Homework Solutions Chapter 8

Central Limit Theorem

According to the Central Limit Theorem, when the sample size is 100, we still have $\mu_{\hat{p}} = p = 0.10$, but now we have

$$\sigma_{\hat{p}} = \sqrt{\frac{p(1-p)}{n}} = \sqrt{\frac{(0.10)(0.90)}{100}} = 0.03.$$

Also, because the sample size is large, \hat{p} has a normal distribution.