

***Statistics for Business and Economics 6th edition
Anderson Test Bank***

SKU: 9781473791350-TEST-BANK

CHAPTER 01: DATA AND STATISTICS

1. A survey to collect data on the entire population is

- a. a census b. a sample
- c. a population d. an inference

ANSWER: a

2. In a questionnaire, respondents are asked to mark their gender as male or female. Gender is an example of the

- a. ordinal scale b. nominal scale
- c. ratio scale d. interval scale

ANSWER: b

3. The nominal scale of measurement has the properties of the

- a. ordinal scale b. only interval scale
- c. ratio scale d. None of these alternatives is correct.

ANSWER: d

4. The scale of measurement that is used to rank the order of observation for a variable is called the

- a. ratio scale b. ordinal scale
- c. nominal scale d. interval scale

ANSWER: b

5. Some hotels ask their guests to rate the hotel's services as excellent, very good, good, and poor. This is an example of the

- a. ordinal scale b. ratio scale
- c. nominal scale d. interval scale

ANSWER: a

6. The ordinal scale of measurement has the properties of the

- a. ratio scale b. interval scale
- c. nominal scale d. ratio and interval scales

ANSWER: c

7. The ratio scale of measurement has the properties of

- a. only the ordinal scale b. only the nominal scale
- c. the rank scale d. the interval scale

ANSWER: d

8. Temperature is an example of a variable that uses

- a. the ratio scale b. the interval scale
- c. the ordinal scale d. either the ratio or the ordinal scale

ANSWER: b

9. The interval scale of measurement has the properties of the

- a. ratio and nominal scales b. ratio and ordinal scales
- c. ratio scale d. None of these alternatives is correct.

ANSWER: d

CHAPTER 01: DATA AND STATISTICS

10. Arithmetic operations are inappropriate for

- a. the ratio scale
- b. the interval scale
- c. both the ratio and interval scales
- d. the nominal scale

ANSWER: d

11. Income is an example of a variable that uses the

- a. ratio scale
- b. interval scale
- c. nominal scale
- d. ordinal scale

ANSWER: a

12. Data obtained from a nominal scale

- a. must be alphabetic
- b. can be either numeric or non-numeric
- c. must be numeric
- d. must rank order the data

ANSWER: b

13. The scale of measurement that has an inherent zero value defined is the

- a. ratio scale
- b. nominal scale
- c. ordinal scale
- d. interval scale

ANSWER: a

14. Arithmetic operations are appropriate for

- a. only the ratio scale
- b. only the interval scale
- c. the nominal scale
- d. None of these alternatives is correct.

ANSWER: d

15. Quantitative data refers to data obtained with a(n)

- a. ordinal scale
- b. nominal scale
- c. either interval or ratio scale
- d. only interval scale

ANSWER: c

16. Data

- a. are always numeric
- b. are always non-numeric
- c. are the raw material of statistics
- d. None of these alternatives is correct.

ANSWER: c

17. The entities on which data are collected are

- a. elements
- b. populations
- c. samples
- d. None of these alternatives is correct.

ANSWER: a

18. The set of measurements collected for a particular element are called

- a. variables
- b. observations
- c. samples
- d. None of these alternatives is correct.

ANSWER: b

CHAPTER 01: DATA AND STATISTICS

19. A characteristic of interest for elements is called a
- a. sample b. data set
 - c. variable d. None of these alternatives is correct.

ANSWER: c

20. All the data collected in a particular study are referred to as the
- a. inference b. variable
 - c. data set d. None of these alternatives is correct.

ANSWER: c

21. Another name for "observations" is
- a. views b. variables
 - c. cases d. None of these alternatives is correct.

ANSWER: c

22. Quantitative data
- a. are always non-numeric b. may be either numeric or non-numeric
 - c. are always numeric d. None of these alternatives is correct.

ANSWER: c

23. In a questionnaire, respondents are asked to mark their gender as male or female. Gender is an example of a
- a. qualitative variable
 - b. quantitative variable
 - c. qualitative or quantitative variable, depending on how the respondents answered the question
 - d. None of these alternatives is correct.

ANSWER: a

24. The number of cases will always be the same as the number of
- a. variables b. elements
 - c. data sets d. data

ANSWER: b

25. Qualitative data
- a. must be numeric b. must be non-numeric
 - c. cannot be numeric d. may be either numeric or non-numeric

ANSWER: d

26. Qualitative data
- a. indicate either how much or how many
 - b. cannot be numeric
 - c. are labels used to identify attributes of elements
 - d. must be non-numeric

ANSWER: c

CHAPTER 01: DATA AND STATISTICS

27. Ordinary arithmetic operations are meaningful

- a. only with qualitative data
- b. only with quantitative data
- c. with either quantitative or qualitative data
- d. None of these alternatives is correct.

ANSWER: b

28. Social security numbers which consist of numeric values, are an example of

- a. a quantitative variable
- b. either a quantitative or a qualitative variable
- c. an exchange variable
- d. a qualitative variable

ANSWER: d

29. Temperature is an example of

- a. a qualitative variable
- b. a quantitative variable
- c. either a quantitative or qualitative variable
- d. neither a quantitative nor qualitative variable

ANSWER: b

30. For ease of data entry into a university database, 1 denotes that the student is an undergraduate and 2 indicates that the student is a graduate student. In this case data are

- a. qualitative
- b. quantitative
- c. either qualitative or quantitative
- d. neither qualitative nor quantitative

ANSWER: a

31. Arithmetic operations are inappropriate for

- a. qualitative data
- b. quantitative data
- c. both qualitative and quantitative data
- d. large data sets

ANSWER: a

32. Income is an example of

- a. qualitative data
- b. either qualitative or quantitative data
- c. euro data
- d. quantitative data

ANSWER: d

33. Data collected at the same, or approximately the same, point in time are

- a. time series data
- b. approximate time series data
- c. Cross-sectional data
- d. approximate data

ANSWER: c

34. Data collected over several time periods are

- a. time series data
- b. time controlled data
- c. Cross-sectional data
- d. time cross-sectional data

ANSWER: a

CHAPTER 01: DATA AND STATISTICS

35. Statistical studies in which researchers do not control variables of interest are

- a. experimental studies b. uncontrolled experimental studies
- c. not of any value d. observational studies

ANSWER: d

36. Statistical studies in which researchers control variables of interest are

- a. experimental studies b. control observational studies
- c. non-experimental studies d. observational studies

ANSWER: a

37. The summaries of data, which may be tabular, graphical, or numerical, are referred to as

- a. inferential statistics b. descriptive statistics
- c. statistical inference d. report generation

ANSWER: b

38. Statistical inference

- a. refers to the process of drawing inferences about the sample based on the characteristics of the population
- b. is the same as descriptive statistics
- c. is the process of drawing inferences about the population based on the information taken from the sample
- d. is the same as a census

ANSWER: c

39. The collection of all elements of interest in a particular study is

- a. the population b. the sampling
- c. statistical inference d. descriptive statistics

ANSWER: a

40. A portion of the population selected to represent the population is called

- a. statistical inference b. descriptive statistics
- c. a census d. a sample

ANSWER: d

41. In a sample of 800 students in a university, 240, or 30%, are business majors. The 30% is an example of

- a. a sample b. a population
- c. statistical inference d. descriptive statistics

ANSWER: d

42. In a sample of 400 students in a university, 80, or 20%, are business majors. Based on the above information, the school's paper reported that "20% of all the students at the university are business majors." This report is an example of

- a. a sample b. a population
- c. statistical inference d. descriptive statistics

ANSWER: c

43. The five hundred residents of a city polled on their voting intentions in a forthcoming local election are an example of a(n)

CHAPTER 01: DATA AND STATISTICS

- a. census b. sample
- c. observation d. population

ANSWER: b

44. A statistics professor asked students in a class their ages. On the basis of this information, the professor states that the average age of all the students in the university is 24 years. This is an example of

- a. a census b. descriptive statistics
- c. an experiment d. statistical inference

ANSWER: c

45. The owner of a factory regularly requests a graphical summary of all employees' salaries. The graphical summary of salaries is an example of

- a. a sample b. descriptive statistics
- c. statistical inference d. an experiment

ANSWER: b

46. The Department of Transportation of a city has noted that on average there are 17 accidents per day. The average number of accidents is an example of

- a. descriptive statistics b. statistical inference
- c. a sample d. a population

ANSWER: a

47. Exhibit 1-1:

In a recent study based upon an inspection of 200 homes in Dresden, 80 were found to violate one or more city regulations.

Refer to Exhibit 1-1. The Council released a statement that 40% of Dresden's 2,000 homes are in violation of city regulations. The Council's statement is an example of

- a. a census b. an experiment
- c. descriptive statistics d. statistical inference

ANSWER: d

48. Exhibit 1-1:

In a recent study based upon an inspection of 200 homes in Dresden, 80 were found to violate one or more city regulations.

Refer to Exhibit 1-1. The Dresden study described above is an example of the use of a

- a. census b. sample
- c. probability d. population

ANSWER: b

49. Exhibit 1-1:

In a recent study based upon an inspection of 200 homes in Dresden, 80 were found to violate one or more city regulations.

Refer to Exhibit 1-1. The Council's statement that 40% of Dresden's 2,000 homes are in violation of city codes is

- a. an exactly correct statement

CHAPTER 01: DATA AND STATISTICS

- b. only an approximation, since it is based upon sample information
- c. obviously wrong, since it is based upon a study of only 200 homes
- d. None of these alternatives is correct.

ANSWER: b

50. Exhibit 1-2:

In a sample of 1,600 registered voters, 912, or 57% approve of the Prime Minister's performance in office.

Refer to Exhibit 1-2. The 57% approval is an example of

- a. a sample
- b. descriptive statistics
- c. statistical inference
- d. a population

ANSWER: b

51. Exhibit 1-2:

In a sample of 1,600 registered voters, 912, or 57% approve of the Prime Minister's performance in office.

Refer to Exhibit 1-2. A political pollster states: "Fifty-seven percent of all voters approve of the Prime Minister." This statement is an example of

- a. a sample
- b. descriptive statistics
- c. statistical inference
- d. a population

ANSWER: c

52. The process of analyzing sample data in order to draw conclusions about the characteristics of a population is called

- a. descriptive statistics
- b. statistical inference
- c. data analysis
- d. data summarization

ANSWER: b

53. In a post office, the mailboxes are numbered from 1 to 4,500. These numbers represent

- a. qualitative data
- b. quantitative data
- c. either qualitative or quantitative data
- d. that since the numbers are sequential, the data is quantitative

ANSWER: a

54. The average age in a **sample** of 190 students at a city college is 22. As a result of this sample, it can be concluded that the average age of **all** the students at the college

- a. must be more than 22, since the population is always larger than the sample
- b. must be less than 22, since the sample is only a part of the population
- c. could not be 22
- d. could be larger, smaller, or equal to 22

ANSWER: d

55. Since a sample is a subset of the population, the sample mean

- a. is always smaller than the mean of the population
- b. is always larger than the mean of the population
- c. must be equal to the mean of the population

CHAPTER 01: DATA AND STATISTICS

d. can be larger, smaller, or equal to the mean of the population

ANSWER: d

56. The scale of measurement that is simply a label for the purpose of identifying the attribute of an element is the

- a. ratio scale b. nominal scale
- c. ordinal scale d. interval scale

ANSWER: b

57. In a data set, the number of elements will always be the same as the number of

- a. independent variables b. observations
- c. data points d. dependent variables

ANSWER: b

58. Which of the following is **not** a scale of measurement?

- a. nominal b. ordinal
- c. interval d. primal

ANSWER: d

59. Which of the following is a scale of measurement?

- a. ratio b. primal
- c. divisional d. remedial

ANSWER: a

60. Which scale of measurement can be either numeric or non-numeric?

- a. nominal b. ratio
- c. interval d. None of these alternatives is correct.

ANSWER: a

61. Which of the following variables use the ratio scale of measurement?

- a. social security number b. temperature
- c. gender d. income

ANSWER: d

62. The weight of a confectionery bar in grams is an example of

- a. qualitative data b. either qualitative or quantitative data
- c. weight data d. quantitative data

ANSWER: d

63. The height of a building, measured in metres, is an example of

- a. qualitative data b. either qualitative or quantitative data
- c. metric data d. quantitative data

ANSWER: d

64. An interviewer has made an error in recording the data. This type of error is known as

- a. an experimental error b. a data acquisition error

CHAPTER 01: DATA AND STATISTICS

- c. a non-experimental error d. a conglomerate error

ANSWER: b

65. Census refers to
- a. an experimental study to collect data on the entire population
 - b. an experimental study to collect data on a sample
 - c. a survey to collect data on a sample
 - d. a survey to collect data on the entire population

ANSWER: d

66. In experimental studies, the variable of interest
- a. is not controlled b. is controlled
 - c. must be numerical d. cannot be numerical

ANSWER: b

67. In observational studies, the variable of interest
- a. is not controlled b. is controlled
 - c. must be numerical d. cannot be numerical

ANSWER: a

68. How many scales of measurement exist?
- a. 1 b. 2
 - c. 3 d. 4

ANSWER: d

69. Data recording exam grades (A, B, C, etc.) can be classified as:
- a. continuous and nominal
 - b. discrete and ordinal
 - c. discrete and cardinal
 - d. continuous and cardinal
 - e. continuous and ordinal

ANSWER: b

70. After graduation ceremonies at a university, six graduates were asked whether they were in favour of (identified by 1) or against (identified by 0) abortion. Some information about these graduates is shown below.

Graduate	Sex	Age	Abortion Issue	Class Rank
Nancy	F	52	1	1
Michael	M	24	1	2
Teresa	F	33	0	4
Antonio	M	38	0	20
Jennifer	F	25	1	3
Tim	M	19	0	8

- a. How many elements are in the data set?
- b. How many variables are in the data set?

CHAPTER 01: DATA AND STATISTICS

- c. How many observations are in the data set?
- d. Which of the above variables (Sex, Age, Abortion Issue, Class rank) are qualitative and which are quantitative variables?
- e. Are arithmetic operations appropriate for the variable "abortion issue"?

ANSWER: a. 6
 b. 4
 c. 6
 d. Sex: qualitative
 Age: quantitative
 Abortion Issue: qualitative
 Class Rank: qualitative
 e. No

71. A recent issue of Fortune Magazine reported that the following companies had the lowest sales per employee among the Fortune 500 companies.

Company	Sales per Employee (in \$1,000s)	Sales Rank
Seagate Technology	42.20	285
SSMC	42.19	414
Russel	41.99	480
Maxxam	40.88	485
Dibrell Brothers	22.56	470

- a. How many elements are in the above data set?
- b. How many variables are in the above data set?
- c. How many observations are in the above data set?
- d. Name the variables and indicate whether they are qualitative or quantitative.

ANSWER: a. 5
 b. 2
 c. 5
 d. Sales per employee: quantitative; Sales rank: qualitative

72. The following shows the temperatures (high, low) and weather conditions on a given Sunday for some selected world cities. For the weather conditions, the following notations are used: c = clear; cl = cloudy; sh = showers; pc = partly cloudy.

City	Hi	Lo	Condition
Acapulco	99	77	pc
Bangkok	92	78	pc
Mexico City	77	57	sh
Montreal	72	56	pc
Paris	77	58	c
Rome	88	68	cl
Toronto	78	61	c

- a. How many elements are in this data set?
- b. How many variables are in this data set?
- c. How many observations are in this data set?
- d. Name the variables and indicate whether they are qualitative or quantitative.
- e. For which variables are arithmetic operations appropriate and for which are they not appropriate?

CHAPTER 01: DATA AND STATISTICS

- ANSWER: a. 7
 b. 3
 c. 7
 d. Hi: quantitative, Lo: quantitative, Condition: qualitative
 e. Hi: appropriate, Lo: appropriate, Condition: not appropriate

73. The following data shows the yearly income distribution of a sample of 200 employees at MNM Ltd.

Yearly Income (in €1,000s)	Number of Employees
20 - 24	2
25 - 29	48
30 - 34	60
35 - 39	80
40 - 44	10

- a. What percentage of employees has yearly incomes of more than €35,000?
 b. Is the figure (percentage) that you computed in part a. an example of statistical inference? If not, what kind of statistics does it represent?
 Based on this sample, the chief executive officer (CEO) of the company said that "45% of all our employees' yearly incomes are over €35,000." The CEO's statement represents what statistically?
 d. With the statement made in part c, can we be assured that more than 45% of all employees' yearly incomes are at least €35,000? Explain.
 e. What percentage of employees of the sample has yearly incomes of €29,000 or less?
 f. How many variables are presented in the above data set?
 g. The above dataset represents the results of how many observations?

- ANSWER: a. 45%
 b. No, it is descriptive statistics.
 c. Statistical inference.
 d. No, this is simply an inference and approximation based on the sample information.
 e. 25%
 f. 2
 g. 200

74. A recent issue of a national magazine reported that in a national public opinion survey conducted among 2,000 individuals, 56% were in favour of hunting, 40% opposed hunting, and 4% had no opinion on the subject.

- a. What is the sample in this survey?
 b. Based on the sample, what percentage of the population would you think is in favour of hunting?
 c. Based on the sample, what percentage of the population would you think have no opinion on the subject?

- ANSWER: a. The 2000 individuals who were approached
 b. 56%
 c. 4%

75. The following table shows the starting salaries of a sample of recent business graduates.

Income (In €1,000s)	Number of Graduates
15 - 19	40
20 - 24	60

CHAPTER 01: DATA AND STATISTICS

25 - 29	80
30 - 34	18
35 - 39	2

- What percentage of graduates in the sample had starting salaries of at least €30,000?
- Of the graduates in the sample, what percentage had starting salaries of less than €25,000?
- Based on this sample, what percentage of all business graduates do you estimate to have starting salaries of at least €20,000?

ANSWER: a. 10%
b. 50%
c. 80%

76. Michel S.L., a manufacturer of electric guitars, is a small firm with 50 employees. The table below shows the hourly wage distribution of the employees.

Hourly Wages (In Euros)	Number of Employees
10 - 13	8
14 - 17	12
18 - 21	20
22 - 25	10

- How many employees receive hourly wages of at least €18?
- What percentage of the employees have hourly wages of at least €18?
- What percentage of the employees have hourly wages of less than €14?

ANSWER: a. 30
b. 60%
c. 16%

77. The following information regarding the top eight Fortune 500 companies was presented in an issue of *Fortune Magazine*.

Company	Sales \$ Millions	Sales Rank	Profits \$ Millions	Profits Rank
General Motors	161,315	1	2,956	30
Ford Motor	144,416	2	22,071	2
Wal-Mart Stores	139,208	3	4,430	14
Exxon	100,697	4	6,370	5
General Electric	100,469	5	9,269	3
Int'l Business Machines	81,667	6	6,328	6
Citigroup	76,431	7	5,807	8
Philip Morris	57,813	8	5,372	9
Boeing	56,154	9	1,120	82
AT&T	53,588	10	6,398	4

- How many elements are in the above data set?
- How many variables are in this data set?
- How many observations are in this data set?
- Which variables are qualitative, and which are quantitative variables?
- What measurement scale is used for each variable?

ANSWER: a. 10
b. 4
c. 10

Name: _____ Class: _____ Date: _____

CHAPTER 01: DATA AND STATISTICS

- d. Sales and Profits are quantitative
Sales Rank, and Profits Rank are qualitative
- e. Sales: ratio
Sales Rank: ordinal
Profits: ratio
Profits Rank: ordinal