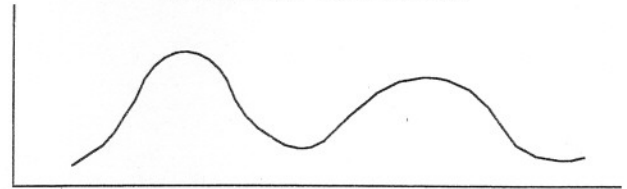


#### IV. The grouped mode

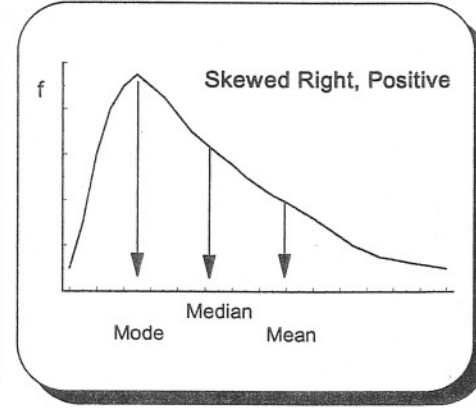
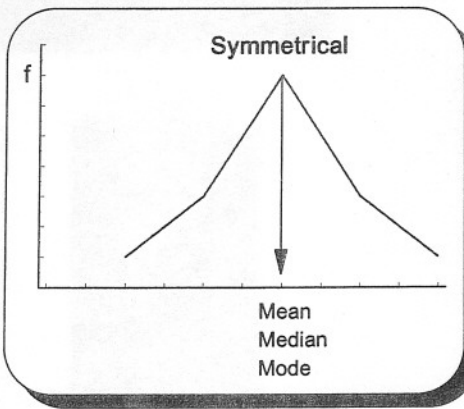
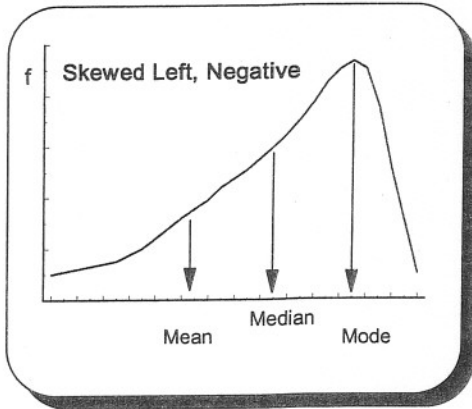
- The grouped mode is the midpoint of the class with the highest frequency.
- For the page 22 distribution, the mode is 74.5.
- The mean, median, and mode are all 74.5 because this distribution is symmetrical (normal).
- Frequency distributions with two peaks are said to be **bimodal**. More than two is **multimodal**.

A Bimodal Distribution



#### V. Nonsymmetrical distributions

- Frequency distributions that are not symmetrical are said to be **skewed**.
  - With negatively skewed data, the mean is the smallest of the three measures of central tendency.
  - With positively skewed data, the mean is the largest of the three measures of central tendency.



#### B. Measuring skewness

- The degree to which a distribution (curve) is skewed is measured by **Pearson's coefficient of skewness**.
- The measure applies to both sample and population data.
- When data is positively skewed, the mean is larger than the median, and the measure is positive.
- When data is negatively skewed, the mean is smaller than the median, and the measure is negative.
- An increase in skewness increases the difference between the mean and the median. This causes an increase in the coefficient of skewness.
- Normal distributions have a zero coefficient of skewness.

$$\text{Skewness} = \frac{3(\text{mean} - \text{median})}{\text{standard deviation}}$$

$$= \frac{3(74.5 - 74.5)}{12.5} = 0$$

**Note:** The standard deviation of 12.5 was taken from page 28.

- For highly skewed distributions, the median measures central tendency better than the mean because it is not as influenced by extreme values.

- Income is skewed right (positive) by a few people making a large amount of money.
- Comparing the mean and median salaries of these unionized workers yields interesting results.

→ \$14,000  
\$15,000  
**\$16,000**  
\$17,000  
\$28,000

$$\mu = \frac{\sum x}{N} = \frac{\$90,000}{5} = \$18,000 \quad \text{The median is } \$16,000.$$

- In situations like this, a union would use the median salary to make the average look low. Management would use the mean salary to make the average look high.

**Note:** Suppose the top salary of \$28,000 was increased to \$48,000. The mean would increase from \$18,000 to \$22,000, but the median would remain unchanged.