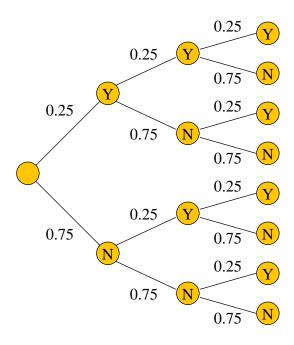
Homework Solutions Chapter 8

Central Limit Theorem

(a) Draw a tree diagram three levels deep. Label each "yes" with 0.25 and each "no" with 0.75. Then compute the sampling distribution of \hat{p} .



From the diagram, we can calculate the probabilities of the possible values of \hat{p} .

Responses	No. of Yes's	\hat{p}	Probability
YYY	3	1	$(0.25)^3 = 0.0156$
YYN	2	2/3	$(0.25)^2(0.75) = 0.0469$
YNY	2	2/3	$(0.25)^2(0.75) = 0.0469$
YNN	1	1/3	$(0.25)(0.75)^2 = 0.1406$
NYY	2	2/3	$(0.25)^2(0.75) = 0.0469$
NYN	1	1/3	$(0.25)(0.75)^2 = 0.1406$
NNY	1	1/3	$(0.25)(0.75)^2 = 0.1406$
NNN	0	0	$(0.75)^3 = 0.4219$

Finally, summarize this in a table.

\hat{p}	Probability
0	0.4219
1/3	0.4219
2/3	0.1406
1	0.0156

(b) According to the Central Limit Theorem, $\mu_{\hat{p}}=p=0.25$ and

$$\sigma_{\hat{p}} = \sqrt{\frac{p(1-p)}{n}}$$

$$= \sqrt{\frac{(0.25)(0.75)}{3}}$$

$$= 0.25.$$