### Machine Learning (ML) Basics

- Machine Learning (ML): A subset of AI used to build logical models.
  - O In business environments:
    - Exploratory analysis with Jupyter Notebooks.
    - Graphical interfaces (GUIs) for pipeline management.

### Models:

- O Trained using labeled or unlabeled datasets.
- O Consist of:
  - Parameters: Adjustable values.
  - Structure: Neural networks, decision trees, etc.

### **Data Splitting for Model Training**

- Training Set (60%-80%)
  - Provides input data to train the model.
  - Must contain the correct output (target variable).
- Validation Set (10%-20%)
  - O Used to **evaluate and fine-tune** the model during training.
  - Does not adjust the model's parameters.
  - O Helps measure accuracy.
- Test Set (10%-20%)
  - O Evaluates final model performance on unseen data.
  - O Kept separate from training and validation to **prevent bias**.

## Data Formats in ML

- Structured Data: Stored in relational databases.
- Unstructured Data: Includes text, images, audio, video, etc.
- Labeled Data: Contains additional metadata (categories or classes) for each instance. Essential for supervised learning.
- Unlabeled Data: No assigned categories or labels. Used in unsupervised learning.

## **Supervised Learning**

- **Definition:** ML technique where a model is trained on **labeled datasets**.
- Main Approaches:
  - O Classification: Assigns labels to inputs based on training data.
    - Confidence Score: Probability of a correct classification.
    - Use Cases: Spam detection, image classification.
  - O Regression: Predicts continuous values from labeled training data.
    - Estimates the relationship between independent variables and the dependent variable (target variable).
    - Use Cases: Price prediction.
- Types of Classification:
  - $\bigcirc \qquad \textbf{Binary Classification:} \ \mathsf{Two} \ \mathsf{possible} \ \mathsf{outputs} \ (\mathsf{e.g., "Yes/No", "Class A/Class B"}).$

### **Unsupervised Learning**

- Definition: Discovers hidden patterns and structures in unlabeled data.
- Main Techniques:
  - O Clustering: Groups data into clusters based on similar features.
    - Use Cases: Customer segmentation, image grouping.
  - Dimensionality Reduction: Simplifies large datasets by reducing the number of features and removing noise.
    - Use Cases: Data visualization.

## Reinforcement Learning (RL)

- Definition: A model (agent) learns by interacting with an environment through trial and error.
- RLHF (Reinforcement Learning from Human Feedback):
  - O Adjusts models based on human-provided feedback.

## **Model Performance & Error Analysis**

- Overfitting: A model fits the training data too well, leading to poor generalization on new evaluation data.
- Underfitting: A model is too simplistic, failing to capture patterns in the data, resulting in poor performance even on training data.

#### **Bias & Variance Trade-off**

- Bias (Underfitting):
  - Error caused by overly simple assumptions in the model.
  - Leads to underfitting (fails to capture patterns).
  - O Solution: Increase model complexity.
- Variance (Overfitting):
  - O Error caused by **high sensitivity to small variations** in the training data.
  - Occurs when a model is too complex and memorizes training data instead of generalizing.
  - O Solution: Simplify the model, apply regularization, or increase training data.

## **Feature Engineering**

- Definition: The process of transforming and creating new features from existing data to improve model performance.
- Techniques include:
  - Normalization & Scaling
  - Handling missing values
  - Encoding categorical variables

## Deep Learning (DL)

- Definition: A subset of Machine Learning (ML) that uses multiple layers of neurons to model complex data.
- Requires large datasets and is widely used for image and speech recognition.
- Neural Networks Structure
  - Neurons (Nodes):
    - Each neuron receives inputs, processes them, and produces an output.
    - Neurons communicate with each other, passing or blocking information to the next layer.

- O Layers:
  - Input Layer
  - Hidden Layers: One or more layers that handle most of the processing and learning.
  - Output Layer
- Types of Neural Networks
  - Convolutional Neural Networks (CNNs): Designed for grid-structured data, such as images.
  - Recurrent Neural Networks (RNNs): Designed for sequential and time-series data (e.g., text, video, and speech).
    - Uses loops in its architecture for self-feedback.
    - Useful for tasks with variable-length inputs and outputs, such as language translation.

### **Classification Metrics**

- Confusion Matrix: A tool to evaluate classification performance, displaying results in four categories:
  - O True Positives (TP), False Positives (FP), True Negatives (TN), False Negatives (FN).
- Precision: Measures how many positive predictions were correct.
  - O Formula: TP / (TP + FP).
- Accuracy: Measures the overall correctness of predictions.
  - O Formula: (TP + TN) / (TP + TN + FP + FN).
- AUC-ROC (Area Under the Curve Receiver Operating Characteristic):
  - O Measures a model's ability to distinguish between classes in binary classification.
  - O ROC Curve: Plots True Positive Rate (Sensitivity) vs. False Positive Rate.
  - AUC Values:
    - **1.0** = Perfect classifier.
    - **0.5** = No classification power (random guess).
  - O Useful for comparing multiple classification models.

## **Regression Metrics**

- Mean Squared Error (MSE):
  - O Measures how well a model predicts continuous values.
  - O Penalizes large errors more heavily.
  - Example: Predicting house prices—large prediction errors for expensive houses have a greater impact on MSE.

### **Automated Machine Learning (AutoML)**

- Definition: Automates the training and selection of ML models.
- Capabilities:
  - O Automatically chooses the best algorithm for tasks like classification and regression.
  - Optimizes hyperparameters without manual intervention.
  - O Preprocesses data, handling cleaning and transformation automatically.

## **Machine Learning Designer**

- Visual interface for creating machine learning models without coding.
- Drag-and-drop components to build workflows.
- Allows preprocessing, training, and evaluation within a single interface.

#### Key Features:

- O Modules: Split Data, Join Data, Select Columns in Dataset, Add Rows.
- O Important Parameters: Access Token, Model Name, REST Endpoint Name.
- O Supported Languages: Python and R.

### Azure AI Vision (formerly Azure Computer Vision)

Focuses on enabling AI to identify and understand objects, people, and text in images and videos.

#### Capabilities:

- O Image Classification: Automates categorization and labeling of elements in images.
- Optical Character Recognition (OCR): Converts printed documents into editable and searchable text.
- Face Detection & Analysis: Identifies and verifies individuals in images and videos, analyzing facial expressions for emotion recognition.
- O Object Detection: Identifies and locates objects in images and videos in real-time.
- Image Analysis: Extracts detailed information from images, including objects, faces, text, and inappropriate content.
- O Dense Captions: Generates sentence-level descriptions for up to 10 regions in an image.
- O Captions: Provides a general description of an image.
- Face: Detects and analyzes faces in images.
- O Video Analysis: Analyzes video content.
  - Spatial Analysis: Detects the presence and movement of people in video feeds.

#### Custom Vision

- O Allows training custom AI models using user-provided images.
- O Supports both image classification and object detection within the same platform.
- O Can detect multiple objects in an image, each with a bounding box.

## Natural Language Processing (NLP)

- AI branch focused on enabling computers to understand, interpret, and generate human language.
- Key NLP Techniques:
  - O Tokenization: Splits text into words, phrases, or linguistic units (e.g., ["The", "cats"]).
  - O Lemmatization & Stemming: Reduces words to their base or root form (e.g., ["the", "cat"]).

## Use Cases of NLP:

- O Virtual Assistants: Siri, Alexa, and other Al-powered assistants interpret and respond to user queries.
- Sentiment Analysis: Determines the emotion or sentiment expressed in text.
- Machine Translation: Automatically detects and translates languages.
  - When language detection is uncertain, the confidence score is NaN.

## Azure AI Language (NLP Services)

• Provides advanced NLP capabilities to process and analyze text.

## Features:

- Named Entity Recognition (NER): Identifies specific elements like names, locations, and organizations.
- O Personally Identifiable Information (PII) & Protected Health Information (PHI) Detection.
- Sentiment Analysis: Classifies text as positive, negative, or neutral.
- O Language Detection: Returns the language name, confidence score, and ISO 639-1 code.
- Key Phrase Extraction: Identifies main topics and concepts for categorization.
- O Custom Text Analytics: Enables domain-specific text analysis.

### **Azure AI Speech**

- Speech-to-Text (STT): Converts spoken language into written text.
- Text-to-Speech (TTS): Generates natural-sounding speech from text.
- Speaker Recognition: Identifies speakers based on voice characteristics.

#### **Azure AI Translator**

• Cloud-based neural machine translation service for multilingual applications.

#### **Knowledge Mining**

• Extracts structured information from large volumes of unstructured data.

## Azure AI Document Intelligence (formerly Form Recognizer)

- Recognizes and extracts text, layout, and key-value pairs from documents and forms.
- Not to be confused with Azure Al Vision OCR.
- Use Case: Locating a product image within a product catalog.

#### Azure Al Search

- Advanced search platform combining traditional search and generative AI capabilities.
- Extracts insights from structured, semi-structured, and unstructured documents.
- Does not support conversational queries.

### Generative AI (GenAI)

- AI field that creates new content, including:
  - O Chatbots & Virtual Assistants
  - Image Generation
  - Code Generation
  - O Music Composition
- Foundation Models (FM)
  - O GPT (OpenAI) Text generation.
  - O DALL-E (OpenAI) Image generation.
- Large Language Models (LLMs)
  - $\bigcirc \hspace{0.5cm} \textbf{Advanced AI models designed to understand, generate, and interact with human language}. \\$
  - Generate content based on user inputs (prompts).
  - O Non-deterministic Same input may produce different outputs.
- Azure OpenAl Service
  - O Provides access to OpenAI's language models, including GPT-4.
  - $\bigcirc \hspace{0.5cm} \textbf{Allows fine-tuning models} \ \text{for specific tasks or datasets}. \\$
- OpenAl Studio
  - O Requires **REST Endpoint and Authentication Key**.

### **OpenAl Codex**

- Al model specialized in code generation.
- Understands natural language and generates code accordingly.

### **Azure AI Bot Service**

- Platform for building and publishing bots.
- Supports integration with websites, Microsoft Teams, Facebook, and other platforms.

# Azure Conversational Language Understanding (CLU)

- Identifies user intents and extracts key information from natural language input.
- Allows training models tailored to specific business domains.
- Optimized for industry-specific tasks, enhancing model accuracy and performance.
- Enables Al-driven applications, such as chatbots and virtual assistants.

## **Responsible AI Standards**

- Microsoft follows ethical AI principles to ensure fairness, security, and transparency.
- Key Principles:
  - o Fairness: Ensures equal treatment for all users.
  - o Reliability & Security: Protects against failures and vulnerabilities while ensuring accurate results.
  - o Privacy & Security: Data confidentiality and prevention of unauthorized access.
  - Inclusion: Designing AI systems accessible to diverse users and contexts.
  - o **Transparency:** Explains **how AI models work**, making them understandable for users.
  - Accountability: Implements ethical AI governance frameworks.