795	3.49948	5.4079
8	0.261921	0.706387	1.396815	1.859548	2.30600	2.89646	3.35539	5.0413
9	0.260955	0.702722	1.383029	1.833113	2.26216	2.82144	3.24984	4.7809
10	0.260185	0.699812	1.372184	1.812461	2.22814	2.76377	3.16927	4.5869
11	0.259556	0.697445	1.363430	1.795885	2.20099	2.71808	3.10581	4.4370
12	0.259033	0.695483	1.356217	1.782288	2.17881	2.68100	3.05454	4.3178
13	0.258591	0.693829	1.350171	1.770933	2.16037	2.65031	3.01228	4.2208
14	0.258213	0.692417	1.345030	1.761310	2.14479	2.62449	2.97684	4.1405
15	0.257885	0.691197	1.340606	1.753050	2.13145	2.60248	2.94671	4.0728
16	0.257599	0.690132	1.336757	1.745884	2.11991	2.58349	2.92078	4.0150
17	0.257347	0.689195	1.333379	1.739607	2.10982	2.56693	2.89823	3.9651
18	0.257123	0.688364	1.330391	1.734064	2.10092	2.55238	2.87844	3.9216
19	0.256923	0.687621	1.327728	1.729133	2.09302	2.53948	2.86093	3.8834
20	0.256743	0.686954	1.325341	1.724718	2.08596	2.52798	2.84534	3.8495
21	0.256580	0.686352	1.323188	1.720743	2.07961	2.51765	2.83136	3.8193
22	0.256432	0.685805	1.321237	1.717144	2.07387	2.50832	2.81876	3.7921
23	0.256297	0.685306	1.319460	1.713872	2.06866	2.49987	2.80734	3.7676
24	0.256173	0.684850	1.317836	1.710882	2.06390	2.49216	2.79694	3.7454
25	0.256060	0.684430	1.316345	1.708141	2.05954	2.48511	2.78744	3.7251
26	0.255955	0.684043	1.314972	1.705618	2.05553	2.47863	2.77871	3.7066
27	0.255858	0.683685	1.313703	1.703288	2.05183	2.47266	2.77068	3.6896
28	0.255768	0.683353	1.312527	1.701131	2.04841	2.46714	2.76326	3.6739
29	0.255684	0.683044	1.311434	1.699127	2.04523	2.46202	2.75639	3.6594
30	0.255605	0.682756	1.310415	1.697261	2.04227	2.45726	2.75000	3.6460
inf	0.253347	0.674490	1.281552	1.644854	1.95996	2.32635	2.57583	3.2905

# APPENDIX E: The Chi-Square Distribution



df/p	.995	.990	.975	.950	.900	.750	.500	.250	.100	.050	.025	.010	.005
1	0.00004	0.00016	0.00098	0.00393	0.01579	0.10153	0.45494	1.32330	2.70554	3.84146	5.02389	6.63490	7.87944
2	0.01003	0.02010	0.05064	0.10259	0.21072	0.57536	1.38629	2.77259	4.60517	5.99146	7.37776	9.21034	10.59663
3	0.07172	0.11483	0.21580	0.35185	0.58437	1.21253	2.36597	4.10834	6.25139	7.81473	9.34840	11.34487	12.83816
4	0.20699	0.29711	0.48442	0.71072	1.06362	1.92256	3.35669	5.38527	7.77944	9.48773	11.14329	13.27670	14.86026
5	0.41174	0.55430	0.83121	1.14548	1.61031	2.67460	4.35146	6.62568	9.23636	11.07050	12.83250	15.08627	16.74960
6	0.67573	0.87209	1.23734	1.63538	2.20413	3.45460	5.34812	7.84080	10.64464	12.59159	14.44938	16.81189	18.54758
7	0.98926	1.23904	1.68987	2.16735	2.83311	4.25485	6.34581	9.03715	12.01704	14.06714	16.01276	18.47531	20.27774
8	1.34441	1.64650	2.17973	2.73264	3.48954	5.07064	7.34412	10.21885	13.36157	15.50731	17.53455	20.09024	21.95495
9	1.73493	2.08790	2.70039	3.32511	4.16816	5.89883	8.34283	11.38875	14.68366	16.91898	19.02277	21.66599	23.58935
10	2.15586	2.55821	3.24697	3.94030	4.86518	6.73720	9.34182	12.54886	15.98718	18.30704	20.48318	23.20925	25.18818
11	2.60322	3.05348	3.81575	4.57481	5.57778	7.58414	10.34100	13.70069	17.27501	19.67514	21.92005	24.72497	26.75685
12	3.07382	3.57057	4.40379	5.22603	6.30380	8.43842	11.34032	14.84540	18.54935	21.02607	23.33666	26.21697	28.29952
13	3.56503	4.10692	5.00875	5.89186	7.04150	9.29907	12.33976	15.98391	19.81193	22.36203	24.73560	27.68825	29.81947
14	4.07467	4.66043	5.62873	6.57063	7.78953	10.16531	13.33927	17.11693	21.06414	23.68479	26.11895	29.14124	31.31935
15	4.60092	5.22935	6.26214	7.26094	8.54676	11.03654	14.33886	18.24509	22.30713	24.99579	27.48839	30.57791	32.80132
16	5.14221	5.81221	6.90766	7.96165	9.31224	11.91222	15.33850	19.36886	23.54183	26.29623	28.84535	31.99993	34.26719
17	5.69722	6.40776	7.56419	8.67176	10.08519	12.79193	16.33818	20.48868	24.76904	27.58711	30.19101	33.40866	35.71847
18	6.26480	7.01491	8.23075	9.39046	10.86494	13.67529	17.33790	21.60489	25.98942	28.86930	31.52638	34.80531	37.15645
19	6.84397	7.63273	8.90652	10.11701	11.65091	14.56200	18.33765	22.71781	27.20357	30.14353	32.85233	36.19087	38.58226
20	7.43384	8.26040	9.59078	10.85081	12.44261	15.45177	19.33743	23.82769	28.41198	31.41043	34.16961	37.56623	39.99685
21	8.03365	8.89720	10.28290	11.59131	13.23960	16.34438	20.33723	24.93478	29.61509	32.67057	35.47888	38.93217	41.40106
22	8.64272	9.54249	10.98232	12.33801	14.04149	17.23962	21.33704	26.03927	30.81328	33.92444	36.78071	40.28936	42.79565
23	9.26042	10.19572	11.68855	13.09051	14.84796	18.13730	22.33688	27.14134	32.00690	35.17246	38.07563	41.63840	44.18128
24	9.88623	10.85636	12.40115	13.84843	15.65868	19.03725	23.33673	28.24115	33.19624	36.41503	39.36408	42.97982	45.55851
25	10.51965	11.52398	13.11972	14.61141	16.47341	19.93934	24.33659	29.33885	34.38159	37.65248	40.64647	44.31410	46.92789
26	11.16024	12.19815	13.84390	15.37916	17.29188	20.84343	25.33646	30.43457	35.56317	38.88514	41.92317	45.64168	48.28988
27	11.80759	12.87850	14.57338	16.15140	18.11390	21.74940	26.33634	31.52841	36.74122	40.11327	43.19451	46.96294	49.64492
28	12.46134	13.56471	15.30786	16.92788	18.93924	22.65716	27.33623	32.62049	37.91592	41.33714	44.46079	48.27824	50.99338
29	13.12115	14.25645	16.04707	17.70837	19.76774	23.56659	28.33613	33.71091	39.08747	42.55697	45.72229	49.58788	52.33562
30	13.78672	14.95346	16.79077	18.49266	20.59923	24.47761	29.33603	34.79974	40.25602	43.77297	46.97924	50.89218	53.67196