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# DS Intermediate Level Capstone Project

DS-XL

June 2020

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## Data

The dataset **data\_train.csv** will be provided and used for the entire project. Data is collected Mar 2019 for millions of bank loans with different attributes and loan status. This is the dataset you should use for exploratory analysis and model building.

A data dictionary **data\_dictionary.xlsx** is provided to you with the definition of the variables to help you better understand the data.

One week prior to the project submission deadline (beginning of week 3), we will release the test dataset for model performance scoring **data\_test.csv**. It will follow the exact same structure and have the exact same variable definition as the training set. Please process this data as needed to score your model to generate final predictions for submission (more details in tasks below). You should not use **data\_test.csv** for any other purpose.

Link to download data:

[https://onecareers-my.sharepoint.com/:f:/g/personal/wilson\\_li\\_onecareer\\_com/Enw5lj-uRONKsD2GMFoQoCkBBW5nuqQUeBhfjxV5lJPK3g?e=dijt8Y](https://onecareers-my.sharepoint.com/:f:/g/personal/wilson_li_onecareer_com/Enw5lj-uRONKsD2GMFoQoCkBBW5nuqQUeBhfjxV5lJPK3g?e=dijt8Y)

## Tasks:

### 1. Data Exploration and Insight Finding

Perform data analysis on the given dataset, find interesting questions or insights from the dataset, and write up a data exploration report of a few pages to summarize your findings.

The target audience of this report will be your manager or business customer who would expect to understand the dataset by reading your report.

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- Sample structure (*you don't need to follow this, feel free to write it however you like, but make sure it's a professional style report, not a Jupyter notebook with code snippets*)
  - Overall population exploration
  - Interesting signals you observed, questions you'd like to ask
  - Data analysis to answer your questions or support your insights
  - Summary of your work and recommendations based on your findings
- Feel free to use any open-source packages and code, but make sure to reference any external code you borrowed from others

### Submission:

- A professional style report (.pdf or .doc file, feel free to use markdown or LaTeX if you'd like to) with your write-up explaining findings, plus data visualization supporting your findings.
- A .py file or .ipynb Jupyter notebook with all the code you used to generate results and visualization you included in your report

### Grading rubrics:

- Insights / questions discussed, analysis scope and depth
- Critical thinking and analytical skills
- Data analysis and visualization
- Overall flow and professional style of report

## 2. Modeling

Use the given dataset to build machine learning model(s) to predict *loan status* as **target**: if a loan will charged-off, or stay current/paid-off. Don't worry if you are not familiar with the concept yet, we will give more explanation when assigning the project as well as hold office hours later.

You can train your model on the training dataset with target, and for final submission you need to use the model to generate predictions on test dataset. We will assess your predictions' [AUROC](#) on the actual values of the target variable in the test dataset.

- Feel free to use any open source package or algorithm that you think suits the problem, you are also encouraged to write your own algorithms and methods that help to improve your model performance. Make sure to reference any external code you borrowed from others
- A couple of things we highly encourage you to try:
  - Refine your own training dataset: using only a portion of it, down sample, upsample, etc.
  - Feature engineering: dropping columns, creating new variables based on your understanding of the data, dim reduction, etc.
  - Bring in other data sources: e.g. marco economics of different years

- Understand your model: what variables are driving your predictions, how do you explain the relationship between target variable and the input features?
- Thresholding: are you using or proposing any threshold for the binary target? How do you find the threshold?
- Think about how you can improve your model and surprise us!

### Submission:

- A .csv file named **predictions\_[your\_name\_here].csv** with only two columns: [index, prediction\_score]. The .csv file should have the same number of rows in **data\_test.csv** and only two columns mentioned above. This should be your model prediction for all the records in the test dataset.
- A short (1-3 pages) technical report or model design document explaining your model design (build sample, features used, algorithm used, validation process, etc.) and model performance analysis if you choose to perform any. You are also free to discuss how to interpret your model and how to use your model here. This should be a .pdf or .doc file, feel free to use markdown or LaTeX if you'd like to.
- A .py or .ipynb Jupyter notebook with all the code you used to build and score your models and generate any results and visualization you included in your report
- ***[Keep this for your own record on your local machine for now, we may request submission later]*** A pickle file of the final model you used to generate your final submitted predictions.

### Grading rubrics:

- Model accuracy: AUROC score of submitted predictions for test dataset
- Model design and feature engineering soundness & innovation
- Model interpretation and usage proposal

## Deadline

All required files should be submitted **4 weeks after initial training data is released**. Projects submitted within 4 weeks will receive the final model performance score, as well as comments on reports :)

If needed, you may request a 2-week extension. Projects submitted in 6 weeks will not receive feedback but pass/fail grade only.

## Submission method

### Method 1: GitHub

Please make your submission by **creating a branch with your name/user id**, and then pull request your submission to the following repo:

<https://github.com/DS-XL/capstone-project-submission>

### Method 2: OneDrive

Please **create a folder with your Name under `project\_submission` folder** in the following OneDrive link, and upload all required files in your folder.

OneDrive Link :

[https://onecareers-my.sharepoint.com/:f:/g/personal/wilson\\_li\\_onecareer\\_com/Enw5lj-uRONKsD2GMFoQoCkBBW5nuqQUeBhfjxV5lJPK3g?e=dijt8Y](https://onecareers-my.sharepoint.com/:f:/g/personal/wilson_li_onecareer_com/Enw5lj-uRONKsD2GMFoQoCkBBW5nuqQUeBhfjxV5lJPK3g?e=dijt8Y)

If you are not sure about the naming convention or what files to submit, you can find an example in the folder `example\_submission\_Emma`.

## Office hour

We will hold office hours to answer your questions about data and the project requirement. We will release the Office Hour time to TA and make sure it works for most students. However, we will not answer any questions regarding analysis or modeling technique :)