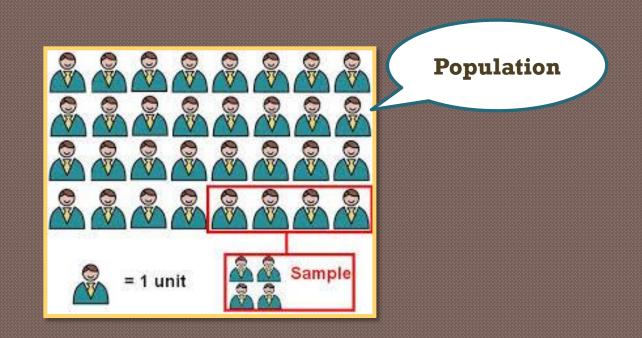
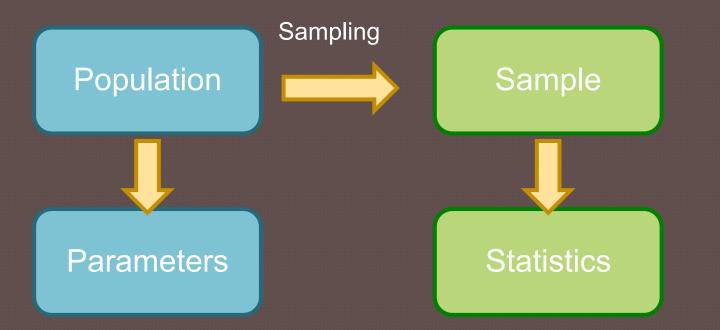
Sampling



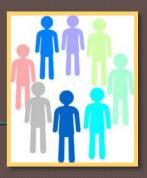
Concept of Sampling



<u>Note:</u> Numbers computed from a population called "Parameter" Numbers computed from a sample called "Statistics"

Basic Research in Accounting (Week 7)

Forms of Sampling



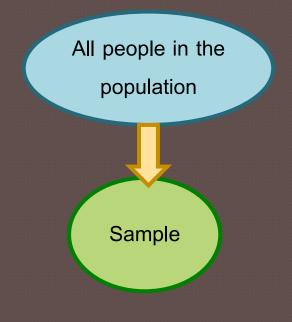
Random Sampling

- Simple Random
 Sampling
- Stratified Random Sampling
- Cluster Sampling

Non-random Sampling
 Convenience Sampling
 Quota Sampling
 Known Group Sampling
 Snowball Sampling

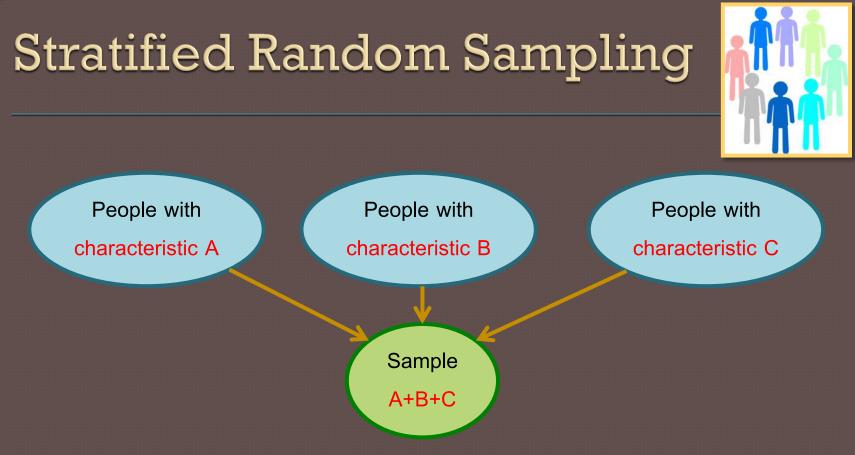


Simple Random Sampling



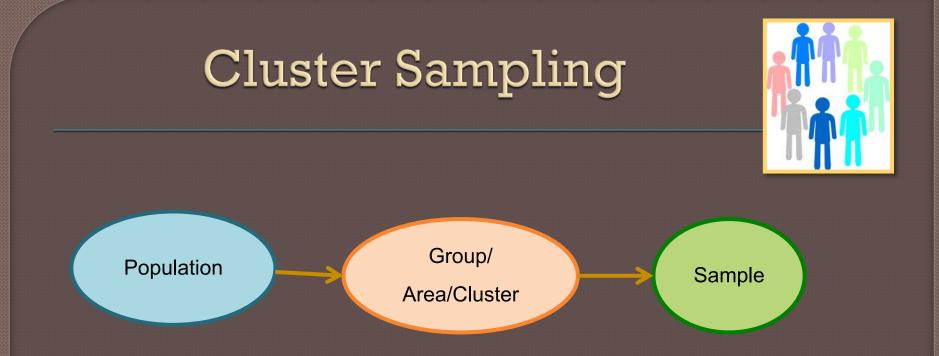
Remark:

- Best assurance of representativeness
- Time-consuming



Remark:

- Easier than Simple Random Sampling
- Come very close to the representativeness
- Weights for stratification are often unknown



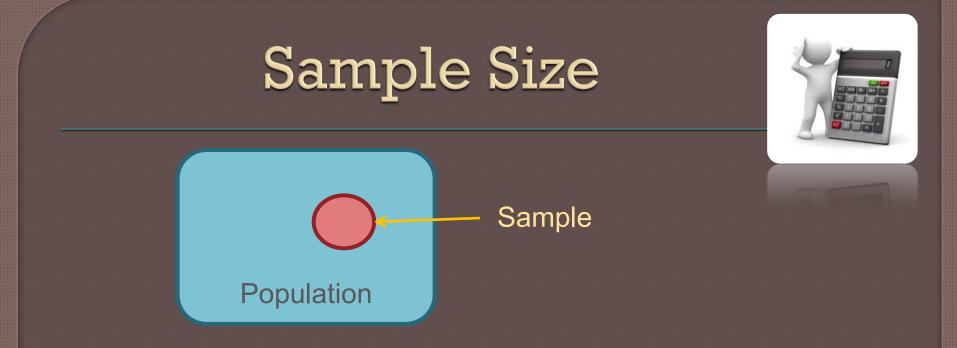
Remark:

- Easier than Simple Random Sampling
- Come very close to the representativeness
- Weights for cluster are often unknown

Non-random Sampling



Convenience Sampling (Select events that are most readily available) Quota Sampling (Like stratified sampling but without the random selection) Known Group Sampling (Selection of events from groups that are known to possess a particular characteristics under investigation) Snowball Sampling (Selection of events based on referrals from initial information)



A sample is a percentage of the total population in statistics. You can use the data from a sample to make inferences about a population as a whole.

How to find a sample Size

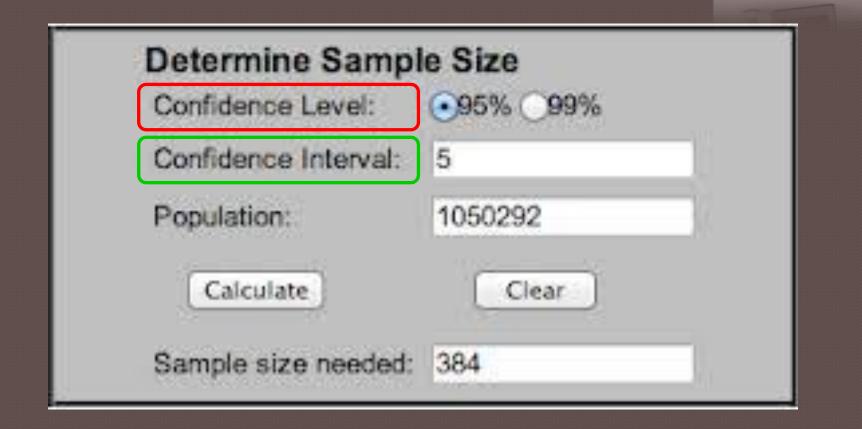


Step 1: Conduct a census if you have a small population
Step 2: Use a sample size from a similar study
Step 3: Use a table to find your sample size
Step 4: Use a sample size calculator
Step 5: Use a formula
Sample size in Descriptive studies
Sample size in Inferential studies

	Required Sample Size								
Statistical Sample Size 🦯	Confidence = 95%				Confid	Confidence = 99%			
Table	Population Size	5.0%	Margin o 3.5%	of error 2.5%	1.0%	5.0%	Margin 3.5%	of Error 2.5%	1.0%
	10 20 30 50 75	10 19 28 44 63	10 20 29 47 69	10 20 29 48 72	10 20 30 50 74	10 19 29 47 67	10 20 29 48 71	10 20 30 49 73	10 20 30 50 75
Confidence Level	100 150 200 250 300	80 108 132 152 169	89 126 160 190 217	94 137 177 215 251	99 148 196 244 291	87 122 154 182 207	93 135 174 211 246	96 142 186 229 270	99 149 198 246 295
Confidence Interval	400 500 600 700 800	146 217 234 248 260	265 306 340 370 396	318 377 432 481 526	384 475 565 653 739	250 285 315 341 363	309 365 416 462 503	348 421 490 554 615	391 485 579 672 763
	1,000 1,200 1,500 2,000 2,500	278 291 306 322 333	440 474 515 563 597	606 674 759 869 952	906 1,067 1,297 1,655 1,984	399 427 460 498 524	575 636 712 808 879	727 827 959 1,141 1,288	943 1,119 1,376 1,785 2,173
	3,500 5,000 7,500 10,000 25,000	346 357 365 370 378	641 678 710 727 760	1,068 1,176 1,275 1,332 1,448	2,565 3,288 4,211 4,899 6,939	558 586 610 622 646	977 1,066 1,147 1,193 1,285	1,510 1,734 1,960 2,098 2,399	2,890 3,842 5,165 6,239 9,972
	50,000 75,000 100,000 250,000 500,000	381 382 383 384 384	772 776 778 782 783	1,491 1,506 1,513 1,527 1,532	8,056 8,514 8,762 9,248 9,423	655 658 659 662 663	1,318 1,330 1,336 1,347 1,350	2,520 2,563 2,585 2,626 2,640	13,583 14,227 15,555
	1,000,000 2,500,000 10,000,000 100,000,000 300,000,000	384 384 384 384 384	783 783 784 784 784	1,534 1,536 1,536 1,537 1,537	9,512 9,567 9,594 9,603 9,603	663 663 663 663 663	1,352 1,353 1,354 1,354 1,354	2,647 2,651 2,653 2,654 2,654	16,478 16,560 16,584

Basic Research in Accounting (Week 7)

Sample Size Calculator

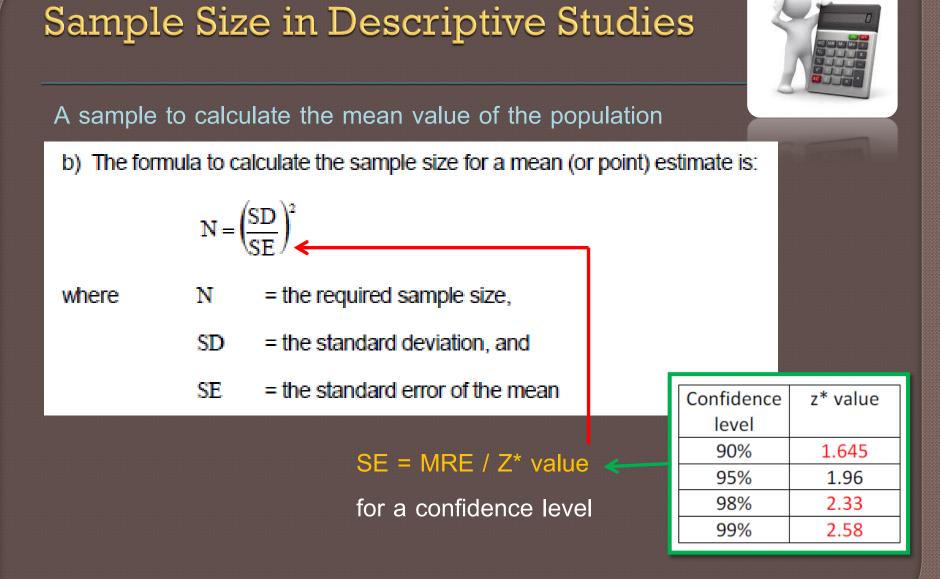


Formulas for Sample Size Calculation



Requirements:

- Confidence Level
 - → Ex. "95% confident" = 5% significance level (α) "99% confident" = 1% significance level (α)
- Confidence Interval
 - → Degree of precision (Margin for Random Errors <MRE>)
 <u>Ex.</u> +/- 1%, +/- 2%, +/- 3%, +/- 5%, +/- 10%



Basic Research in Accounting (Week 7)

Sample Size in Descriptive Studies

A sample to estimate a proportion or percentage

$$N = \frac{P(100\% - P)}{(SE)^2}$$

SE = MRE / Z* value <

for a confidence level

Confidence	z* value		
level			
90%	1.645		
95%	1.96		
98%	2.33		
99%	2.58		



Sample Size in Inferential Studies

A sample size for Chi-squared test

$$N = K \times \frac{p_1(1-p_1) + p_2(1-p_2)}{(p_1 - p_2)^2}$$

Table 2: Values of K, as used for sample size calculations

K = constant which is a function of **α** and **β**

		Power: 50% β = 0.5	80% $\beta = 0.2$	90% $\beta = 0.1$	95% $\beta = 0.05$
α:	0.10	2.7	6.2	8.6	10.8
	0.05	3.8	7.9	10.5	13.0
	0.02	5.4	10.0	13.0	15.8
	0.01	6.6	11.7	14.9	17.8

Sample Size in Inferential Studies

A sample size for t-test

$$N = 2 \times K \times \left(\frac{\sigma}{\mu_1 - \mu_2}\right)^2$$

Table 2: Values of K, as used for sample size calculations

K = constant which is a function of α and β

		Power: 50% β = 0.5	$\begin{array}{c} 80\%\\ \beta=0.2 \end{array}$	90% $\beta = 0.1$	95% β=0.05
α:	0.10	2.7	6.2	8.6	10.8
	0.05	3.8	7.9	10.5	13.0
	0.02	5.4	10.0	13.0	15.8
	0.01	6.6	11.7	14.9	17.8



Validity and Reliability



Basic Research in Accounting (Week 7)

Validity



Conclusion Validity

- Internal Validity
- External Validity

Population Validity

Ecological Validity

Test Validity Criterion Validity **Concurrent Validity Predictive Validity** Content Validity Construct Validity Face Validity

Validity



Types	Meaning
Population Validity	Generalized based on the sample
Ecological Validity	Generalized based on the testing environment
Concurrent Validity	Measures the test against a benchmark test
Predictive Validity	Measures how well a test predicts abilities
Content Validity	Measures how well a test compares to the real world using scores by experts
Face Validity	Measures how representative a research project is at face value using personal judgments

Basic Research in Accounting (Week 7)

Reliability



The idea behind <u>reliability</u> is that any <u>significant</u> <u>results</u> must be more than a one-off finding and be inherently <u>repeatable</u>.

Types of Reliability of Instruments:
 Test-Retest Reliability
 Internal Consistency Reliability

Validity and Reliability



Test-Retest Reliability



Meaning: Involves administering the same test with the same group of people, after a period of time, and comparing the results to ensure that there is a correlation between the results.

Now







<u>Note:</u> Assuming that nothing has changed in that time period



Meaning: Involves measuring two different versions of the same item within the same test to ensure that there is a correlation and that they measure the same thing.

3 main techniques for measuring the internal consistency reliability: 1) Split-Halves Test
 2) Kuder-Richardson Test
 3) Cronbach's Alpha Test



Split-Halves Test

→ Ex. A questionnaire could be divided into odd and even questions. The results from both halves are statistically analyzed, and if there is <u>weak correlation</u> between the two, then there is a reliability problem with the test.

Kuder-Richardson Test

 \rightarrow Allow only right or wrong questions (1, 0)

$$r_{KR-20} = \left(\frac{K}{K-1}\right) \left(1 - \frac{\sum pq}{s^2}\right)$$

- O Cronbach's Alpha Test
- \rightarrow Allow multi-level responses (Rating scale: 1, 2, 3, 4, 5)
- → The Higher the score, The better

$$\alpha = \frac{n}{n-1} \left(1 - \frac{\Sigma V i}{V test} \right)$$

