



Course Outline

- Introduction and Welcome
- Data Science vs Artificial Intelligence vs Machine Learning
- What is Machine Learning and why do we care?
- Questions we can ask
- Practical lab: Employee Churn
- Appendices









What is Data Science?

Field that uses the science method to extract

knowledge and insights from data, enabling

companies to make smarter decisions.



What is Artificial Intelligence?

The theory and development of computer systems able

to perform tasks normally requiring human intelligence,

such as visual perception, speech recognition,

decision-making, and translation between languages.

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What is Machine Learning?

Machine learning is the scientific study

of algorithms that computer systems use to effectively

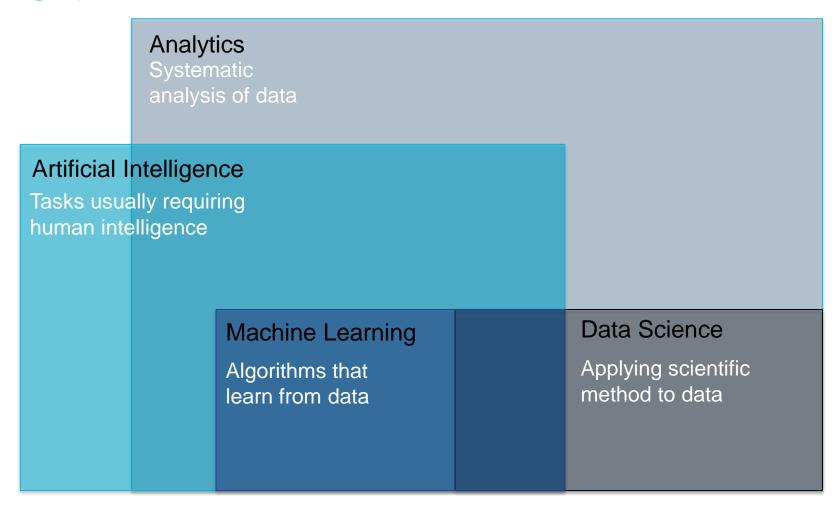
perform a specific task without using explicit instructions,

relying on models instead.

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Clearing up the confusion





Why do we care?

Make better decisions

Directing action based on trends

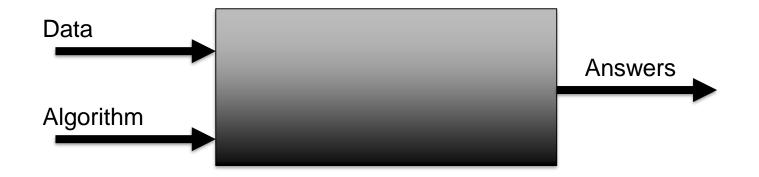
Identifying opportunities

Recruiting the right talent

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Programming vs Machine Learning

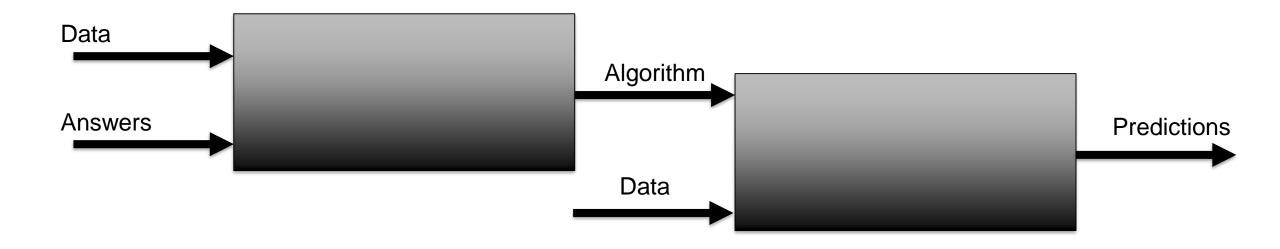
Traditional Programming





Programming vs Machine Learning

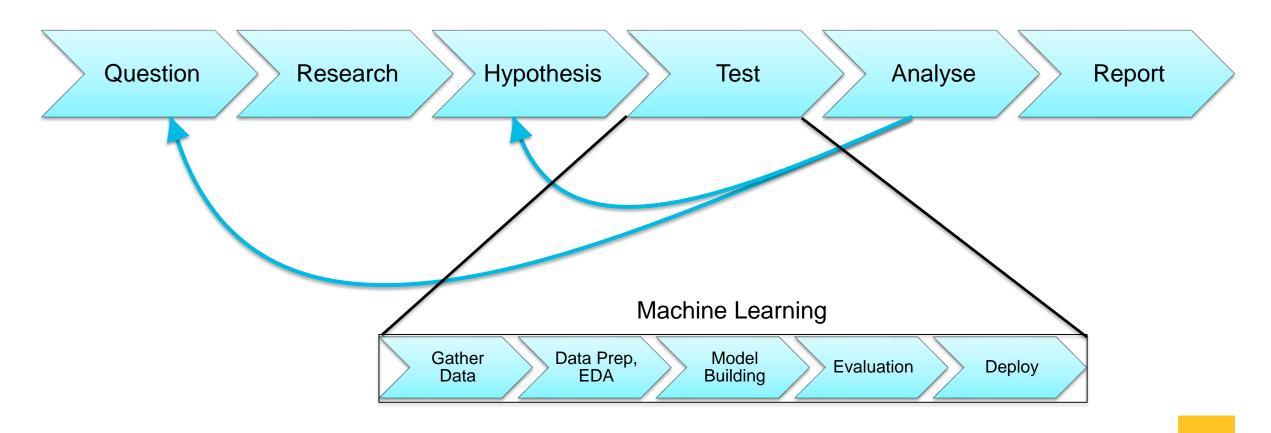
Machine Learning

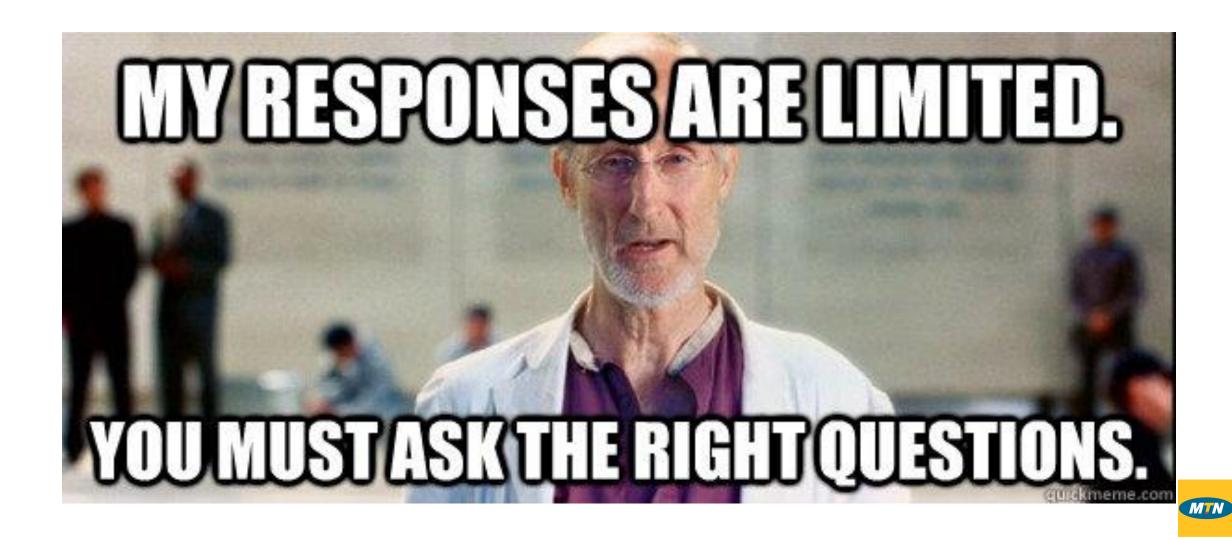




Data Science

Scientific Method







Am I ready for machine learning?

What you need

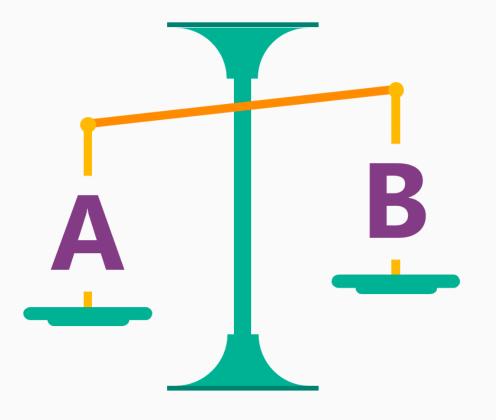
Sharp questions Data is cared about Data is accurate Data is connected A lot of data



Is this A or B?

Classification algorithms

- •Will this customer renew their subscription?
- •Will this tyre fail in the next thousand km?
- •Does the R5 coupon or the 25% off coupon result in more return customers?



Is this weird?

Anomaly detection algorithms

- •Is this pressure reading unusual?
- •Is this combination of purchases very different from what this customer has made in the past?









How much? How many?

Regression algorithms

- •What will the temperature be next Tuesday?
- •What will my fourth quarter sales in Portugal be?
- •Out of a thousand units, how many will survive 10,000 hours of use?

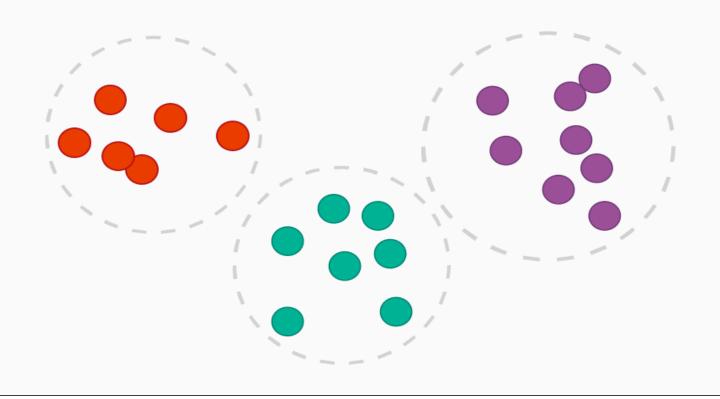




How is this organized?

Clustering Algorithms

- •Which shoppers have similar tastes in produce?
- •Which viewers like the same kind of movies?
- •Which printer models fail the same way?



What should I do now?

Reinforcement Learning Algorithms



- •How many shares of this stock should I buy right now?
- •Should I continue driving at the same speed, brake, or accelerate in response to that yellow light?

Traditional BI vs Machine Learning

Traditional BI reports aim to answer many questions,

an ML project aims to answer a single, sharp question.



Traditional BI



Like the army

- Large, overarching, requires effort to maintain.
- Absolutely necessary for the operations of the business.
- Needs to be coordinated and managed to meet the objectives of the business.





Machine Learning Team

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Like a SWAT team

- Small team, highly trained and skilled.
- Given the space to work without much red tape.
- Delivers a prototype solution quickly.
- A development team could integrate the ML solution into production.







Context

HR churn/attrition

- You will train and evaluate a binary classification model to predict employee churn.
- You will be given a dataset with known labels for whether an employee stayed or left the company.
- The dataset contains various features/attributes about the employees.
 - Age, Daily Rate, Department, Education level, etc.
- You will build the solution in the Azure Machine Learning Studio.
- You will deploy this to be consumed by Excel.

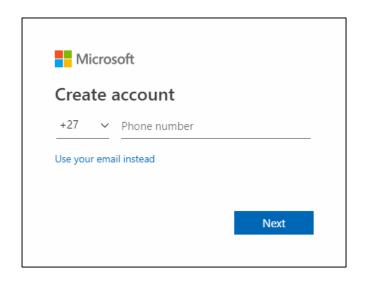


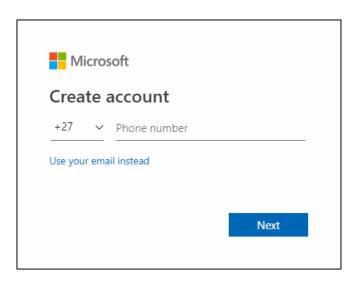




Getting Started - Create Microsoft Account

- Step 1: Go to the Microsoft account sign-up page and select No account?
 Create one!
 - https://login.live.com/login.srf?lw=1
- Step 2: Fill out the form with your information and create a password.









Getting Started – Azure Machine Learning Studio

- Step 1: Go to Azure Machine Learning Home
 - https://azure.microsoft.com/en-us/services/machine-learning-studio/
- Step 2: Click on the start now button

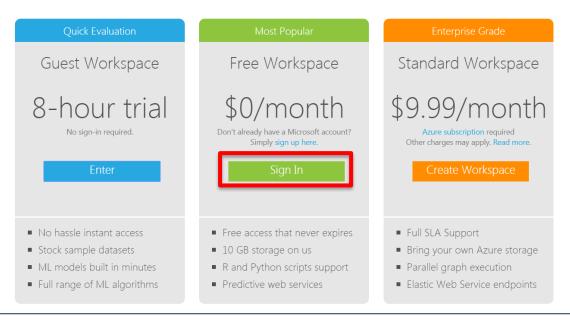






Getting Started – Azure Machine Learning Studio

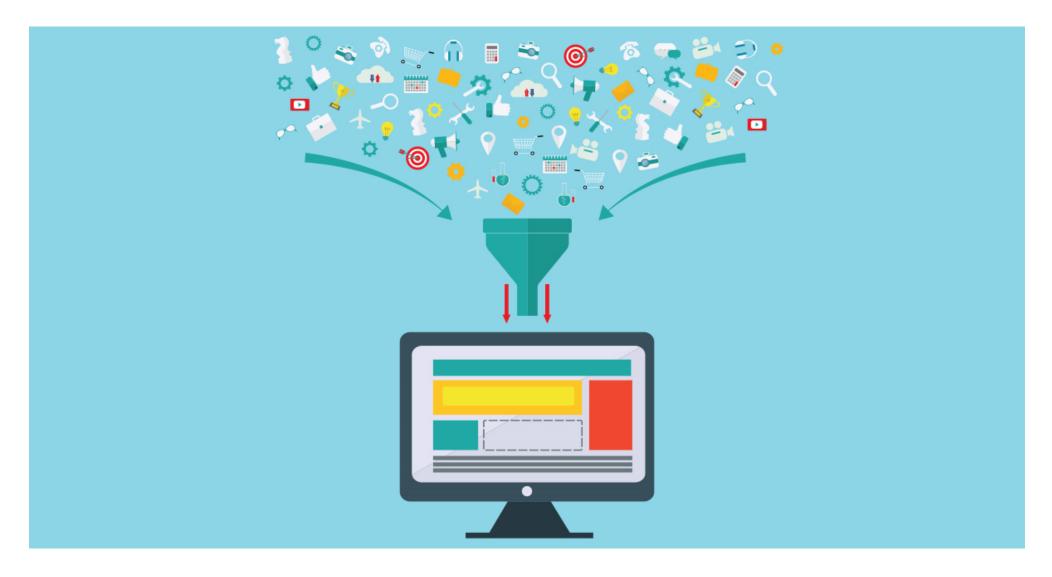
- Step 3: Click on sign in on the "Free Workspace" option
- Step 4: Sign in with your Microsoft account
- A workspace in the Free tier will be created for you and you can start to explore Machine Learning experiments.







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The machine learning process



Gather Data

Data Prep,
EDA, Feature
Engineering

Model
Building

Evaluation

Deploy



Gather Data



Some terminology

- Features, Attributes, Dimensions:
 - These refer to the columns of a table.
- Record, Observation, Sample:
 - These refer to the rows.
- Null:
 - Missing data; unknown. This does not mean 'zero'.
- Data type:
 - Type of data which is handled differently by the computer.
 - Numeric: Can do sums, averages, standard deviation, etc.
 - Text/String: Cannot do sums and averages.
 - Date/DateTime: Also numeric, used for date logic.
 - Boolean: Also numeric, True/false.
- Ordinal vs Nominal Data (Categorical Data)
 - Generally string data types.
 - Ordinal Data: Has inherent order, e.g., Small, Medium, Large.
 - Nominal Data: Has no inherent order, e.g., Mangos, Apples, Bananas.
- Algorithm
 - The computation 'formula' which is used to solve the problem.



Gather Data

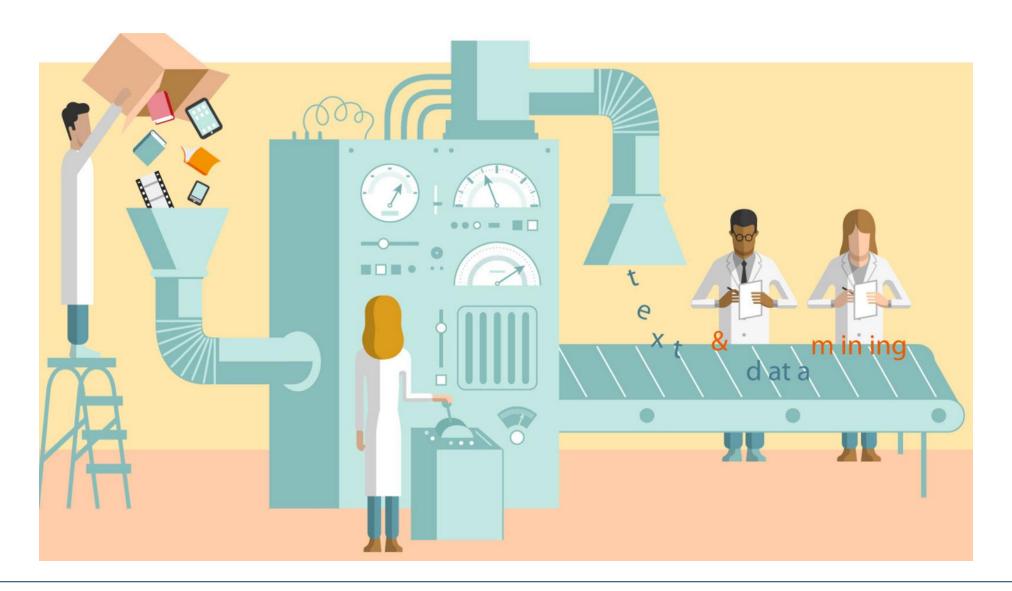


Commonly used data sources

- Relational databases, like SQL Server, MySQL, PostgreSQL
- Unstructured data, like COSMOS DB, MongoDB, Data Lake
- CSV, Excel
- Streaming data from IOT devices, sensors, cell phones
- Social Media, like Twitter and Facebook
- Images
- Audio



Data Preparation





Data Preparation and Exploration



Gather Data

Data Prep,
EDA, Feature
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Data Preparation



Data cleaning and exploratory data analysis

- Data is never sterile. Data errors include:
 - Missing values
 - Fill nulls with mean/median/mode; fill null with value from the previous row; delete record
 - Incorrect data types
 - Parse data as the correct type
 - Spelling mistakes
 - Have a look-up table which replaces incorrect spelling with correct spelling, delete the record
 - Outliers
 - Clip values above/below a threshold (replace value with mean/median/mode); delete the record
 - Duplicate records
 - Determine rules for finding duplicates; keep first entry, delete duplicates



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Gather Data
Prep, EDA,
Feature
Engineering

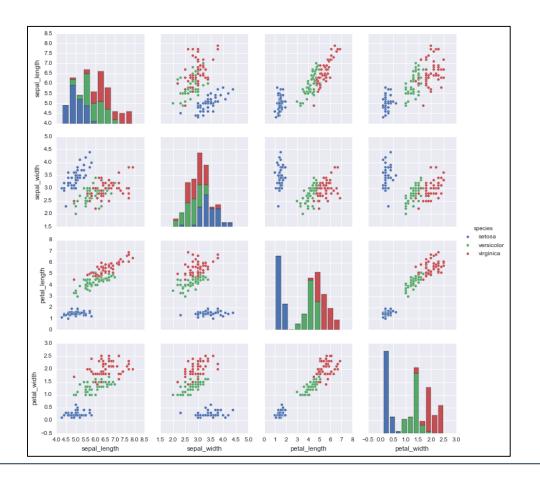
Data
Prep, EDA,
Building
Evaluation
Deploy

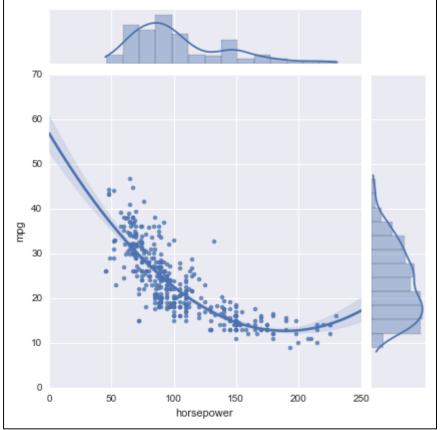




Data cleaning and exploratory data analysis

Visualise the data. This is different to the reporting dashboards.









Data cleaning and exploratory data analysis

- Visualise the data.
 - Use packages like Matplotlib, Seaborn and ggplot in Python and R.
 - This gives the data scientist a good understanding of the data, and correlations between fields.
 - This will generally guide the data scientist as to which algorithm to use.
 - Can be used to expose errors and outliers in the data.



Feature Engineering





Feature Engineering



Gather Data

Data Prep,
EDA, Feature
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Model
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Evaluation

Deploy



Feature Engineering



Reducing the complexity of the data

- Represent categorical data as numeric
 - Example, Small, Medium, Large could be encoded as 1, 2, 3
- Reduce the number of columns (dimensionality reduction)
 - If one column perfectly predicts another
- Removing features that do not contribute to the predictive power of the algorithm
 - Example, an employee ID number
- Normalisation
 - Normalise the data such that numeric columns' data are all within the same range.
- Binning
 - Place numeric values into bins, e.g., [0-4), [4-10), [10, 14),...









Gather Data

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Create a training and test set

- Split the data into a training and test set. Do a random split.
- The training set will be used to train the algorithm.
- The test set will be used to evaluate the accuracy of the algorithm.
 - Answers predicted by the machine learning algorithm will be compared to the actual answers of the test dataset.

Dataset Training – 70%

Testing – 30%



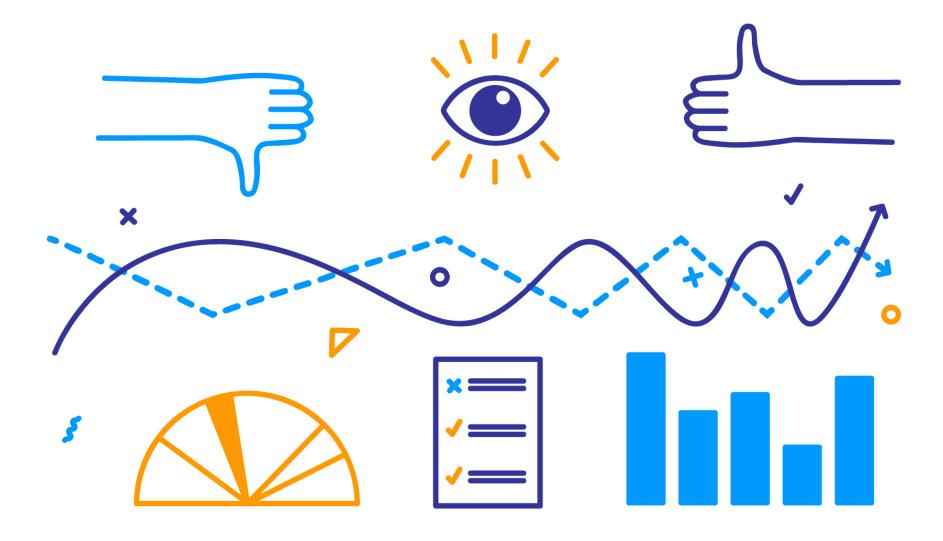
Training the algorithm

Input the training data with the answers.

 The chosen algorithm will find the relationship between data and the answers.

 Exactly how this is done depends on the type of machine learning algorithm, and the type of question being answered.







Model Evaluation



Gather Data

Data Pre,
EDA, Feature
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Deploy



Model Evaluation

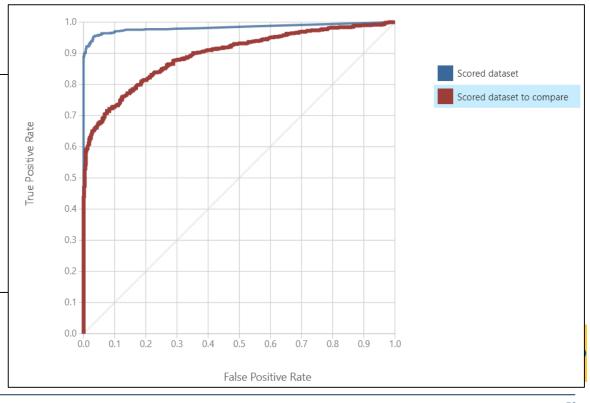


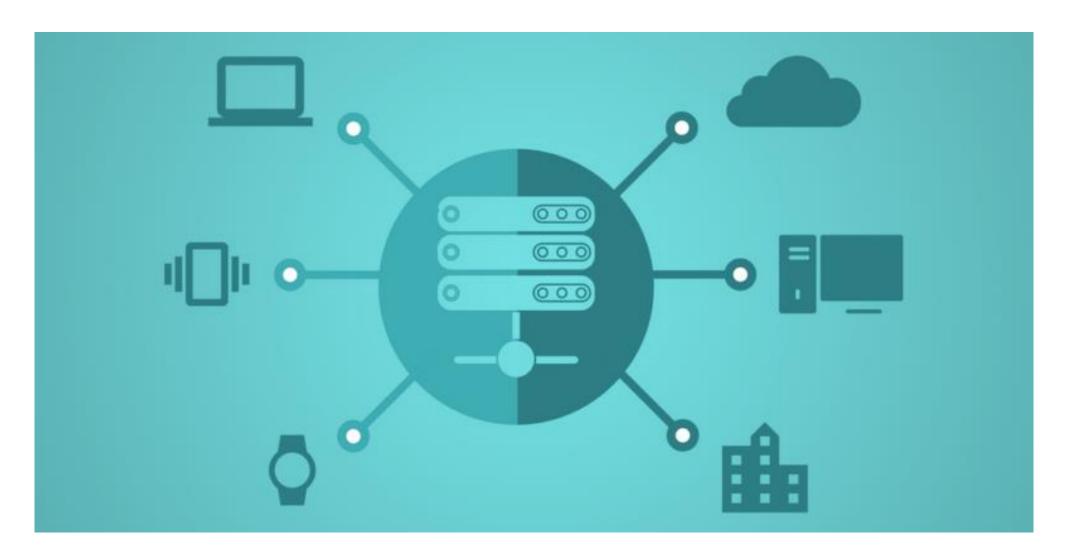
Classification

- You want to determine how many observations were misclassified.
 - How many True observations were classified as False?
 - How many False observations were classified as True?

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Predicated Answer Positive Negative **Actual Answer** True Positive False Negative Precision Accuracy Positive 475 139 0.811 0.856 Negative False Positive True Negative Recall F1 Score 80 465 0.774 0.813 Positive Label Negative Label







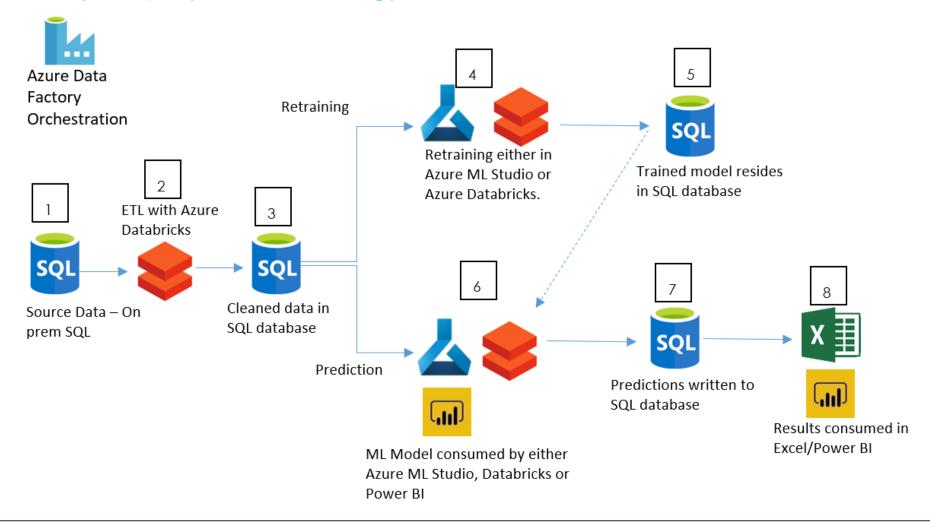
Model Deployment

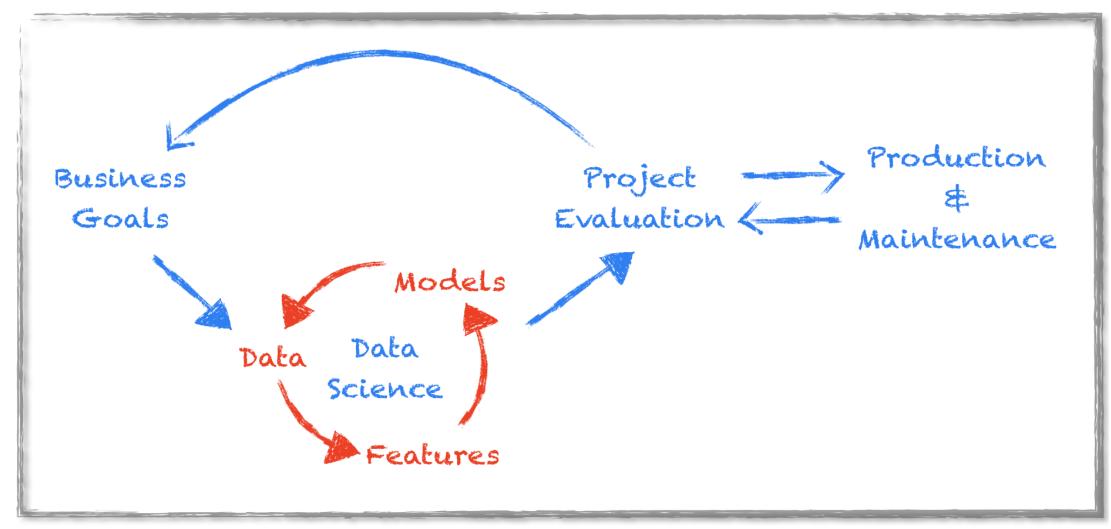






Data Factory Deployment Strategy





Thank you

- connect@altronkarabina.com
- www.altronkarabina.com
- **♦** JHB +27 11 463 8155