# M. A. DEGREE EXAMINATION, APRIL 2017 <br> BRANCH III - ECONOMICS <br> SECOND SEMESTER 

## COURSE : MAJOR - CORE <br> PAPER : RESEARCH METHODS AND ANALYSIS-II (THEORY) <br> TIME <br> : 2 HOURS

MAX. MARKS: 60
ANSWER ANY SIX QUESTIONS. EACH ANSWER NOT TO EXCEED 300 WORDS.
$(6 \times 10=60)$

1. A) Define the probability density function, expected value and variance of a random variable ' $x$ '.
B) Compare and contrast Binomial and Poisson distributions by highlighting their properties.
2. A) State the properties of Normal Distribution.
B) The mean yield for one acre plot is 662 kgs with a standard deviation of 32 kgs . Assuming normal distribution, how many one acre plots in a batch of 10000 plots would expect yield:
a) Over 700 kgs .
b) Below 650 kgs .
c) What is the lowest yield of 1000 plots?
[Hint: Area: $1.19=0.3830 \quad 0.38=0.1480 \quad 1.28=0.3997]$
3. The following table gives the per capita household expenditure on food $(\mathrm{Y})$ and per capita household expenditure (X) :

| $\mathrm{Y}:$ | 60 | 90 | 110 | 125 | 150 | 170 | 180 | 200 | 220 | 230 | 240 | 250 | 255 | 260 | 260 |
| :---: | :--- | :--- | :--- | :--- | :--- | :--- | :--- | :--- | :--- | :--- | :--- | :--- | :--- | :--- | :--- |
| $\mathrm{X}:$ | 100 | 150 | 200 | 250 | 300 | 350 | 400 | 450 | 500 | 550 | 600 | 650 | 700 | 750 | 800 |

Estimate the food expenditure equation and test the significance of the parameters.
[Hint: $\mathrm{t}_{\alpha=: 025,13 \mathrm{df}}=2.160$ ]
4. Counseling cell of a college keeps conducting sessions with the problematic students by using different methods. Since the number of visitors keeps increasing every day in the center, they have decided to test whether audiovisual based counseling and personal counseling are equally effective in reducing the stress level. Eighteen women students were randomly chosen among those who visited the center. Nine of them were given the personal counseling, whereas the other nine were given the sessions with the audiovisual presentation. After the session, the students were tested for their stress level. The data so obtained are shown in Table below:

Data on stress level for the students in both the counseling groups:

| Personal Counseling: | 27 | 22 | 28 | 21 | 23 | 22 | 20 | 31 | 26 |
| :--- | :--- | :--- | :--- | :--- | :--- | :--- | :--- | :--- | :--- |
| Audiovisual <br> Counseling: | 35 | 28 | 24 | 28 | 31 | 32 | 33 | 34 | 30 |

Test your hypothesis at $1 \%$ level, whether any one method of counseling is better than other. It is assumed that population variances are equal and both the populations are normally distributed.
[Hint: $\mathrm{F}_{\alpha=: 05,(8,8) \mathrm{df}}=3.44 . \quad \mathrm{t}_{\alpha=: 05,16 \mathrm{df}}=2.12$ ]
5. Examine the procedure of Testing of Hypothesis.
6. A) A professor wishes to know if his statistics class has a good background of basic math. Ten students were randomly chosen from the class and were given a math proficiency test. Based on the previous experience, it was hypothesized that the average class performance on such math proficiency test cannot be less than 75 . The professor wishes to know whether this hypothesis may be accepted or not. Test your hypothesis at $5 \%$ level assuming that the distribution of the population is normal. The scores obtained by the students are as follows:
[Hint: $\mathrm{t}_{\alpha=05,9 \mathrm{df}}=1.833$ ]
Math proficiency score: $71,60,80,73,82,65,90,87,74$, and 72.
B) The following are the measurements of breaking strength of a certain kind of 2-inch cotton ribbon in pounds:

| 163 | 165 | 160 | 189 | 161 | 171 | 158 | 151 | 169 | 162 |
| :--- | :--- | :--- | :--- | :--- | :--- | :--- | :--- | :--- | :--- |
| 163 | 139 | 172 | 165 | 148 | 166 | 172 | 163 | 187 | 173 |

Use the sign tests to test the null hypothesis $\mu=160$ against the hypothesis $\mu>160$ at the five percent level of significance.
7. A manufacturing company has purchased three new machines of different makes and wishes to determine whether one of is faster than the other in producing a certain output. Five hourly producing figures are observed at random from each machine and the results are given below:

| Observations | A1 | A2 | A3 |
| :--- | :--- | :--- | :--- |
| 1 | 25 | 31 | 24 |
| 2 | 30 | 39 | 30 |
| 3 | 36 | 38 | 28 |
| 4 | 38 | 42 | 25 |
| 5 | 31 | 35 | 28 |

Use ANOVA and determine whether the machines are significantly different in their mean speed. [Given at $5 \%$ level $\mathrm{F}_{2,12}=3.89$ ]
8. Elucidate the components of Time Series data.

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COURSE: MAJOR - CORE<br>PAPER : RESEARCH METHODS AND ANALYSIS-II (PRACTICAL) TIME : 1 HOUR

MAX. MARKS: 40

## ANSWER ANY FOUR QUESTIONS

$(4 \times 10=40)$

1. In order to assess the feasibility of a guaranteed annual wage, the Rand Corporation conducted a study to assess the response of labor supply in terms of average hours of work(Y) based on different independent parameters. The data were drawn from a national sample of 6,000 households with male head earnings less than $\$ 15,000$ annually. These data are given in Table 1 given below:

|  | Hours | Rate | ERSP | ERNO | NEIN | Assets | Age | DEP | School |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| S.N. | $\left(X_{1}\right)$ | $\left(X_{2}\right)$ | $\left(X_{3}\right)$ | $\left(X_{4}\right)$ | $\left(X_{5}\right)$ | $\left(X_{6}\right)$ | $\left(X_{7}\right)$ | $\left(X_{8}\right)$ | $\left(X_{9}\right)$ |
| 1 | 2,157 | 2.905 | 1,121 | 291 | 380 | 7,250 | 38.5 | 2.340 | 10.5 |
| 2 | 2,174 | 2.970 | 1,128 | 301 | 398 | 7,744 | 39.3 | 2.335 | 10.5 |
| 3 | 2,062 | 2.350 | 1,214 | 326 | 185 | 3,068 | 40.1 | 2.851 | 8.9 |
| 4 | 2,111 | 2.511 | 1,203 | 49 | 117 | 1,632 | 22.4 | 1.159 | 11.5 |
| 5 | 2,134 | 2.791 | 1,013 | 594 | 730 | 12,710 | 57.7 | 1.229 | 8.8 |
| 6 | 2,185 | 3.040 | 1,135 | 287 | 382 | 7,706 | 38.6 | 2.602 | 10.7 |
| 7 | 2,210 | 3.222 | 1,100 | 295 | 474 | 9,338 | 39.0 | 2.187 | 11.2 |
| 8 | 2,105 | 2.493 | 1,180 | 310 | 255 | 4,730 | 39.9 | 2.616 | 9.3 |
| 9 | 2,267 | 2.838 | 1,298 | 252 | 431 | 8,317 | 38.9 | 2.024 | 11.1 |
| 10 | 2,205 | 2.356 | 885 | 264 | 373 | 6,789 | 38.8 | 2.662 | 9.5 |

(i) Apply regression analysis using SPSS to suggest a regression model for estimating the average hours worked during the year based on identified independent parameters.
(ii) Test the regression coefficients for its significance through t-test by using its significance value ( $p$ value) in the output.
2. Using the above example in question 1 and the table given above:
(i) Test the regression model for its significance through the F-value by looking to its significance value ( p value) in the output.
(ii) Use the value of R2 in the output to know the amount of variance explained in the dependent variable by the identified independent variables together in the model.
3. A) Using EXCEL generate a pie diagram to represent the following data of investment pattern in the five year plan:

| ITEM | INVESTMENT(\%) |
| :--- | :---: |
| Agriculture and Community <br> Development | 14 |
| Irrigation and Power | 16 |
| Industries and Minerals | 29 |
| Transport and Communications | 17 |
| Social Services | 16 |
| Inventories | 8 |
| Total | 100 |

B) Using EXCEL generate a multiple bar diagram for the following data:

| YEAR | SALES <br> $(' 000)$ | GROSS <br> PROFIT(‘000) | NET PROFIT <br> $\left({ }^{\prime} 000\right)$ |
| :---: | :---: | :---: | :---: |
| 2000 | 100 | 30 | 10 |
| 2001 | 120 | 40 | 15 |
| 2002 | 130 | 45 | 25 |
| 2003 | 150 | 50 | 25 |

4. An experiment was conducted to know the impact of new advertisement campaign on sale of television of a particular brand. The number of television units sold on 12 consecutive working days before and after launching the advertisement campaign in a city was recorded. The data obtained are shown in the table given below:

| Days | Before advertisement | After advertisement |
| :--- | :--- | :--- |
| 1 | 25 | 28 |
| 2 | 36 | 42 |
| 3 | 22 | 38 |
| 4 | 26 | 40 |
| 5 | 18 | 35 |
| 6 | 8 | 12 |
| 7 | 23 | 29 |
| 8 | 31 | 52 |
| 9 | 25 | 26 |
| 10 | 22 | 26 |
| 11 | 20 | 25 |
| 12 | 5 | 7 |

Test the hypothesis using appropriate test statistic and give your inference.
5. In a study, 90 workers were tested for their job satisfaction. Their job satisfaction level was obtained on the basis of the questionnaire, and the respondents were classified into one of the three categories, namely, low, average, and high. The observed frequencies are shown below:

Table: Summary ofresponses of the workersabout their job satisfactionlevels:

| JOB SATISFACTION LEVEL |  |  |
| :---: | :---: | :---: |
| Low | Average | High |
| 40 | 30 | 20 |

Compute Chi-square intesting whether there is any specific trend in their job satisfaction and interpret the results.
6. A human resource department of an organization conducted a study to know the status of occupational stress among their employees in different age categories. A questionnaire was used to assess the stress level of the employees in three different age categories: <40, 40-55, and $>55$ years. The stress scores so obtained are shown in Table given below:

| Group $\mathrm{A}(<40$ years $)$ | Group B $(40-55$ years $)$ | Group $\mathrm{C}(>55$ years $)$ |
| :--- | :--- | :--- |
| 54 | 75 | 55 |
| 48 | 68 | 51 |
| 47 | 68 | 59 |
| 54 | 71 | 64 |
| 56 | 79 | 52 |
| 62 | 86 | 48 |
| 56 | 81 | 65 |
| 45 | 79 | 48 |
| 51 | 72 | 56 |
| 54 | 78 | 49 |
| 48 | 69 |  |
| 52 |  |  |

Apply one-way analysis of variance to test whether mean stress score of the employees in any two age categories are different. Test your hypothesis at 5\% level.

