

Bus 273: Statistical Analysis for Business

Fall 2009

Example MC Questions

MCQ 1: International tourists are randomly selected at a beach in Antalya to ask how many days they spend in Antalya.

- A: This method will give reliable results if many tourists are asked.
- B: This method will overestimate the time tourists stay in Antalya.
- C: This method will underestimate the time tourists stay in Antalya.
- D: This method will work only in sunny weather.
- E: Reliable information about tourists' length of stay is impossible to obtain.

MCQ 2: A discrete random variable X has a distribution given by $P(X = -1) = 0.4$, $P(X = 0) = 0.2$, $P(X = +1) = 0.4$,

- A: $E(X) = 1$, $\text{var}(X) = 1.3$
- B: $E(X) = 1$, $\text{var}(X) = 0.8$
- C: $E(X) = 0$, $\text{var}(X) = 1.3$
- D: $E(X) = 0$, $\text{var}(X) = 0$
- E: $E(X) = 0$, $\text{var}(X) = 0.8$

MCQ 3: Given are observations x_1, \dots, x_{10} from a metric variable X .

- A: If $s^2 = 0$, all observations are equal.
- B: $\text{med}(X) > \bar{x}$.
- C: $\text{med}(X) < \bar{x}$.
- D: $\text{med}(X) = \bar{x}$.
- E: If $\text{med}(X) = \bar{x}$, then $s^2 = 0$.

MCQ 4: An automobile club has four different types of members: A , B , C , and D , depending on the type of membership. For each member, let X indicate his/her membership type.

- A: The arithmetic mean of X is meaningful.
- B: The mode of X is meaningful.
- C: A histogram is appropriate to display the distribution of X .
- D: A boxplot is appropriate to display the distribution of X .
- E: The variance of X is meaningful.

MCQ 5: In general, which of the following statements is FALSE?

- A: The sample mean is more sensitive to extreme values than the median.
- B: The sample range (i.e. maximum minus minimum) is more sensitive to extreme values than the median.
- C: The sample standard deviation is a measure of spread around the sample mean.
- D: The sample standard deviation is a measure of central tendency around the median.
- E: If a distribution is symmetric, then the mean will be equal to the median.

MCQ 6: Consider two events A and B . Event A has probability $1/2$, while event B has probability $1/20$. Then:

A: I'd bet on A rather than on B .

B: A is less probable to occur than B in a single trial.

C: In series of 5 independent trials, A will be observed more often than B .

D: At least 20 trials are needed until B will occur.

E: In a single trial, B is an impossible event.

MCQ 7: Descriptive statistics is concerned with, while the goal of statistical inference is to with the help of

A: generalizing sample data, draw inductive conclusions, probabilities

B: summarizing data, draw inductive conclusions, probabilities

C: describing data, draw deductive conclusions, probabilities

D: summarizing data, draw deductive conclusions, histograms

E: generalizing sample data, draw deductive conclusions, computers

MCQ 8: An insurance company records the following variables for each customer: age, gender, number of damages in the last five years, educational attainment. The scalings of these variables are, respectively:

A: metric, categorical, rank, rank

B: metric, rank, metric, rank

C: metric, categorical, metric, rank

D: metric, categorical, metric, categorical

E: rank, categorical, metric, rank