

## Two-sample pooled *t*-test for difference of means

Why? To compare two unknown means,  $\mu_1$  and  $\mu_2$ .

When? The following conditions must be present for the test to be accurate and valid. All of the conditions may have to be *assumed* to proceed with the test.

- 1.  $\sigma_1$  and  $\sigma_2$  are unknown but **assumed to be equal**.
- 2. The samples are selected independently.
- 3. The samples are from normally distributed populations.

How:

Preliminary: • Select the level of significance,  $\alpha$  (use 0.05 unless otherwise stated).

- Define  $\mu_1$  and  $\mu_2$  in the context of the problem.
- 1. State the null hypothesis:

*H*<sub>0</sub>: 
$$\mu_1 = \mu_2$$

- 2. Calculate the test statistic:
  - (1) First find the pooled standard deviation:

$$s_p = \sqrt{\frac{(n_1 - 1)s_1^2 + (n_2 - 1)s_2^2}{n_1 + n_2 - 2}}$$

(2) Calculate the test statistic:

$$t_0 = \frac{\left(\overline{x}_1 - \overline{x}_2\right)}{s_p \sqrt{\left(\frac{1}{n_1} + \frac{1}{n_2}\right)}}$$

- 3. Find the *P*-value (observed significance level): using a *t* distribution with  $n_1 + n_2 2$  degrees of freedom.
- 4. Conclusion: Reject  $H_0$  if the *P*-value is less than the level of significance; otherwise, do not reject  $H_0$ .