TANYA Assistant Professor(Guest Faculty) Department of Economics D.K College, Dumraon (Buxar) B.A. Economics – Part 3 Paper – 07 Topic – Measures of Central Tendency

After the Collection, Classification and Tabulation of data, further analysis of tabulated data is required.

One of the Powerful tools of analysis is to calculate a single average value that represents the entire mass of data.

"An Average thus is a single value which is considered as the most representative or typical value for a given set of data."

Such a value is neither the smallest nor the largest value, but is a number whose value is somewhere in the middle of the group.Due to this reason, .<u>Average is frequently referred to as a measure of Central Tendency or Central Value.</u>

## **OBJECTIVES OF AVERAGING**:

There are two main objectives of Averaging:

- 1. To get one single value that describes the characteristics of the entire data.
- 2. To Facilitate Comparison.

## **Characteristics of a Good Average:**

- **1.** It should be easy to understand.
- 2. It should be simple to compute.
- **3.** It should be based on all the observations.

- 4. It should be rigidly defined.
- 5. It should have sampling stability.
- 6. It should be not unduly affected by the presence of extreme values.
- 7. It should be capable of further algebraic treatment.

## The important measures of Central Tendency are :

- Arithmetic Mean
- Median
- Mode