For (1) and (2) below, you're choosing between two candidates to hire. Discuss the pros and cons of choosing one candidate over the other in the following situations.

1. Both are predicted to have the same productivity score of 75, but have the following probabilistic forecasts.

Candidate A is a better candidate as the variance in the productivity is higher for Candidate B.

1. Two "non-overlapping" forecasts:

Candidate B is a better candidate as the mean is greater than the Candidate A we observe that 98% of the values lie within a range scores greater than the Candidate A.

1. You've formed a probabilist forecast for a particular value of the predictors, displayed below as a density. You then collect test data for that same value of the predictor, indicated as the points below the density. What is the problem with the probabilistic forecast?

We observe that the mean of the test is around 2 but the mean of the train data is around 0. Therefore, there is a bias involved in the probability prediction.