

Introduction to Statistics and Data Science using *eStat*

## Chapter 7 Testing Hypothesis for Single Population

# 7.5 Application of Testing Hypothesis: Sample Inspection

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## 7.5 Application of Testing Hypothesis: Sample Inspection

- **Sample inspection** refers to predicting the quality of the entire lot of products by selecting only a few samples because it is impossible or difficult to inspect the entire lot of products.
- The conclusion obtained from the sample inspection is to determine whether the lot is 'acceptable' as satisfactory quality or 'rejected'. Therefore, It is also called an **acceptance sampling**.
- Acceptance sampling by variable
- Acceptance sampling by attribute

## 7.5.1 Acceptance Sampling by Variable

- There is a case that only a minimum specification limit,  $L$ , of the quality characteristic value exists to determine whether the product is defective,
- A case that only a maximum specification limit,  $R$ , exists,
- A case that both  $L$  and  $R$  exist.

## 7.5.1 Acceptance Sampling by Variable

### Example 7.5.1

(Case of lower specification limit  $L$ )

Assume that the tension of the wire string produced by a steel company is normally distributed based on past experience and the variance is 30, that is, the standard deviation is  $\sigma = \sqrt{30} = 5.48$ . If the wire tension of one roll is less than 87, it cannot be used for the desired work and is judged as a defective product. That is, the lower specification limit is  $L = 87$ . Inspecting an entire lot containing many rolls of wire rope is impossible because the products can be destroyed. Therefore, a sample of rolls is selected from the lot, and if the defective rate of the sample is estimated to be 1%, the lot is accepted, and if the defective rate is estimated to be 5%, the lot is rejected.

What should be the sample size and decision criteria? However, note that the decision criteria should satisfy the producer risk probability of rejecting a good lot,  $\alpha = 1\%$ , and the consumer risk probability of rejecting a bad lot,  $\beta = 10\%$ .

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### Example 7.5.1 Answer

- ◆ Assume that the quality characteristic value is the random variable  $X$  which follows a normal distribution with the mean of  $\mu_0$  for an accepted lot and the variance of  $\sigma^2$  is 30. Since the lower specification limit is  $L = 87$ , the probability that the characteristic value is less than 87 is 1% can be represented as  $P(X < 87) = 0.01$ . Using the standardization of the normal random variable  $X$ ,  $Z$ , it can also be written as follows.

$$P\left(Z < \frac{87 - \mu_0}{\sqrt{30}}\right) = 0.01$$

Therefore, according to the standard normal distribution table,  $(87 - \mu_0) / \sqrt{30}$  should be  $-2.33$ . That is,  $\mu_0 = 87 + 2.33 \sqrt{30} = 99.7684$  which is the population mean of an accepted lot.

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- ◆ In a similar way, the characteristic values of a rejected lot follows a normal distribution with the mean of  $\mu_1$  and the variance of 30. The probability that the characteristic value is less than 87 is 5% can be represented as  $P(X < 87) = 0.05$ . Using the standardization of the normal random variable  $X$ , it can also be written as follows.

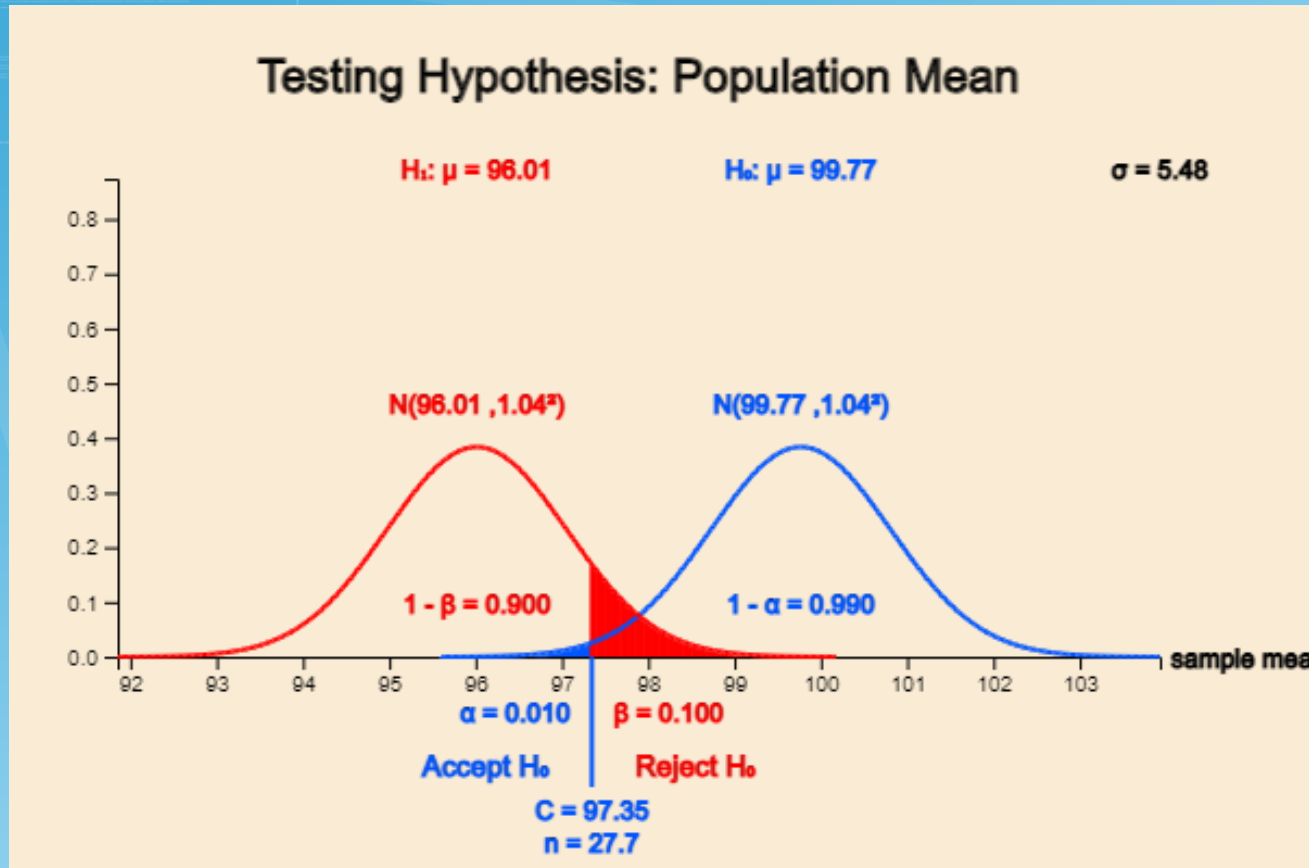
$$P\left(Z < \frac{87 - \mu_1}{\sqrt{30}}\right) = 0.05$$

Therefore,  $(87 - \mu_1) / \sqrt{30}$  should be  $-1.645$  and  $\mu_1 = 96.0146$  which is the population mean of a rejected lot.

$$H_0: \mu = 99.7684 \quad H_1: \mu = 96.0146$$



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'If the sample mean  $\bar{x} < 97.3457$ , then reject the lot, else accept the lot.'



Thank you