## **Example** Comparing Salaries (textbook, pg. 209)

The payrolls for three small companies are shown in the table. Figures include year-end bonuses. Each company has 15 employees. Ming wonders if the companies have similar "average" salaries.

Employee Payroll (\$)				
Media Focus	Computer	Auto Value		
Advertising	Rescue	Sales		
245,000	362,000	97,500		
162,000	112,000	66,900		
86,000	96,500	64,400		
71,000	96,500	63,800		
65,000	63,000	62,800		
61,000	62,500	63,300		
61,000	59,200	61,500		
57,500	59,000	58,900		
47,400	56,500	58,300		
42,500	55,900	58,200		
39,500	55,200	57,900		
36,200	53,800	57,300		
33,400	53,100	56,900		
28,500	52,700	55,250		
27,300	52,300	55,250		

1. What is the best indicator of an "average" salary for each company?

- 2. What is the range of salaries for each company?
- 3. Examine the data. Which companies have data that would be considered outliers?

4. Determine the measures of central tendency:

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	Media Focus	Computer	Auto Value
	Advertising	Rescue	Sales
Mean			
Median			
Mode			

5. Which measure of central tendency is most affected by the outliers?

6. Create a line plot for each of the three companies. Look for outliers, measures of central tendency, and the range on your line plots. Which of these features is most easily visible?

7. Which measure of central tendency best illustrates the "average" salary for each company? Why?