Problem statement: With the help of linear regression we are going to help Jamboree in understanding what factors are important in graduate admissions and how these factors are interrelated among themselves. It will also help predict one's chances of admission given the rest of the variables. Using linear regression we can calculate the probability of one getting into the IVY league colleges by using the independent variables as predictors and using modelling.

```
In [1]: import numpy as np
import pandas as pd
import seaborn as sns
import matplotlib.pyplot as plt
```

```
In [2]: from scipy import stats
    from sklearn import preprocessing
    from sklearn.linear_model import LinearRegression
    from statsmodels.graphics.gofplots import qqplot
    from sklearn.metrics import mean_absolute_error as mae
    from sklearn.metrics import mean_squared_error
    from sklearn.model_selection import train_test_split
    import statsmodels.stats.api as sms
```

```
In [3]: jamboree = pd.read_csv('C:/DSML/Jamboree - case study/Jamboree_Admission.csv')
```

In [4]: jamboree.shape

Out[4]: (500, 9)

In [5]: jamboree.head()

Out[5]:

	Serial No.	GRE Score	TOEFL Score	University Rating	SOP	LOR	CGPA	Research	Chance of Admit
0	1	337	118	4	4.5	4.5	9.65	1	0.92
1	2	324	107	4	4.0	4.5	8.87	1	0.76
2	3	316	104	3	3.0	3.5	8.00	1	0.72
3	4	322	110	3	3.5	2.5	8.67	1	0.80
4	5	314	103	2	2.0	3.0	8.21	0	0.65

In [6]: jamboree.columns

Basic metrics: We have a total of 500 rows which represent the no. of students and 9 predictors which we are going to analyze further to see which can be used for our modelling

We are going to split the 500 rows into training and test data to train our model and once the model is trained, test data will be used to check the performance of our model. Whether or not we need to use all 9 attributes as predictors will be decided further.

Missing value detection

Since there are no missing values, we do not need any further action

Statistical summary

```
In [8]: jamboree.describe()
```

Out[8]:

	Serial No.	GRE Score	TOEFL Score	University Rating	SOP	LOR	CGPA	Res
count	500.000000	500.000000	500.000000	500.000000	500.000000	500.00000	500.000000	500.0
mean	250.500000	316.472000	107.192000	3.114000	3.374000	3.48400	8.576440	0.5
std	144.481833	11.295148	6.081868	1.143512	0.991004	0.92545	0.604813	0.4
min	1.000000	290.000000	92.000000	1.000000	1.000000	1.00000	6.800000	0.0
25%	125.750000	308.000000	103.000000	2.000000	2.500000	3.00000	8.127500	0.0
50%	250.500000	317.000000	107.000000	3.000000	3.500000	3.50000	8.560000	1.(
75%	375.250000	325.000000	112.000000	4.000000	4.000000	4.00000	9.040000	1.(
max	500.000000	340.000000	120.000000	5.000000	5.000000	5.00000	9.920000	1.(
4								

Since we can conclude that the serial no has actual contribution to the prediction of chance of admit, we can drop the column before proceeding further

```
In [9]: jamboree = jamboree.drop('Serial No.',axis=1)
In [10]: jamboree.describe()
```

Out[10]:

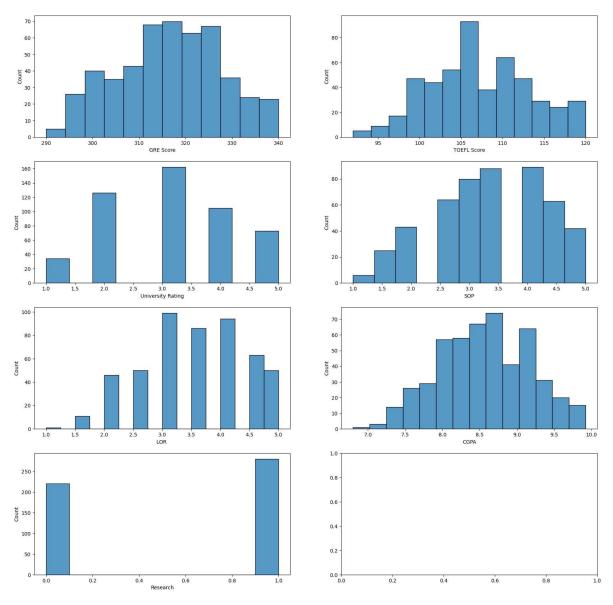
	GRE Score	TOEFL Score	University Rating	SOP	LOR	CGPA	Research	Ch of <i>I</i>
count	500.000000	500.000000	500.000000	500.000000	500.00000	500.000000	500.000000	500.0
mean	316.472000	107.192000	3.114000	3.374000	3.48400	8.576440	0.560000	0.7
std	11.295148	6.081868	1.143512	0.991004	0.92545	0.604813	0.496884	0.
min	290.000000	92.000000	1.000000	1.000000	1.00000	6.800000	0.000000	0.0
25%	308.000000	103.000000	2.000000	2.500000	3.00000	8.127500	0.000000	0.6
50%	317.000000	107.000000	3.000000	3.500000	3.50000	8.560000	1.000000	0.7
75%	325.000000	112.000000	4.000000	4.000000	4.00000	9.040000	1.000000	3.0
max	340.000000	120.000000	5.000000	5.000000	5.00000	9.920000	1.000000	9.0
4	_	_	_	_	_	_		

Visual Analysis

Univariate Analysis

In [11]: # Hist plot for continuous variables to visualize their distribution fig, axis = plt.subplots(nrows=4, ncols=2, figsize=(20, 20)) sns.histplot(x = 'GRE Score',data = jamboree,ax=axis[0,0]) sns.histplot(x = 'TOEFL Score',data = jamboree,ax=axis[0,1]) sns.histplot(x = 'University Rating',data = jamboree,ax=axis[1,0]) sns.histplot(x = 'SOP',data = jamboree,ax=axis[1,1]) sns.histplot(x = 'LOR ',data = jamboree,ax=axis[2,0]) sns.histplot(x = 'CGPA',data = jamboree,ax=axis[2,1]) sns.histplot(x = 'Research',data = jamboree,ax=axis[3,0])

Out[11]: <AxesSubplot:xlabel='Research', ylabel='Count'>

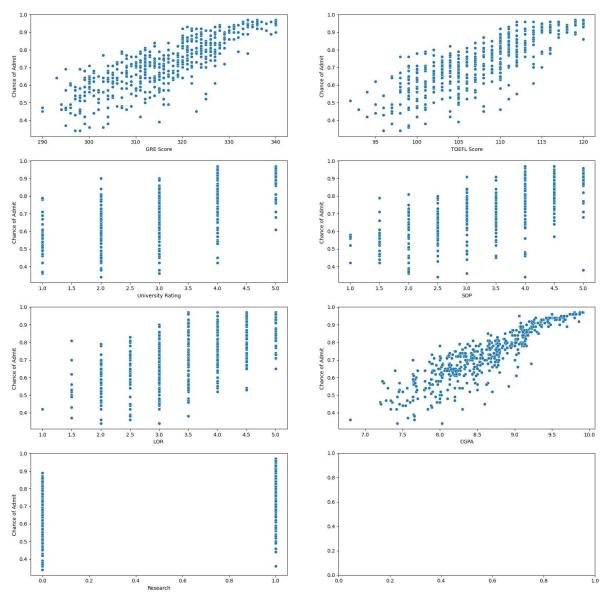


Observations based on the univariate analysis of the continuous variables

- 1. GRE Score, TOEFL Score, University Ranking and CGPA follows almost a normal distribution
- 2. LOR distribution is skewed to the left
- 3. CGPA also follows almost a normal distribution with some skewness to the lest

Bivariate Analysis

```
In [12]: fig, axis = plt.subplots(nrows=4, ncols=2, figsize=(20, 20))
    sns.scatterplot(x = 'GRE Score',y = 'Chance of Admit ',data = jamboree,ax=axis
    sns.scatterplot(x = 'TOEFL Score',y = 'Chance of Admit ',data = jamboree,ax=ax
    sns.scatterplot(x = 'University Rating',y = 'Chance of Admit ',data = jamboree,ax=axis[1,1])
    sns.scatterplot(x = 'SOP',y = 'Chance of Admit ',data = jamboree,ax=axis[2,0]
    sns.scatterplot(x = 'LOR ',y = 'Chance of Admit ',data = jamboree,ax=axis[2,0]
    sns.scatterplot(x = 'CGPA',y = 'Chance of Admit ',data = jamboree,ax=axis[2,1]
    sns.scatterplot(x = 'Research',y = 'Chance of Admit ',data = jamboree,ax=axis[
Out[12]: <AxesSubplot:xlabel='Research', ylabel='Chance of Admit '>
```

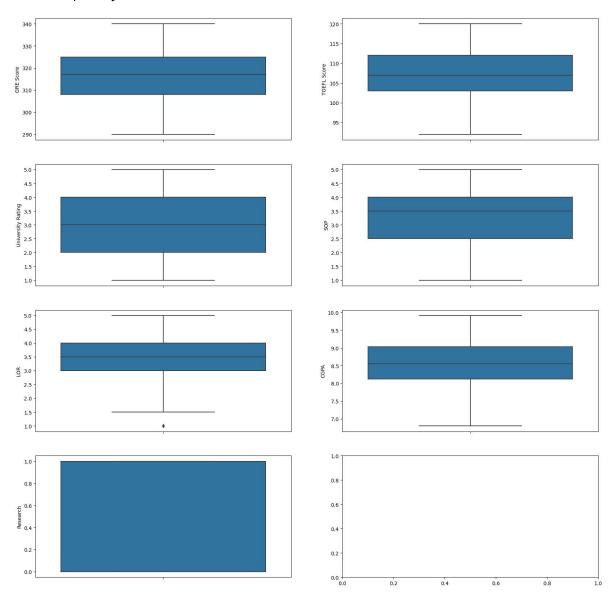


Observations based on the bivariate analysis of the continuous variables

- 1. As we can observe, GRE Score, TOEFL Score and CGPA have a linear relationship with the Chance of Admit. Although GRE score and TOEFL score are more scattered, CGPA has a much more more linear relationship with the Chance of Admit.
- 2. University rating, SOP and LOR have somewhat a linear relationship but very much scattered

```
In [13]: fig, axis = plt.subplots(nrows=4, ncols=2, figsize=(20, 20))
    sns.boxplot(y = 'GRE Score',data = jamboree,ax=axis[0,0])
    sns.boxplot(y = 'TOEFL Score',data = jamboree,ax=axis[0,1])
    sns.boxplot(y = 'University Rating',data = jamboree,ax=axis[1,0])
    sns.boxplot(y = 'SOP',data = jamboree,ax=axis[1,1])
    sns.boxplot(y = 'LOR ',data = jamboree,ax=axis[2,0])
    sns.boxplot(y = 'CGPA',data = jamboree,ax=axis[2,1])
    sns.boxplot(y = 'Research',data = jamboree,ax=axis[3,0])
```

Out[13]: <AxesSubplot:ylabel='Research'>



None of the predictor variables have any outliers and hence we do not need any outlier treatment for the dataset. Though there is an outlier for LOR, it is very minor and can be ignored.

Model building

Before we can build the model, we will have to split the dataset into training and test data. We are going to use the training data to build and check the performance of the model and the test data will be used to test the performance of the model

```
In [14]: X = jamboree[jamboree.columns.drop('Chance of Admit ')]
         Y = jamboree["Chance of Admit "]
In [15]: x train, x test, y train, y test = train test split(X, Y, test size=0.20, shuf
In [16]: | model = LinearRegression()
         model.fit(x_train,y_train)
         Y hat = model.predict(x train)
In [17]: model.intercept_
Out[17]: -1.2594324782480177
In [18]: | model.coef_
Out[18]: array([ 0.00173741,  0.00291958,
                                            0.00571666, -0.00330517, 0.02235313,
                 0.11893945, 0.02452511])
In [19]: |model.score(x_train,y_train)
Out[19]: 0.8034713719824393
         Linear Regression using statsmodel
In [20]: import statsmodels.api as sm
         X_sm = sm.add_constant(x_train)
         sm_model = sm.OLS(y_train, X_sm).fit()
```

In [21]: print(sm_model.summary())

OLS Regression Results

===========	=======	=======			=========	
=						
Dep. Variable: 3	Chance of	f Admit	R-squared:		0.80	
Model:		OLS		Adj. R-squared:		
0 Method:	Least	Least Squares		:	228.	
9						
Date: 4	Mon, 12	Jun 2023	Prob (F-stat	tistic):	3.12e-13	
Time: 7	(00:40:56	Log-Likelih	ood:	537.3	
No. Observations: 9.		400	AIC:		-105	
Df Residuals: 7.		392	BIC:		-102	
Df Model:		7				
Covariance Type:	no	onrobust				
=======================================	=======	=======			=========	
======	_			_ 1.1	-	
0.0751	coef	std err	t	P> t	[0.025	
0.975]						
const	_1 250/	0.125	-10.097	0.000	-1.505	
-1.014	-1.2334	0.123	-10.057	0.000	-1.505	
GRE Score	0.0017	0.001	2.906	0.004	0.001	
0.003						
TOEFL Score	0.0029	0.001	2.680	0.008	0.001	
0.005						
University Rating	0.0057	0.005	1.198	0.232	-0.004	
0.015						
SOP	-0.0033	0.006	-0.594	0.553	-0.014	
0.008						
LOR	0.0224	0.006	4.034	0.000	0.011	
0.033						
CGPA	0.1189	0.012	9.734	0.000	0.095	
0.143	0 0245	0.000	2 001	0.000	0.000	
Research	0.0245	0.008	3.081	0.002	0.009	
0.040						
=======================================	=======	=======	========	=======	========	
= Omnibus:		87.895	Durbin-Watso	-n.	0.75	
Omnibus: 9		87.893	Dur.DIII-Macso	JII:	0.75	
Prob(Omnibus):		0.000	Jangua Pana	(JD).	101 10	
1		0.000	Jarque-Bera	(36).	181.19	
Skew:		-1.159	Prob(JB):		4.52e-4	
0		1.100	1100(30).		4.726-4	
Kurtosis:		5.344	Cond. No.		1.31e+0	
4					2.522.0	
· ============	=======	=======				
=						

Notes:

[1] Standard Errors assume that the covariance matrix of the errors is correctly specified.

[2] The condition number is large, 1.31e+04. This might indicate that there a re strong multicollinearity or other numerical problems.

Model statistics :

- 1. The trained model has a R-squared value of 0.803 and an adjusted R-squared value of 0.8. This indicates a good performance of the model
- 2. the constant or the w0 value is -1.2594

Coeff with column names :

The weights or the co-efficients of the columns as indicated from the summary are as below

GRE Score 0.0017
TOEFL Score 0.0029
University Rating 0.0057
SOP -0.0033
LOR 0.0224
CGPA 0.1189
Research 0.0245

CGPA has the highest weightage and hence the most important predictor compared to other

This is followed by LOR and Research

The feature with the lowest importance seems to be GRE Score followed by TOEFL score indicating that these scores don't play a big part in a candidate's Chance of Admit

Testing the assumptions of the linear regression model

Multicollinearity check by VIF score

In [22]: # VIF

from statsmodels.stats.outliers_influence import variance_inflation_factor

```
In [23]: vif = pd.DataFrame()
    X_t = x_train
    vif['Features'] = X_t.columns
    vif['VIF'] = [variance_inflation_factor(X_t.values, i) for i in range(X_t.shap vif['VIF'] = round(vif['VIF'], 2)
    vif = vif.sort_values(by = "VIF", ascending = False)
    vif
```

Out[23]:

	Features	VIF
0	GRE Score	1438.45
1	TOEFL Score	1349.75
5	CGPA	1080.49
4	LOR	38.41
3	SOP	38.05
2	University Rating	22.14
6	Research	2.86

As we can see above, GRE Score and TOEFL Score have very high VIF values. Typically the recommended VIF score should be less than 5. Hence we are first going to eliminate GRE score since it has the highest VIF score and check the performance of the model

```
In [24]: X_new = x_train.drop(columns=['GRE Score'])
In [25]: X2_sm = sm.add_constant(X_new)
sm_model = sm.OLS(y_train, X2_sm).fit()
```

In [26]: print(sm_model.summary())

OLS Regression Results

=======================================	=======	=======	========		
= Dep. Variable:	Chance o	f Admit	R-squared:		0.79
9 Model:		OLS	Adj. R-squar	red:	0.79
6 Method:	Least	Squares	F-statistic:	:	260.
8 Date:	Mon, 12	Jun 2023	Prob (F-stat	tistic):	1.19e-13
<pre>3 Time:</pre>	(00:40:56	Log-Likeliho	ood:	533.1
No. Observations:		400	AIC:		-105
2. Df Residuals:		393	BIC:		-102
4. Df Model: Covariance Type:					
=======	=======	=======	========		=========
A 0751	coef	std err	t	P> t	[0.025
0.975] 					
const -0.822	-0.9804	0.080	-12.202	0.000	-1.138
TOEFL Score 0.006	0.0044	0.001	4.443	0.000	0.002
University Rating 0.016	0.0064	0.005	1.331	0.184	-0.003
SOP 0.006	-0.0045	0.006	-0.811	0.418	-0.016
LOR 0.033	0.0222	0.006	3.961	0.000	0.011
CGPA 0.155	0.1325	0.011	11.614	0.000	0.110
Research 0.046	0.0313	0.008	4.072	0.000	0.016
=======================================	:======:	=======			=========
=					
Omnibus: 3		79.400	Durbin-Watso	on:	0.77
Prob(Omnibus): 2		0.000	Jarque-Bera	(JB):	147.28
Skew: 2		-1.103	Prob(JB):		1.04e-3
Kurtosis: 3		4.993	Cond. No.		2.70e+0
=======================================	:======:	=======	========		=========

Notes:

- [1] Standard Errors assume that the covariance matrix of the errors is correctly specified.
- [2] The condition number is large, 2.7e+03. This might indicate that there ar

strong multicollinearity or other numerical problems.

The model performance(R-squared and adjusted r-squared) has reduced very minutely and hence we can continue with out iterations to eliminate predictors with high VIF values

```
In [27]: vif = pd.DataFrame()
    X_t = X_new
    vif['Features'] = X_t.columns
    vif['VIF'] = [variance_inflation_factor(X_t.values, i) for i in range(X_t.shap vif['VIF'] = round(vif['VIF'], 2)
    vif = vif.sort_values(by = "VIF", ascending = False)
    vif
```

Out[27]:

	Features	VIF
4	CGPA	829.46
0	TOEFL Score	731.85
3	LOR	38.36
2	SOP	36.47
1	University Rating	20.27
5	Research	2.86

Now, as we can observe the CGPA now has the highest VIF factor. Let us drop the CGPA feature and test the performance of our model

```
In [28]: X_new1 = X_new.drop(columns=['CGPA'])
```

```
In [29]: vif = pd.DataFrame()
    X_t = X_new1
    vif['Features'] = X_t.columns
    vif['VIF'] = [variance_inflation_factor(X_t.values, i) for i in range(X_t.shap vif['VIF'] = round(vif['VIF'], 2)
    vif = vif.sort_values(by = "VIF", ascending = False)
    vif
```

Out[29]:

	Features	VIF
3	LOR	36.63
2	SOP	36.34
0	TOEFL Score	21.87
1	University Rating	20.07
4	Research	2.85

```
In [30]: X2_sm = sm.add_constant(X_new1) #Statmodels default is without intercept, to
sm_model = sm.OLS(y_train, X2_sm).fit()
```

print(sm model.summary())

Although the VIF scores of the remaining features have are lower, we can see a significant drop in the model's performance and hence we cannot eliminate the CGPA feature.

Its is also important to notice that the CGPA has the highest weightage and the most important among all the features. Dropping CGPA would very much affect the model's performance

Check if the mean of residuals is nearly zero

```
In [31]: X_sm = sm.add_constant(X_new)
sm_model = sm.OLS(y_train, X_sm).fit()
```

In [32]: sm_model.resid.mean()

Out[32]: -1.065161847613183e-14

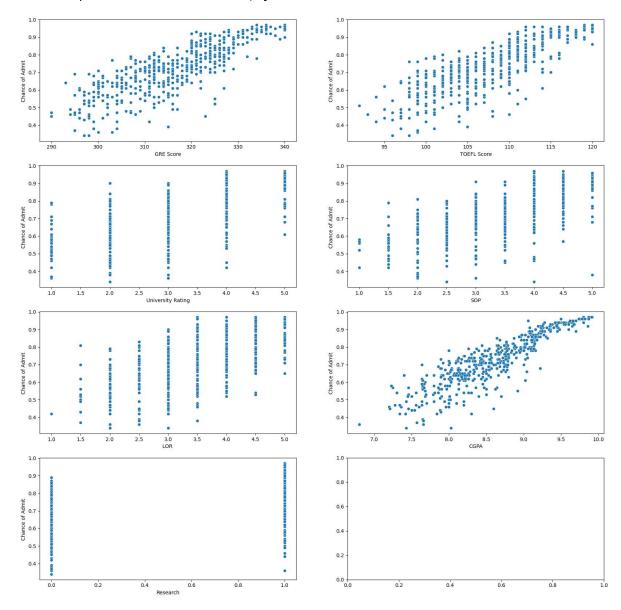
Here the mean of residuals(errors) is almost zero and this assumption is successfully met

Linearity of variables

We can directly check the linearity between the predictor and target variables using scatter plot

In [33]: fig, axis = plt.subplots(nrows=4, ncols=2, figsize=(20, 20))
 sns.scatterplot(x = 'GRE Score',y = 'Chance of Admit ',data = jamboree,ax=axis
 sns.scatterplot(x = 'TOEFL Score',y = 'Chance of Admit ',data = jamboree,ax=ax
 sns.scatterplot(x = 'University Rating',y = 'Chance of Admit ',data = jamboree,ax=axis[1,1])
 sns.scatterplot(x = 'SOP',y = 'Chance of Admit ',data = jamboree,ax=axis[2,0]
 sns.scatterplot(x = 'LOR ',y = 'Chance of Admit ',data = jamboree,ax=axis[2,1]
 sns.scatterplot(x = 'Research',y = 'Chance of Admit ',data = jamboree,ax=axis[2,1]
 sns.scatterplot(x = 'Research',y = 'Chance of Admit ',data = jamboree,ax=axis[

Out[33]: <AxesSubplot:xlabel='Research', ylabel='Chance of Admit '>



- 1. As we can observe, GRE Score, TOEFL Score and CGPA have a linear relationship with the Chance of Admit. Although GRE score and TOEFL score are more scattered, CGPA has a much more more linear relationship with the Chance of Admit.
- 2. University rating, SOP and LOR have somewhat a linear relationship but very much scattered

We can also use the Pearson's 'r' to check the linear relationship between all the predictor and target variables

```
In [34]: jamboree.corr()['Chance of Admit ']
Out[34]: GRE Score
                             0.810351
         TOEFL Score
                             0.792228
         University Rating
                             0.690132
         SOP
                             0.684137
         LOR
                             0.645365
         CGPA
                             0.882413
         Research
                             0.545871
         Chance of Admit
                             1.000000
         Name: Chance of Admit , dtype: float64
         As evident from the visual analysis above and also from the Pearson's 'r'
         value, CGPA, GRE Score and TOEFL Score has a high linear relationship with
         Chance of Admit
        Test for Homoscedasticity(minimal to no
         heteroscadasticity)
In [35]:
        predicted = sm model.predict()
         residuals = sm model.resid
         Breusch-Pagan test for homoscedasticity
         Null Hypothesis H0: Homoscedasticity is present
```

Alternate Hypothesis Ha : Heteroscedasticity is present

value

0.000077

5.017548

0.000057

Lagrange multiplier statistic 28.461274

p-value

f-value

f p-value

bp_test = pd.DataFrame(sms.het_breuschpagan(residuals, sm_model.model.exog),

index=['Lagrange multiplier statistic', 'p-value',

columns=['value'],

alpha : 0.05

In [36]:

Out[37]:

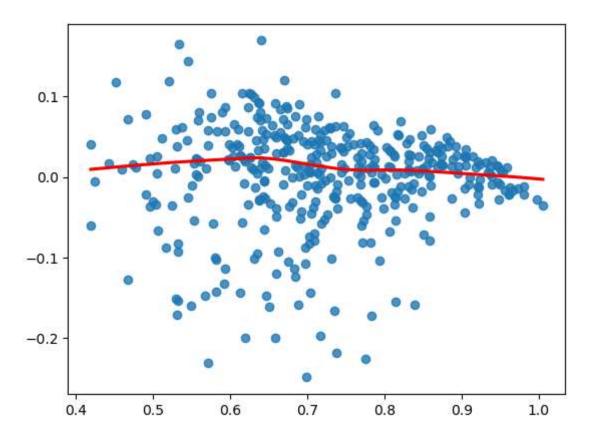
In [37]: bp_test

Since the p-value is much lower than the alpha value, we can reject the null hypothesis and conclude that Heteroscedasticity is present

Regplot for visualization of homoscedasticity

```
In [38]: sns.regplot(x=predicted, y=residuals, lowess=True, line_kws={'color': 'red'})
```

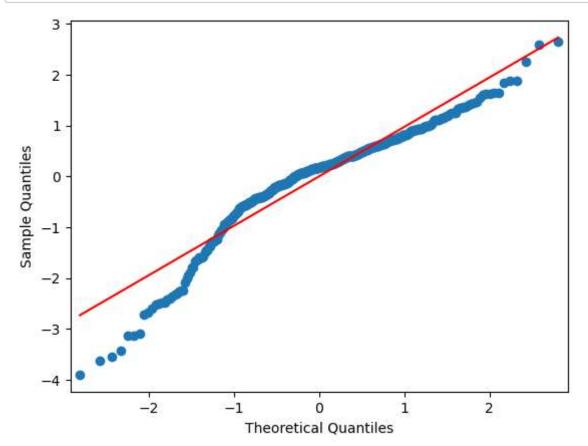
Out[38]: <AxesSubplot:>



We can also simply visualize the heteroscedasticity between the different values of $\ensuremath{\mathsf{Y}}$

Normality of residuals

```
In [39]: import statsmodels.api as sm
qqplot(residuals, stats.norm, fit=True, line='r')
plt.show()
```



As we can see from the above plot, the residuals are not exactly normally distributed and follows a somewhat normal distribution. This assumption is not exactly met.

Model performance evaluation

Mean Absolute Error(MAE)

```
In [40]: error = mae(y_train, predicted)
error

Out[40]: 0.046195490173396914
```

Root Mean Squared Error(RMSE)

```
In [41]: rmse = np.sqrt(mean_squared_error(y_train, predicted, squared = False))
rmse
```

Out[41]: 0.2526228350601312

R-squared and Adjusted R-squared

In [42]: sm_model.summary()

Out[42]:

OLS Regression Results

Dep. Variable:Chance of AdmitR-squared:0.799Model:OLSAdj. R-squared:0.796

Method: Least Squares F-statistic: 260.8

Date: Mon, 12 Jun 2023 **Prob (F-statistic):** 1.19e-133

Time: 00:40:58 **Log-Likelihood:** 533.11

No. Observations: 400 **AIC:** -1052.

Df Residuals: 393 **BIC:** -1024.

Df Model: 6

Covariance Type: nonrobust

coef std err P>|t| [0.025 0.975] const -0.9804 0.080 -12.202 0.000 -1.138 -0.822 **TOEFL Score** 0.0044 0.001 4.443 0.000 0.002 0.006 **University Rating** 0.0064 0.005 1.331 0.184 -0.003 0.016 SOP -0.0045 0.006 -0.811 0.418 -0.016 0.006 LOR 0.0222 0.006 3.961 0.000 0.011 0.033 CGPA 0.1325 0.011 11.614 0.000 0.110 0.155 Research 0.0313 800.0 4.072 0.000 0.016 0.046

Omnibus: 79.400 Durbin-Watson: 0.773

Prob(Omnibus): 0.000 Jarque-Bera (JB): 147.282

Skew: -1.103 **Prob(JB):** 1.04e-32

Kurtosis: 4.993 **Cond. No.** 2.70e+03

Notes:

- [1] Standard Errors assume that the covariance matrix of the errors is correctly specified.
- [2] The condition number is large, 2.7e+03. This might indicate that there are strong multicollinearity or other numerical problems.

Train and test performances are checked

```
In [43]: | model = LinearRegression().fit(x_train, y_train)
         print("intercept w0 : ",model.intercept_)
         print("co efficients : ",model.coef_)
         intercept w0 : -1.2594324782480177
         co efficients : [ 0.00173741  0.00291958  0.00571666 -0.00330517  0.02235313
         0.11893945
           0.02452511]
In [44]: | ypred = model.predict(x_test)
In [45]: # model score after training
         model.score(x_train, y_train)
Out[45]: 0.8034713719824393
In [46]: # model score with test data
         model.score(x_test, y_test)
Out[46]: 0.898286909853386
         Here we can see that the model is trained well and also the test data has a
         very good performance
```

Comments on the performance measures

```
In [47]: sm_model.summary()
```

Out[47]: OLS Regression Results

Dep. Variable:	Chanc	Chance of Admit		R-squared:		0.799
Model:		OLS			red:	0.796
Method:	Leas	st Squares	S	F-statistic:		
Date:	Mon, 12	2 Jun 2020	3 Prob ((F-statistic): 1.19e-133		
Time:		00:40:58	B Log-	Likeliho	od:	533.11
No. Observations:		400)	,	AIC:	- 1052.
Df Residuals:		390	3	ı	-1024.	
Df Model:		(6			
Covariance Type:		nonrobus	t			
	coef	std err	t	P> t	[0.025	0.975]
const	-0.9804	0.080	-12.202	0.000	-1.138	-0.822
TOEFL Score	0.0044	0.001	4.443	0.000	0.002	0.006
University Rating	0.0064	0.005	1.331	0.184	-0.003	0.016
SOP	-0.0045	0.006	-0.811	0.418	-0.016	0.006
LOR	0.0222	0.006	3.961	0.000	0.011	0.033
CGPA	0.1325	0.011	11.614	0.000	0.110	0.155
Research	0.0313	0.008	4.072	0.000	0.016	0.046
Omnibus:	79.400	Durbin-	Watson:	0.7	73	
Prob(Omnibus):	0.000	Jarque-Be	era (JB):	147.2	82	
Skew:	-1.103	P	rob(JB):	1.04e-	32	
Kurtosis:	4.993	Co	ond. No.	2.70e+	03	

Notes:

- [1] Standard Errors assume that the covariance matrix of the errors is correctly specified.
- [2] The condition number is large, 2.7e+03. This might indicate that there are strong multicollinearity or other numerical problems.

The performance measures indicate that the performance of the model is good. Although if we want to improve the model performance we can introduce more relevant features with linear relationship and drop some not so relevant columns which do not contribute much to the Chance of Admit.