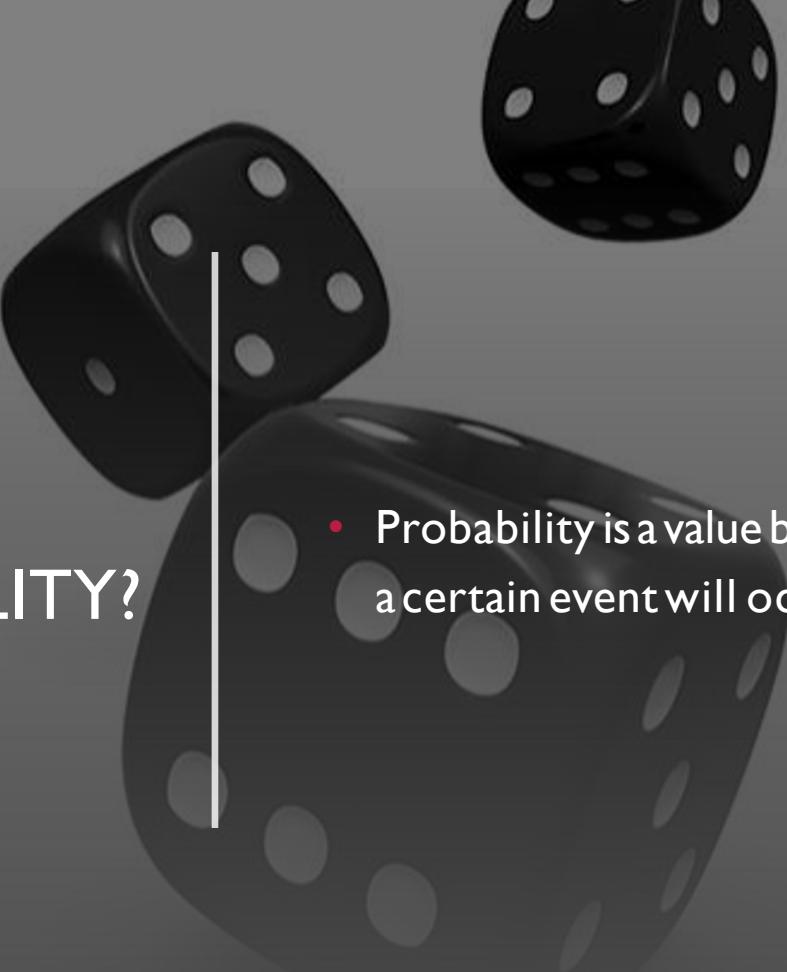


PROBABILITY

LAXMINARAYEN

WHAT IS PROBABILITY?



- Probability is a value between 0 and that a certain event will occur

EXAMPLE FOR PROBABILITY

- The probability that a fair coin will come up heads is 0.5
- Mathematically we write:

$$P(E_{heads}) = 0.5$$

WHAT IS PROBABILITY?

- In the above “heads” example, the act of flipping a coin is called a **trial**.
- Over very many trials, a fair coin should come up “heads” half of the time.



TRIALS HAVE NO MEMORY!

- If a fair coin comes up tails 5 times in a row, the chance it will come up heads is *still* 0.5
- Each trial is independent of all others

EXPERIMENTS

- Each trial of flipping a coin can be called an experiment
- Each mutually independent outcome is called a simple event

SAMPLE SPACE

- The sample space is the sum of every possible simple event

EXAMPLE FOR SAMPLE SPACE

- Consider rolling a six-sided die
- One roll is an experiment
- The simple events are:

$$E_1 = 1$$

$$E_2 = 2$$

$$E_3 = 3$$

$$E_4 = 4$$

$$E_5 = 5$$

$$E_6 = 6$$

- Therefore, the sample space is:

$$S = \{E_1, E_2, E_3, E_4, E_5, E_6\}$$



EXPERIMENTS

- The probability that a fair die will roll a six:
The simple event is:

E_6 =6 (one event)



Total sample space:

$S = \{E_1, E_2, E_3, E_4, E_5, E_6\}$ (*six possible outcomes*)

The probability:

$P(\text{Roll Six}) = 1/6$

PROBABILITY EXERCISE

- A company made a total of 50 trumpet valves
- It is determined that one of the valves was defective
- If three valves go into one trumpet, what is the probability that a trumpet has a defective valve?



PROBABILITY EXERCISE

1. Calculate the probability of having a defective valve:

$$P(E_{\text{defective valve}}) = \frac{1}{50} = 0.02$$

PROBABILITY EXERCISE

2. Calculate the probability of having a defective trumpet:

$$P(E_{\text{defective trumpet}}) = 3 \times P(E_{\text{defective valve}}) = 3 \times 0.02 = 0.06$$



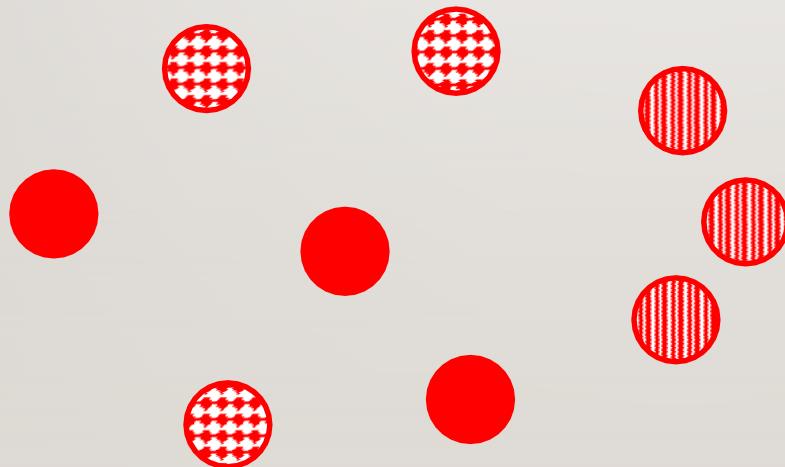
INTERSECTIONS, UNIONS & COMPLEMENTS

INTERSECTIONS

- In probability, an **intersection** describes the sample space where two events *both* occur.

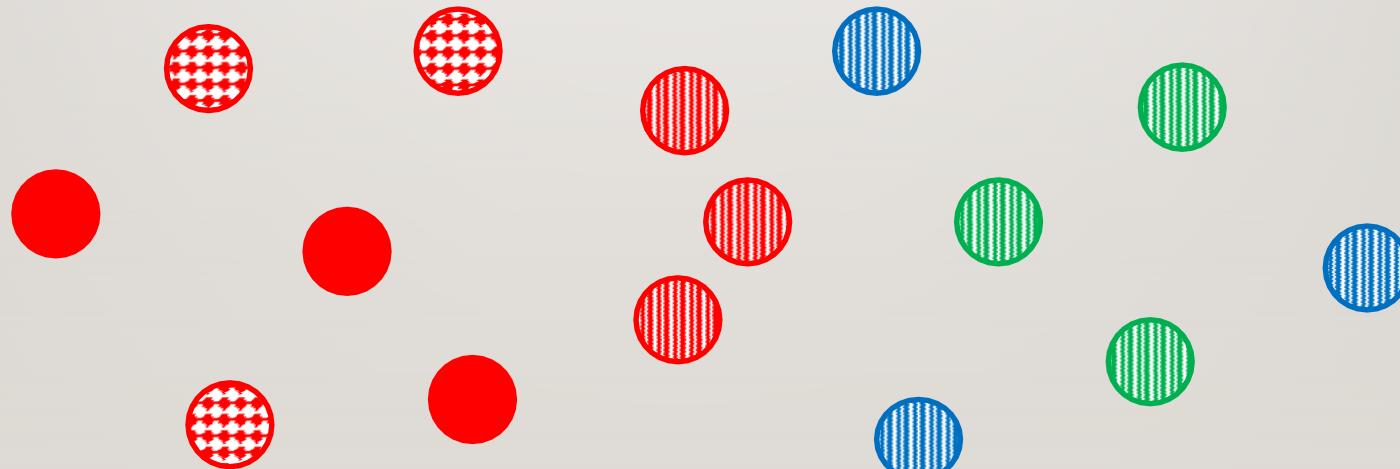
INTERSECTIONS

- 9 of the balls are red:
-



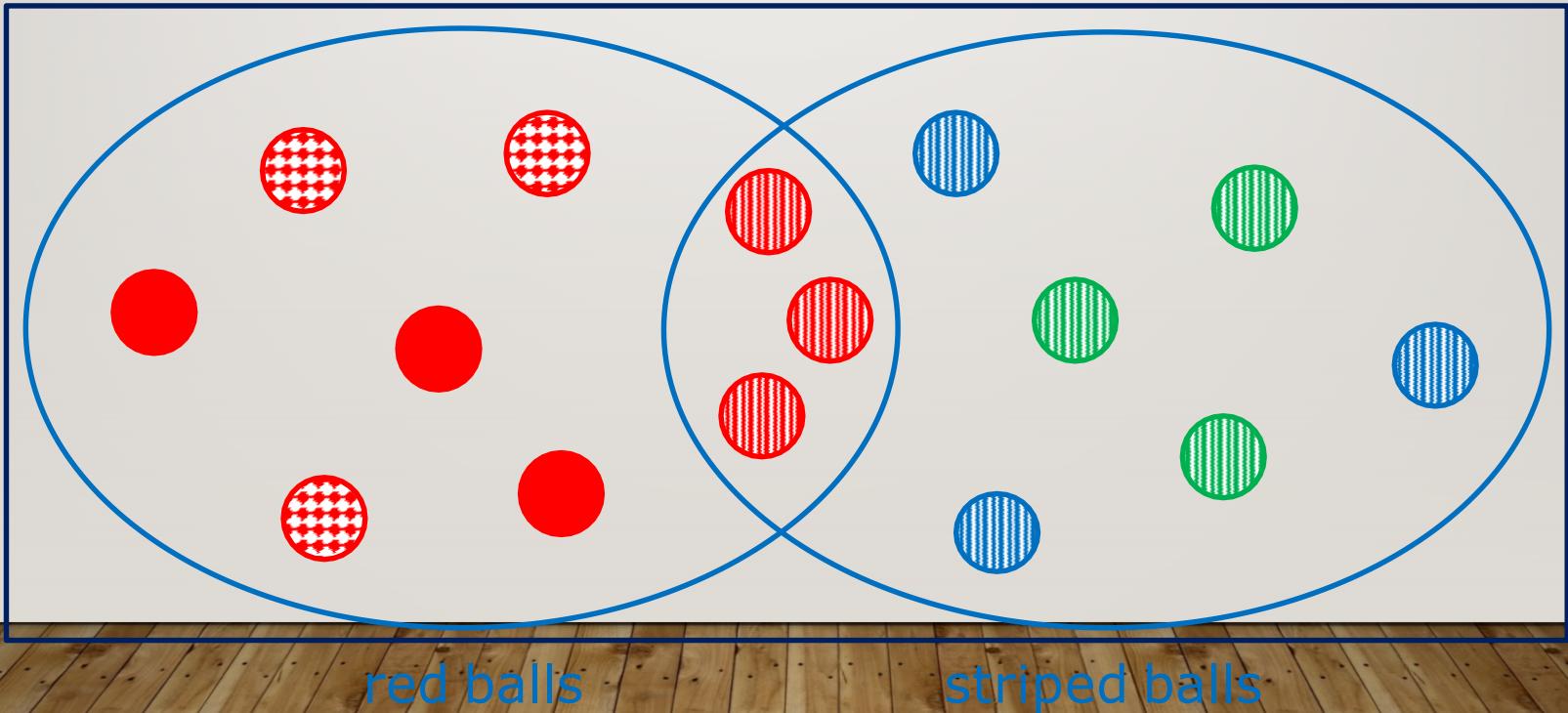
INTERSECTIONS

- 9 of the balls are striped:
-



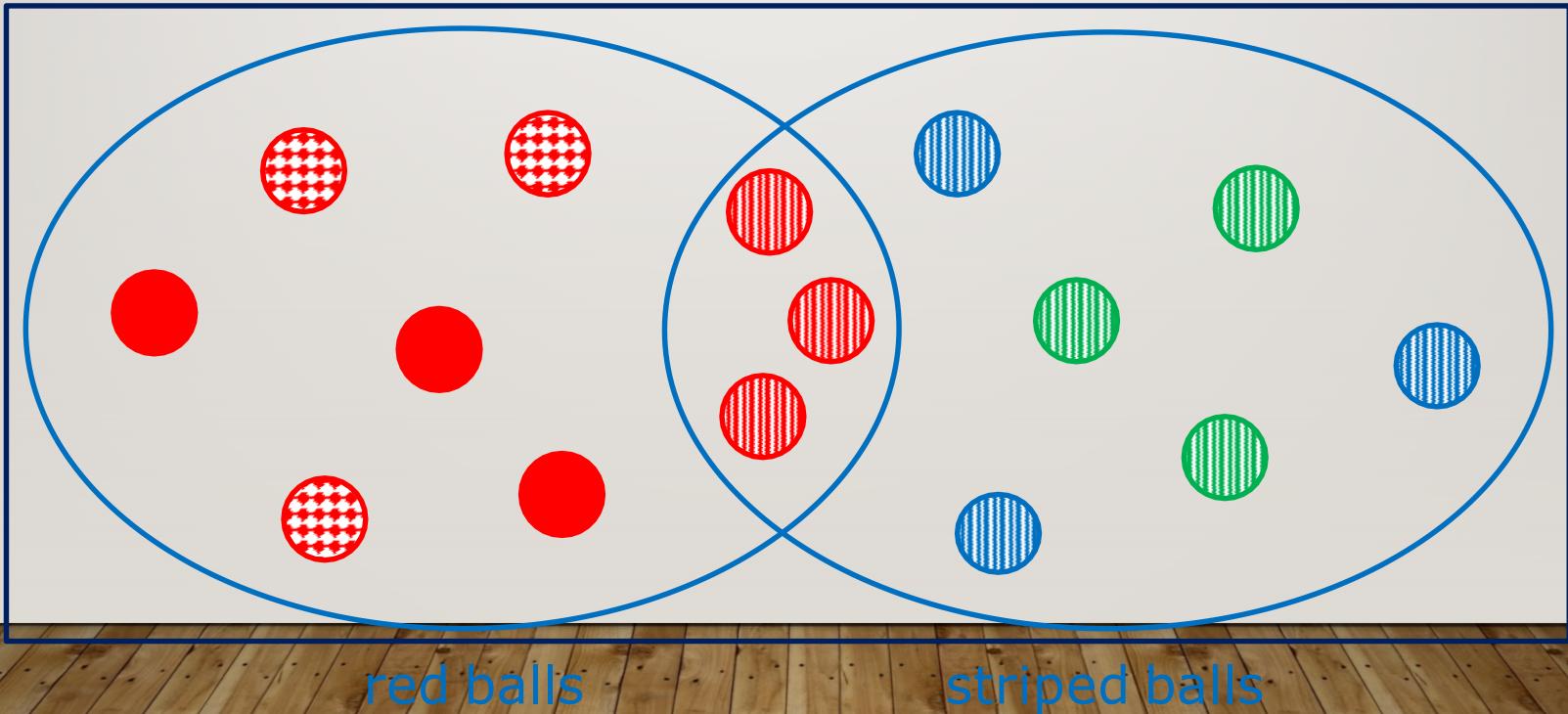
INTERSECTIONS

- 3 of the balls are both red and striped:

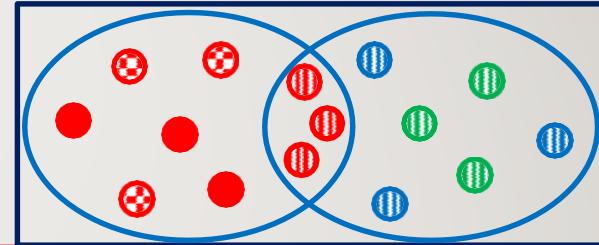


INTERSECTIONS

- What are the odds of a red, striped ball?



INTERSECTIONS



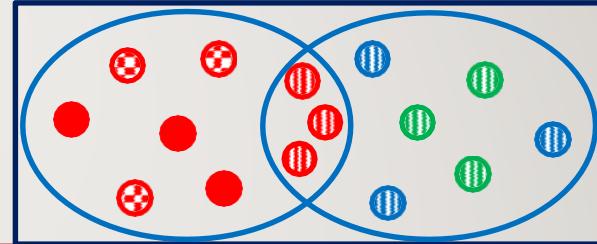
- If we assign **A** as the event of red balls, and **B** as the event of striped balls, the intersection of **A and B** is given as:

$$A \cap B$$

- Note that order doesn't matter:

$$A \cap B = B \cap A$$

INTERSECTIONS



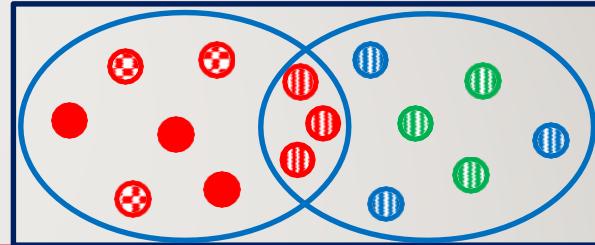
- The probability of A *and* B is given as

$$P(A \cap B)$$

- In this case:

$$P(A \cap B) = \frac{3}{15} = 0.2$$

UNIONS



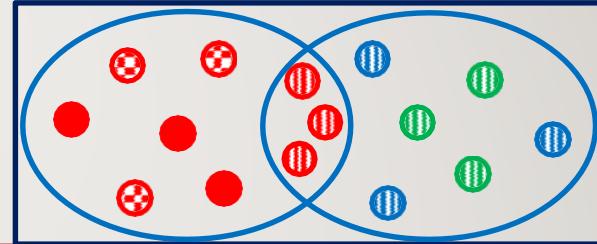
- The **union** of two events considers if **A or B** occurs, and is given as:

$$A \cup B$$

- Note again, order doesn't matter:

$$A \cup B = B \cup A$$

UNIONS



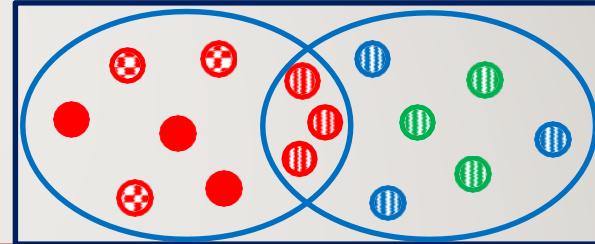
- The probability of A *or* B is given as:

$$P(A \cup B) = P(A) + P(B) - P(A \cap B)$$

- In this case:

$$P(A \cup B) = \frac{9}{15} + \frac{9}{15} - \frac{3}{15} = \frac{15}{15} = 1.0$$

COMPLEMENTS



- The complement of an event considers everything outside of the event, given by:

$$\bar{A}$$

- The probability of *not A* is:

$$P(\bar{A}) = 1 - P(A) = \frac{15}{15} - \frac{9}{15} = \frac{6}{15} = 0.4$$

INDEPENDENT & DEPENDENT EVENTS

INDEPENDENT EVENTS

- An **independent** series of events occur when the outcome of one event has no effect on the outcome of another.

EXAMPLE FOR INDEPENDENT EVENT

- An example is flipping a fair coin twice
- The chance of getting heads on the second toss is independent of the result of the first toss.



INDEPENDENT EVENTS

- The probability of seeing two heads with two flips of a fair coin is:

$$P(H_1 \cap H_2) = P(H_1) \times P(H_2)$$

$$= \frac{1}{2} \times \frac{1}{2} = \frac{1}{4}$$

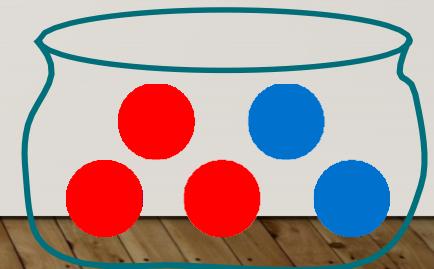
1 st Toss	2 nd Toss
H	H
H	T
T	H
T	T

DEPENDENT EVENTS

- A **dependent** event occurs when the outcome of a first event does affect the probability of a second event.
- A common example is to draw colored marbles from a bag *without replacement*.

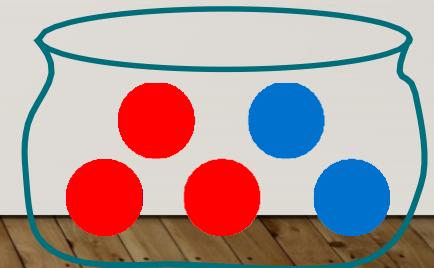
EXAMPLE FOR DEPENDENT EVENTS

- Imagine a bag contains 2 blue marbles and 3 red marbles.
- If you take two marbles out of the bag, what is the probability that they are both red?



EXAMPLE FOR DEPENDENT EVENTS

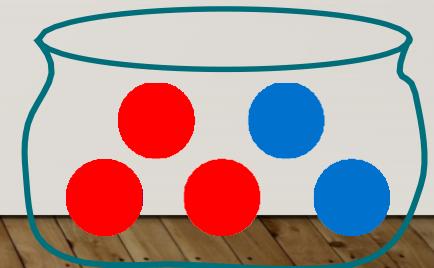
- Here the color of the first marble affects the probability of drawing a 2nd red marble.



EXAMPLE FOR DEPENDENT EVENTS

- The probability of drawing a first red marble is easy:

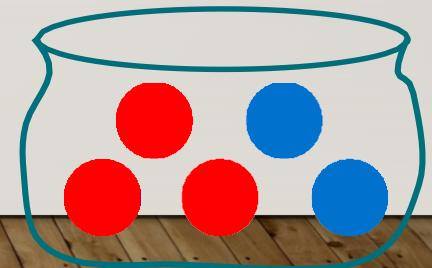
$$P(R_1) = \frac{3}{5}$$



EXAMPLE FOR DEPENDENT EVENTS

- The probability of drawing a second red marble *given that* the first marble was red is written as:

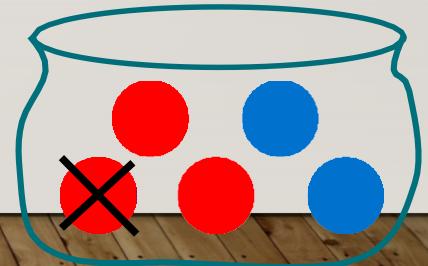
$$P(R_2|R_1)$$



EXAMPLE DEPENDENT EVENTS

- After removing a red marble from the sample set this becomes:

$$P(R_2|R_1) = \frac{2}{4}$$

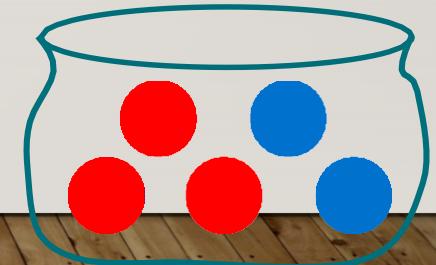


EXAMPLE FOR DEPENDENT EVENTS

- So the probability of two red marbles is:

$$P(R_1 \cap R_2) = P(R_1) \cdot P(R_2|R_1)$$

$$= \frac{3}{5} \times \frac{2}{4} = \frac{6}{20} = 0.3$$



CONDITIONAL PROBABILITY

CONDITIONAL PROBABILITY

- The idea that we want to know the probability of event A, *given* that event B has occurred, is **conditional probability**.
- This is written as $P(A|B)$

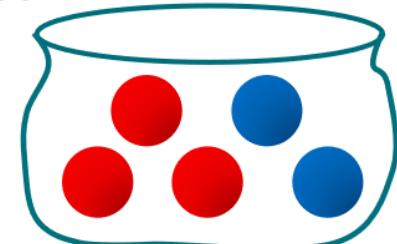
CONDITIONAL PROBABILITY

- Going back to dependent events, the probability of drawing two red marbles is:

$$P(R_1 \cap R_2) = P(R_1) \cdot P(R_2|R_1)$$

- The conditional in this equation is:

$$P(R_2|R_1)$$



CONDITIONAL PROBABILITY

- Rearranging the formula gives:

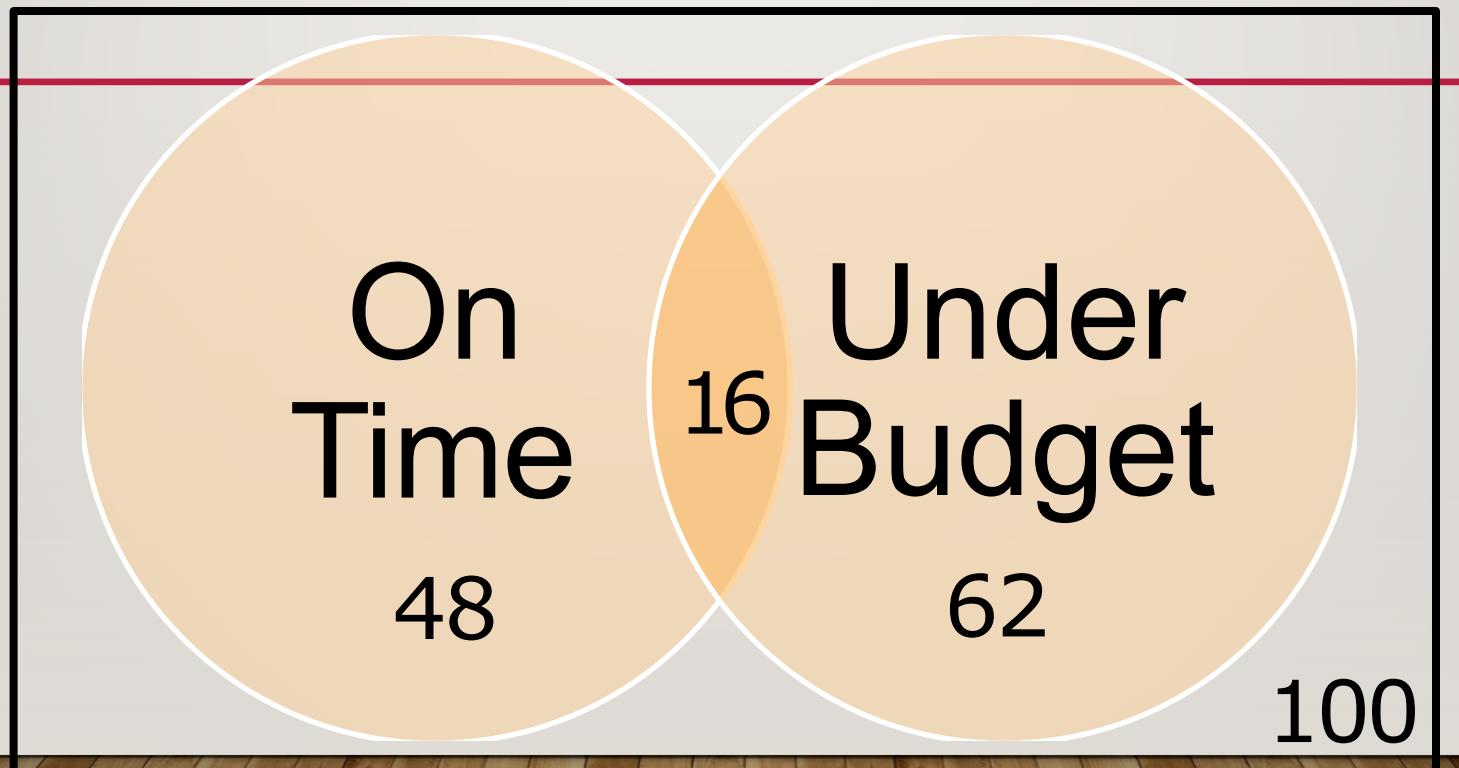
$$P(A|B) = \frac{P(A \cap B)}{P(B)}$$

- That is, the probability of **A given B** equals the probability of **A and B** divided by the probability of **B**

CONDITIONAL PROBABILITY EXERCISE

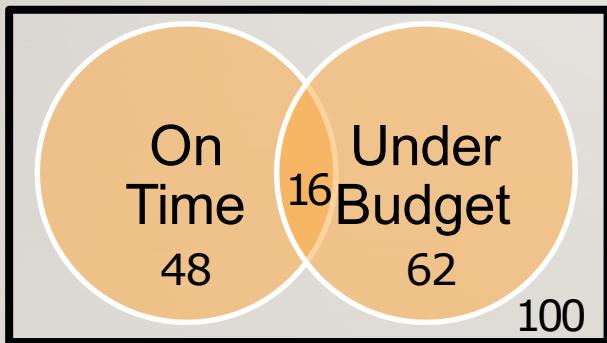
- A company finds that out of every 100 projects, 48 are completed on time, 62 are completed under budget, and 16 are completed both on time and under budget.
- Given that a project is completed on time, what is the probability that it is under budget?

CONDITIONAL PROBABILITY EXERCISE



CONDITIONAL PROBABILITY EXERCISE

Given that a project is completed on time **B**, what is the probability that it is under budget **A**?

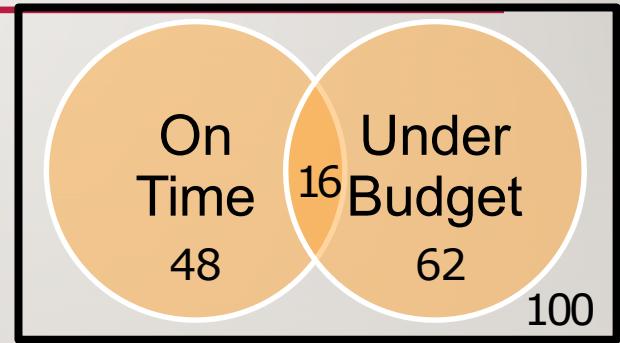


$$P(A|B) = \frac{P(A \cap B)}{P(B)}$$
$$= \frac{16}{48} = 0.33$$

ADDITION & MULTIPLICATION RULES

ADDITION RULE

- From our project example, what is the probability of a project completing on time *or* under budget?



- Recall from the section on unions:

$$P(A \cup B) = P(A) + P(B) - P(A \cap B)$$

- This is the **addition rule**

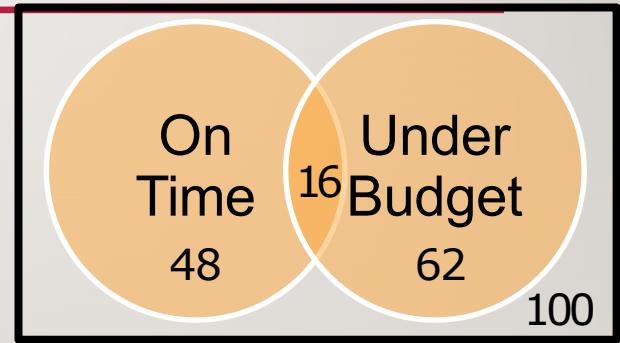
ADDITION RULE

$$P(A \cup B) = P(A) + P(B) - P(A \cap B)$$

$$= \frac{48}{100} + \frac{62}{100} - \frac{16}{100}$$

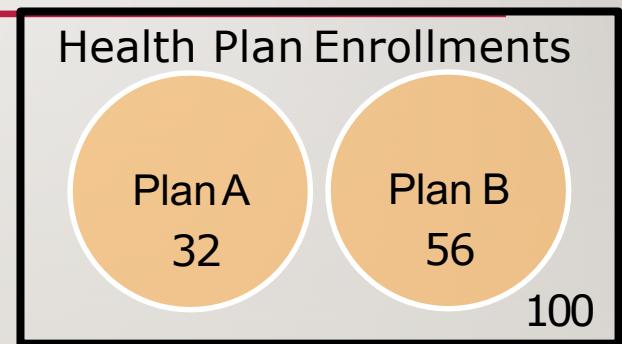
$$= 0.48 + 0.62 - 0.16$$

$$= 0.94$$



ADDITION RULE FOR MUTUALLY EXCLUSIVE EVENTS

- When two events cannot both happen, they are said to be **mutually exclusive**.
- In this case, the addition rule becomes:



$$P(A \cup B) = P(A) + P(B) - P(A \cap B)$$

MULTIPLICATION RULE

- From the section on dependent events we saw that the probability of A and B is:

$$P(A \cap B) = P(A) \cdot P(B|A)$$

- This is the **multiplication rule**

BAYESTHEOREM

BAYESTHEOREM

- We've already seen conditional probability:

$$P(A|B) = \frac{P(A \cap B)}{P(B)} \text{ provided that } P(B) > 0$$

$$P(A \cap B) = P(A) \cdot P(B|A) \text{ provided that } P(A) > 0$$

BAYESTHEOREM

- We can then connect the two conditional probability formulas to get Bayes' Theorem:

$$P(A|B) = \frac{P(B|A) \cdot P(A)}{P(B)} \text{ provided that } P(A), P(B) > 0$$

BAYESTHEOREM

- Bayes Theorem is used to determine the probability of a *parameter*, given a certain event.
- The general formula is:

$$P(A|B) = \frac{P(B|A) \cdot P(A)}{P(B)}$$