ICAEW Excel 13 StDev

In this video, I'm going to talk to you about the STDEV function in Excel, which will calculate the standard deviation of a set of data, which is a measure of the variation or dispersion of that set of data.

So, here we've got the unit costs of both ceramic tiles in row four and porcelain tiles in row eight over the course of a year, so we've got a month by month cost breakdown, and over on the right there in column N, we're going to calculate the standard deviation. Now, just looking at the numbers, the ceramic tile, the cost looks to vary a little bit, but not too much compared to the porcelain tiles and you can see there's a bit more variability of the costs there so we can anticipate that in the standard deviation of these sets of data. It's very straightforward, equals, STDEV and then you just point to the data. Equals, STDEV, open brackets and we're going to point to the data, close brackets and we get one point one eight for the ceramic tile. And if we copy and paste the same formula down to the porcelain tile, we get the answer, two point three one. So more dispersion on the unit cost of the porcelain tiles over the course of the year. And just to demonstrate that it works, what I'll do is I will I'm going to change the unit cost of the ceramic tiles to be a steady number over the course of the 12 months, let's change it to a four, I'm going to pace this across to the right so there'll be no deviation whatsoever and we'll see what happens to the standard deviation. And there you go. Standard deviation turns out to be zero, which is what we should expect.

So very straightforward. Excel function equals, STDEV and then you simply point to the data.