

VI. Using a z table to answer questions about a range for the random variable given a probability

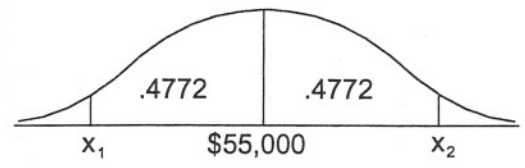
- A. Determine the problem's relevant probability. Locate the row and column of this probability in the body of a z table. The one decimal place z value for this probability is in the first column of this row. The second decimal place is directly above in the first row of the table.
- B. The range is then found using this expression. $\mu \pm z\sigma$

Partial z Table			
z	0.00	0.01	0.02
0.5	0.1915	0.1950	0.1985
1.0	0.3413	0.3438	0.3461
1.5	0.4332	0.4345	0.4357
2.0	0.4772	0.4778	0.4783
2.5	0.4938	0.4940	0.4941

- C. Monthly sales at Linda's stores are normally distributed with a mean of \$55,000 and a standard deviation of \$15,000.
1. Using symmetrical limits around the mean, 95.44% of her monthly sales are between x_1 and x_2 .

Given:
 $\mu = \$55,000$
 $\sigma = \$15,000$

$\frac{.9544}{2} = .4772 \rightarrow Z = 2$
 $\mu \pm z\sigma$
 $\$55,000 \pm 2(\$15,000)$
 Range is \$25,000 to \$85,000.



2. Find the first and third quartiles.

From page ST 3, $.25 \rightarrow z = .67$
 $\mu \pm z\sigma$
 $\$55,000 \pm .67(\$15,000)$
 $\$55,000 \pm \$10,050$
 Range is \$44,950 to \$65,050.

3. Find the top decile.

$50\% - 10\% = 40\% \rightarrow z = 1.28$
 $\mu \pm z\sigma$
 $\$55,000 + 1.28(\$15,000)$
 $\$55,000 + \$19,200$
 Sales must be above \$74,200.

4. Find the second decile from the bottom.

a. The lower limit of x is associated with 40% and z for 40% is 1.28.
 $\mu \pm z\sigma$
 $\$55,000 - 1.28(\$15,000)$
 $\$55,000 - \$19,200$
 Lower limit is \$35,800.

b. The upper limit of x is associated with 30% and z for 30% is .84.
 $\mu \pm z\sigma$
 $\$55,000 - .84(\$15,000)$
 $\$55,000 - \$12,600$
 Upper limit is \$42,400.

The second decile has sales between \$35,800 and \$42,400.