

GENERIC HYPOTHESIS TESTING (aka SIGNIFICANCE TESTING)

STEP 1: Determine null and alternative hypotheses

$H_0: \{ \quad = \quad \}$ select one **Nothing is happening, status quo, equality**
 $H_a: \{ \quad > \quad \}$ select the converse of H_0 **Something is happening, change from status quo, inequality**
 $\quad \quad \quad \{ \quad < \quad \}$

H_0 : There is not a relationship / association (independence) **Nothing is happening, status quo, independence, no relationship/association**
 H_a : There is a relationship / association (dependence) **Something is happening, change from status quo, dependence, relationship/association**

STEP 2: Verify necessary data conditions/assumptions, and if met, summarize the data into an appropriate test statistic

	CONDITIONS / ASSUMPTIONS
Test stat: $\chi^2 = \frac{\sum \frac{(O - E)^2}{E}}$	Independent random sample(s)
$\chi^2 = \frac{\sum \frac{(O - E)^2}{E}}$	Assumptions regarding - sample sizes, expected counts, SHAPE(S) - symmetry or skewness
	SPREAD / DISPERSION (variance, outliers)

STEP 3: Assuming the null hypothesis is true, determine degrees of freedom (d.f.) and calculate the p-value

p-value: $P(\chi^2 > \chi^2_{obs})$ or $P(\chi^2 < \chi^2_{obs})$

STEP 4: Compare p-value and alpha to determine statistical significance

$\chi^2_{obs} > \chi^2_{crit} \Rightarrow H_0 \text{ is rejected}$

$\chi^2_{obs} > \chi^2_{crit} \Rightarrow H_0 \text{ is rejected}$
 $\chi^2_{obs} < \chi^2_{crit} \Rightarrow H_0 \text{ is not rejected}$

STEP 5: Report the conclusion in the context of the hypothesized question

Conclusion is based / framed in the context of the alternative hypothesis H_a
 There (**is** / **is not**) statistical evidence, at the (**1%**, **5%**, **10%**) significance level, to support the claim postulated by the alternative hypothesis.