# **Assessment Income Qualification**

## **Description**

Identify the level of income qualification needed for the families in Latin America.

#### **Problem Statement Scenario:**

Many social programs have a hard time ensuring that the right people are given enough aid. It's tricky when a program focuses on the poorest segment of the population. This segment of the population can't provide the necessary income and expense records to prove that they qualify.

In Latin America, a popular method called Proxy Means Test (PMT) uses an algorithm to verify income qualification. With PMT, agencies use a model that considers a family's observable household attributes like the material of their walls and ceiling or the assets found in their homes to

classify them and predict their level of need.

While this is an improvement, accuracy remains a problem as the region's population grows and poverty declines.

The Inter-American Development Bank (IDB)believes that new methods beyond traditional econometrics, based on a dataset of Costa Rican household characteristics, might help improve PMT's performance.

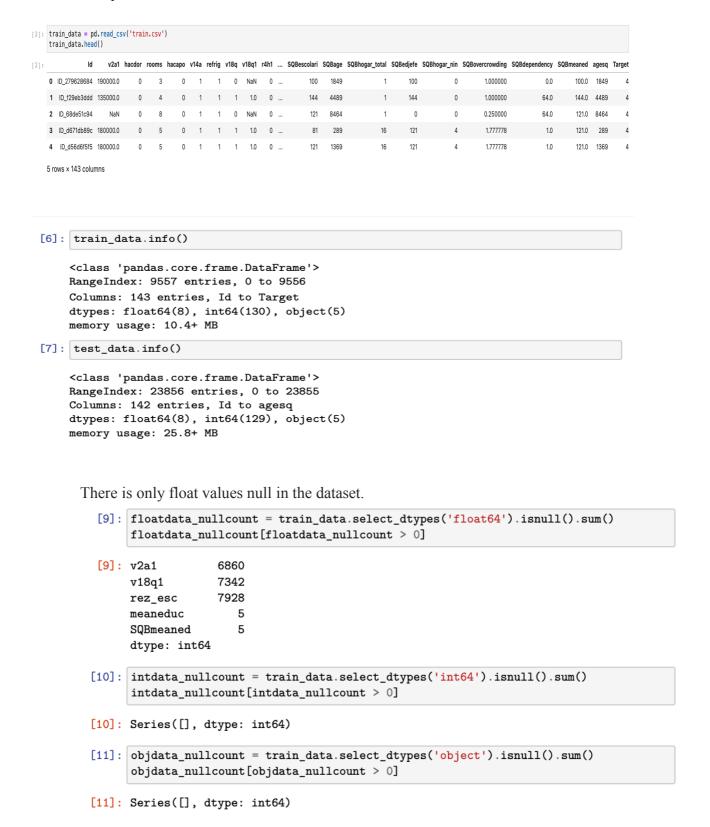
### **Actions to Perform**

- Identify the output variable.
- Understand the type of data.
- Check if there are any biases in your dataset.
- Check whether all members of the house have the same poverty level.
- Check if there is a house without a family head.
- Set poverty level of the members and the head of the house within a family.
- Count how many null values are existing in columns.
- Remove null value rows of the target variable.
- Predict the accuracy using random forest classifier.
- Check the accuracy using random forest with cross validation.

## **Problem Approach**

# 1. EDA Understanding the data.

File train.csv contains 9557 data points and 143 features, and test.csv contains 23856 data points and 142 features.



# 2. Target and Feature Analysis

• Object values are converted into np.float.

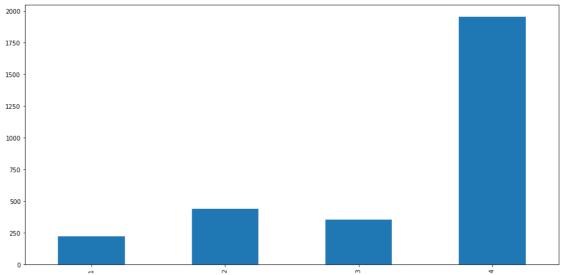
```
[14]: train_data['edjefe'].unique()
[14]: array(['10', '12', 'no', '11', '9', '15', '4', '6', '8', '17', '7', '16', '14', '5', '21', '2', '19', 'yes', '3', '18', '13', '20'], dtype=object)
[15]: train_data['edjefa'].unique()
[15]: array(['no', '11', '4', '10', '9', '15', '7', '14', '13', '8', '17', '6', '5', '3', '16', '19', 'yes', '21', '12', '2', '20', '18'], dtype=object)
[16]: mapping = {'yes':1, 'no':0}
train_data['dependency'] = train_data['dependency'].replace(mapping).astype(np.
          →float64)

...float64)
train_data['edjefa'] = train_data['edjefa'].replace(mapping).astype(np.float64)
train_data['edjefe'] = train_data['edjefe'].replace(mapping).astype(np.float64)

[17]: test_data['dependency'] = test_data['dependency'].replace(mapping).astype(np.
        test_data['edjefa'] = test_data['edjefa'].replace(mapping).astype(np.float64)
test_data['edjefe'] = test_data['edjefe'].replace(mapping).astype(np.float64)
[18]: train_data[['dependency', 'edjefe', 'edjefa']].describe()
[18]:
        dependency
count 9557.000000
                                     edjefe edjefa
9557.000000 9557.000000
        mean
std
min
25%
50%
                   9557.000000
1.149550
1.605993
0.000000
0.333333
0.666667
                                      5.096788
5.246513
0.000000
0.000000
                                                          2.896830
4.612056
0.000000
0.000000
                                          6.000000
                                                            0.000000
        75%
                       1.333333
                                          9.000000
                                                             6.000000
                       8.000000
                                       21.000000
                                                        21.000000
```

• Dataset is more biased to level4.

# Datapoints vs Target



• Same Households with different Poverty level.

```
[28]: same_household_target = train_data.groupby('idhogar')['Target'].apply(lambda x:_u
       \rightarrowx.nunique() == 1)
      household_traget_not_same = same_household_target[same_household_target != True]
      len(household_traget_not_same)
[28]: 85
[29]: train_data[train_data['idhogar'] == household_traget_not_same.
      →index[0]][['idhogar', 'parentesco1', 'Target']]
[29]:
              idhogar parentesco1 Target
      7651 0172ab1d9
                                0
      7652 0172ab1d9
                                 0
                                         2
      7653 0172ab1d9
                                 0
                                         3
      7654 0172ab1d9
                                1
                                         3
      7655 0172ab1d9
```

• Households without Family Head.

```
[30]: #Household with the family head
households_head = train_data.groupby('idhogar')['parentesco1'].sum()

#Households without family head
households_without_head = train_data.loc[train_data['idhogar'].

--isin(households_head[households_head == 0].index), :]

print(households_without_head['idhogar'].nunique())

15
[31]: households_without_head_diff_target = households_without_head.

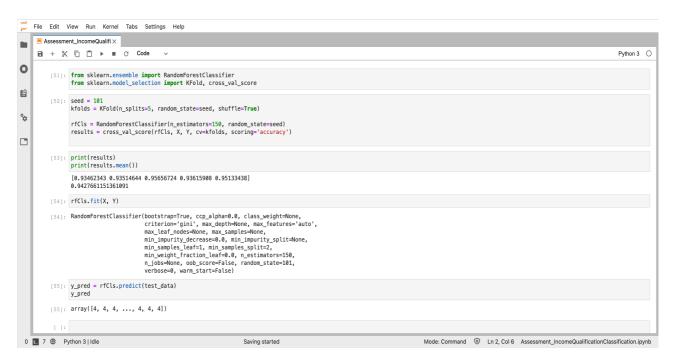
--groupby('idhogar')['Target'].apply(lambda x: x.nunique() == 1)
sum(households_without_head_diff_target == False)
[31]: 0
```

Setting poverty level of the members and the head of the house within a family.

[33]: 0

# 3. Model Training

• RandomForestClassifier with Cross Validation.



Average accuracy: 0.9427661151361091

## **Conclusion**

RandomForestClassifier, the accuracy is 0. 9427661151361091

The above model is used for predicting test data as well

```
[55]: y_pred = rfCls.predict(test_data)
y_pred

[55]: array([4, 4, 4, ..., 4, 4])

[]:
```