

(10) Z-Score

A Z-score tells you how far a value is from the mean, measured in standard deviations.

→ In plain english :- Is this value normal, high or extreme compared to rest of the data.

→ formula :-
$$Z = \frac{x - \mu}{\sigma}$$

x = data value

μ = mean

σ = Standard deviation.

Ex:- mean = 70

Std = 10

Your score = 85

⇒
$$Z = \frac{85 - 70}{10} = 1.5$$

→ The normal distribution also follows empirical formula.

→ Empirical is a kind of rule which gets followed in normal distribution.

→ The 9

→ Example
distribution

1, 2, 3, 4

→ Mean

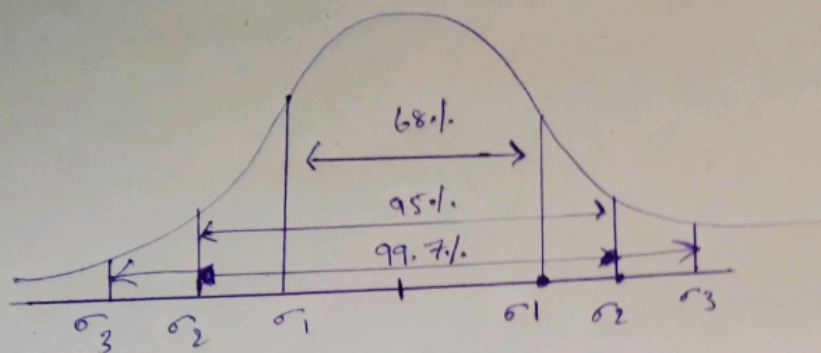
→ Stand

Now if

99.7%

Points

the → The rule is simple :- 68, - 95 - 99.7 rule.

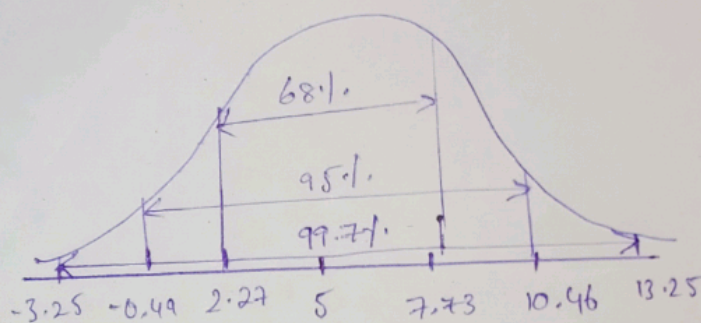


→ Example with consistent data if it follows normal distribution :-

1, 2, 3, 4, 5, 6, 7, 8, 9

→ Mean = 5

→ Standard deviation = 2.73



Now if we see clearly all the data or we can say 99.7% of our data will be inside 3 standard deviation points.