Data Scientist Nanodegree

Supervised Learning

Project: Finding Donors for CharityML

Welcome to the first project of the Data Scientist Nanodegree! In this notebook, some template code has already been provided for you, and it will be your job to implement the additional functionality necessary to successfully complete this project. Sections that begin with 'Implementation' in the header indicate that the following block of code will require additional functionality which you must provide. Instructions will be provided for each section and the specifics of the implementation are marked in the code block with a 'T0D0' statement. Please be sure to read the instructions carefully!

In addition to implementing code, there will be questions that you must answer which relate to the project and your implementation. Each section where you will answer a question is preceded by a 'Question X' header. Carefully read each question and provide thorough answers in the following text boxes that begin with 'Answer:'. Your project submission will be evaluated based on your answers to each of the questions and the implementation you provide.

Note: Please specify WHICH VERSION OF PYTHON you are using when submitting this notebook. Code and Markdown cells can be executed using the Shift + Enter keyboard shortcut. In addition, Markdown cells can be edited by typically double-clicking the cell to enter edit mode.

Getting Started

In this project, you will employ several supervised algorithms of your choice to accurately model individuals' income using data collected from the 1994 U.S. Census. You will then choose the best candidate algorithm from preliminary results and further optimize this algorithm to best model the data. Your goal with this implementation is to construct a model that accurately predicts whether an individual makes more than \$50,000. This sort of task can arise in a non-profit setting, where organizations survive on donations. Understanding an individual's income can help a non-profit better understand how large of a donation to request, or whether or not they should reach out to begin with. While it can be difficult to determine an individual's general income bracket directly from public sources, we can (as we will see) infer this value from other publically available features.

The dataset for this project originates from the <u>UCI Machine Learning Repository</u> (https://archive.ics.uci.edu/ml/datasets/Census+Income). The datset was donated by Ron Kohavi and Barry Becker, after being published in the article "Scaling Up the Accuracy of Naive-Bayes Classifiers: A Decision-Tree Hybrid". You can find the article by Ron Kohavi online (https://www.aaai.org/Papers/KDD/1996/KDD96-033.pdf). The data we investigate here consists of small changes to the original dataset, such as removing the 'fnlwgt' feature and records with missing or ill-formatted entries.

Exploring the Data

Run the code cell below to load necessary Python libraries and load the census data. Note that the last column from this dataset, 'income', will be our target label (whether an individual makes more than, or at most, \$50,000 annually). All other columns are features about each individual in the census database.

```
In [1]: | # Import libraries necessary for this project
        import numpy as np
        import pandas as pd
        from time import time
        from IPython.display import display # Allows the use of display() for
        DataFrames
        # Import supplementary visualization code visuals.py
        import visuals as vs
        # Pretty display for notebooks
        %matplotlib inline
        # Load the Census dataset
        data = pd.read csv("census.csv")
        # Success - Display the first record
        display(data.head(n=1))
```

	age	workclass	education_level	education- num	marital- status	occupation	relationship	race	sex
0	39	State-gov	Bachelors	13.0	Never- married	Adm- clerical	Not-in-family	White	Male
4									•

Implementation: Data Exploration

A cursory investigation of the dataset will determine how many individuals fit into either group, and will tell us about the percentage of these individuals making more than \$50,000. In the code cell below, you will need to compute the following:

- The total number of records, 'n records'
- The number of individuals making more than \$50,000 annually, 'n greater 50k'.
- The number of individuals making at most \$50,000 annually, 'n at most 50k'.
- The percentage of individuals making more than \$50,000 annually, 'greater percent'.

HINT: You may need to look at the table above to understand how the 'income' entries are formatted.

```
In [2]: data['income'].unique()
Out[2]: array(['<=50K', '>50K'], dtype=object)
In [3]: (data['income']=='>50K').sum()
Out[3]: 11208
In [4]:
        # TODO: Total number of records
        n records = data.shape[0]
        # TODO: Number of records where individual's income is more than $50,
        n greater 50k = (data['income']=='>50K').sum()
        # TODO: Number of records where individual's income is at most $50,00
        n at most 50k = (data['income']=='<=50K').sum()</pre>
        # TODO: Percentage of individuals whose income is more than $50,000
        greater percent = np.round(n greater 50k/n records*100,2)
        # Print the results
        print("Total number of records: {}".format(n_records))
        print("Individuals making more than $50,000: {}".format(n_greater_50k)
        print("Individuals making at most $50,000: {}".format(n at most 50k))
        print("Percentage of individuals making more than $50,000: {}%".forma
        t(greater percent))
        Total number of records: 45222
        Individuals making more than $50,000: 11208
```

Individuals making at most \$50,000: 34014

Percentage of individuals making more than \$50,000: 24.78%

Featureset Exploration

- age: continuous.
- workclass: Private, Self-emp-not-inc, Self-emp-inc, Federal-gov, Local-gov, State-gov, Without-pay, Neverworked.
- education: Bachelors, Some-college, 11th, HS-grad, Prof-school, Assoc-acdm, Assoc-voc, 9th, 7th-8th, 12th, Masters, 1st-4th, 10th, Doctorate, 5th-6th, Preschool.
- education-num: continuous.
- marital-status: Married-civ-spouse, Divorced, Never-married, Separated, Widowed, Married-spouseabsent, Married-AF-spouse.
- occupation: Tech-support, Craft-repair, Other-service, Sales, Exec-managerial, Prof-specialty, Handlerscleaners, Machine-op-inspct, Adm-clerical, Farming-fishing, Transport-moving, Priv-house-serv, Protectiveserv, Armed-Forces.
- relationship: Wife, Own-child, Husband, Not-in-family, Other-relative, Unmarried.
- race: Black, White, Asian-Pac-Islander, Amer-Indian-Eskimo, Other.
- · sex: Female, Male.
- · capital-gain: continuous.
- capital-loss: continuous.
- hours-per-week: continuous.
- native-country: United-States, Cambodia, England, Puerto-Rico, Canada, Germany, Outlying-US(Guam-USVI-etc), India, Japan, Greece, South, China, Cuba, Iran, Honduras, Philippines, Italy, Poland, Jamaica, Vietnam, Mexico, Portugal, Ireland, France, Dominican-Republic, Laos, Ecuador, Taiwan, Haiti, Columbia, Hungary, Guatemala, Nicaragua, Scotland, Thailand, Yugoslavia, El-Salvador, Trinadad&Tobago, Peru, Hong, Holand-Netherlands.

Preparing the Data

Before data can be used as input for machine learning algorithms, it often must be cleaned, formatted, and restructured — this is typically known as **preprocessing**. Fortunately, for this dataset, there are no invalid or missing entries we must deal with, however, there are some qualities about certain features that must be adjusted. This preprocessing can help tremendously with the outcome and predictive power of nearly all learning algorithms.

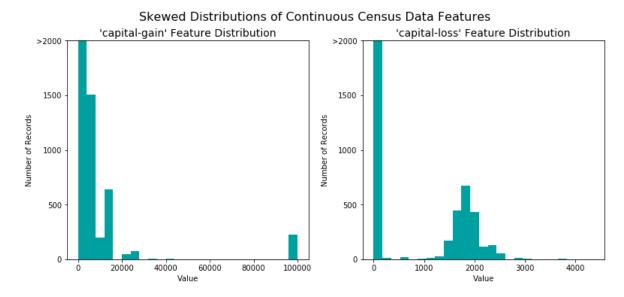
Transforming Skewed Continuous Features

A dataset may sometimes contain at least one feature whose values tend to lie near a single number, but will also have a non-trivial number of vastly larger or smaller values than that single number. Algorithms can be sensitive to such distributions of values and can underperform if the range is not properly normalized. With the census dataset two features fit this description: 'capital-gain' and 'capital-loss'.

Run the code cell below to plot a histogram of these two features. Note the range of the values present and how they are distributed.

```
# Split the data into features and target label
income raw = data['income']
features raw = data.drop('income', axis = 1)
# Visualize skewed continuous features of original data
vs.distribution(data)
```

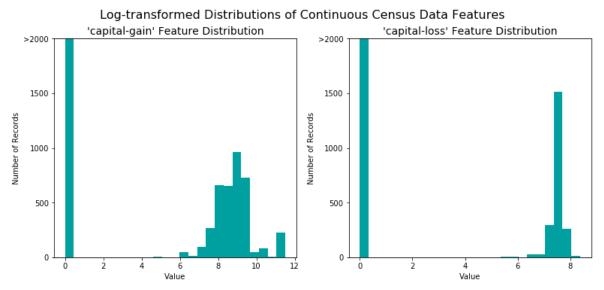
/home/vagner/Documents/udacity/Nanodegree 2021 IntroML/projects/intro -to-ml-tensorflow-master/projects/pl charityml/visuals.py:48: UserWar ning: Matplotlib is currently using module://ipykernel.pylab.backend inline, which is a non-GUI backend, so cannot show the figure. fig.show()



For highly-skewed feature distributions such as 'capital-gain' and 'capital-loss', it is common practice to apply a logarithmic transformation (https://en.wikipedia.org/wiki/Data transformation (statistics)) on the data so that the very large and very small values do not negatively affect the performance of a learning algorithm. Using a logarithmic transformation significantly reduces the range of values caused by outliers. Care must be taken when applying this transformation however: The logarithm of 0 is undefined, so we must translate the values by a small amount above 0 to apply the the logarithm successfully.

Run the code cell below to perform a transformation on the data and visualize the results. Again, note the range of values and how they are distributed.

```
# Log-transform the skewed features
skewed = ['capital-gain', 'capital-loss']
features log transformed = pd.DataFrame(data = features raw)
features log transformed[skewed] = features raw[skewed].apply(lambda
x: np.log(x + 1))
# Visualize the new log distributions
vs.distribution(features log transformed, transformed = True)
```



Normalizing Numerical Features

In addition to performing transformations on features that are highly skewed, it is often good practice to perform some type of scaling on numerical features. Applying a scaling to the data does not change the shape of each feature's distribution (such as 'capital-gain' or 'capital-loss' above); however, normalization ensures that each feature is treated equally when applying supervised learners. Note that once scaling is applied, observing the data in its raw form will no longer have the same original meaning, as exampled below.

Run the code cell below to normalize each numerical feature. We will use sklearn.preprocessing.MinMaxScaler_(http://scikitlearn.org/stable/modules/generated/sklearn.preprocessing.MinMaxScaler.html) for this.

```
# Import sklearn.preprocessing.StandardScaler
from sklearn.preprocessing import MinMaxScaler
# Initialize a scaler, then apply it to the features
scaler = MinMaxScaler() # default=(0, 1)
numerical = ['age', 'education-num', 'capital-gain', 'capital-loss',
'hours-per-week']
features log_minmax_transform = pd.DataFrame(data = features_log_tran
sformed)
features_log_minmax_transform[numerical] = scaler.fit_transform(featu
res_log_transformed[numerical])
# Show an example of a record with scaling applied
display(features log minmax transform.head(n = 5))
```

	age	workclass	education_level	education- num	marital- status	occupation	relationship	race
0	0.301370	State-gov	Bachelors	0.800000	Never- married	Adm- clerical	Not-in-family	White
1	0.452055	Self-emp- not-inc	Bachelors	0.800000	Married- civ- spouse	Exec- managerial	Husband	White
2	0.287671	Private	HS-grad	0.533333	Divorced	Handlers- cleaners	Not-in-family	White
3	0.493151	Private	11th	0.400000	Married- civ- spouse	Handlers- cleaners	Husband	Black
4	0.150685	Private	Bachelors	0.800000	Married- civ- spouse	Prof- specialty	Wife	Black
4								•

Implementation: Data Preprocessing

From the table in Exploring the Data above, we can see there are several features for each record that are nonnumeric. Typically, learning algorithms expect input to be numeric, which requires that non-numeric features (called categorical variables) be converted. One popular way to convert categorical variables is by using the one-hot encoding scheme. One-hot encoding creates a "dummy" variable for each possible category of each non-numeric feature. For example, assume someFeature has three possible entries: A, B, or C. We then encode this feature into someFeature_A, someFeature_B and someFeature_C.

	someFeature		someFeature_A	someFeature_B	someFeature_C	
0	В		0	1	0	
1	С	> one-hot encode>	0	0	1	
2	Α		1	0	0	

Additionally, as with the non-numeric features, we need to convert the non-numeric target label, 'income' to numerical values for the learning algorithm to work. Since there are only two possible categories for this label (" <=50K" and ">50K"), we can avoid using one-hot encoding and simply encode these two categories as 0 and 1 , respectively. In code cell below, you will need to implement the following:

- Use pandas.get dummies() (http://pandas.pydata.org/pandasdocs/stable/generated/pandas.get_dummies.html?highlight=get_dummies#pandas.get_dummies) to perform one-hot encoding on the 'features_log_minmax_transform' data.
- Convert the target label 'income_raw' to numerical entries.
 - Set records with "<=50K" to 0 and records with ">50K" to 1.

```
# TODO: One-hot encode the 'features log minmax transform' data using
pandas.get dummies()
categorical = ['workclass','education level','marital-status','occupa
tion', 'relationship', 'race', 'sex', 'native-country']
#features log minmax transform = pd.DataFrame(data = features log tra
nsformed)
#features log minmax transform[numerical] = scaler.fit transform(feat
ures log transformed[numerical])
#features final = pd.concat(pd.get dummies(features log minmax transf
orm[categorical]),)
features final = pd.get_dummies(features_log_minmax_transform)
# TODO: Encode the 'income_raw' data to numerical values
income = data['income'].map(lambda x: 0 if x=='<=50K' else 1)</pre>
# Print the number of features after one-hot encoding
encoded = list(features final.columns)
print("{} total features after one-hot encoding.".format(len(encoded
)))
# Uncomment the following line to see the encoded feature names
print(encoded)
```

103 total features after one-hot encoding. ['age', 'education-num', 'capital-gain', 'capital-loss', 'hours-per-w eek', 'workclass_ Federal-gov', 'workclass_ Local-gov', 'workclass_ P rivate', 'workclass_ Self-emp-inc', 'workclass_ Self-emp-not-inc', 'w orkclass_ State-gov', 'workclass_ Without-pay', 'education_level_ 10t h', 'education_level_ 11th', 'education_level_ 12th', 'education_leve l_ 1st-4th', 'education_level_ 5th-6th', 'education_level_ 7th-8th', 'education_level_ 9th', 'education_level_ Assoc-acdm', 'education_lev el_ Assoc-voc', 'education_level_ Bachelors', 'education_level_ Docto rate', 'education_level_ HS-grad', 'education_level_ Masters', 'educa tion_level_ Preschool', 'education_level_ Prof-school', 'education le vel_ Some-college', 'marital-status_ Divorced', 'marital-status_ Marr ied-AF-spouse', 'marital-status Married-civ-spouse', 'marital-status Married-spouse-absent', 'marital-status_ Never-married', 'marital-s tatus_ Separated', 'marital-status_ Widowed', 'occupation_ Adm-cleric al', 'occupation_ Armed-Forces', 'occupation_ Craft-repair', 'occupat ion Exec-managerial', 'occupation Farming-fishing', 'occupation Ha ndlers-cleaners', 'occupation_ Machine-op-inspct', 'occupation_ Other -service', 'occupation Priv-house-serv', 'occupation Prof-specialt y', 'occupation_ Protective-serv', 'occupation_ Sales', 'occupation_ Tech-support', 'occupation_ Transport-moving', 'relationship_ Husban d', 'relationship_ Not-in-family', 'relationship_ Other-relative', 'r elationship_ Own-child', 'relationship_ Unmarried', 'relationship_ Wi fe', 'race_ Amer-Indian-Eskimo', 'race_ Asian-Pac-Islander', 'race_ B lack', 'race_ Other', 'race_ White', 'sex_ Female', 'sex_ Male', 'nat ive-country_ Cambodia', 'native-country_ Canada', 'native-country_ Ch ina', 'native-country_ Columbia', 'native-country_ Cuba', 'native-cou ntry_ Dominican-Republic', 'native-country_ Ecuador', 'native-country El-Salvador', 'native-country_ England', 'native-country_ France', 'native-country_ Germany', 'native-country_ Greece', 'native-country_ Guatemala', 'native-country_ Haiti', 'native-country_ Holand-Netherla nds', 'native-country_ Honduras', 'native-country_ Hong', 'native-cou ntry_ Hungary', 'native-country_ India', 'native-country_ Iran', 'nat ive-country_ Ireland', 'native-country_ Italy', 'native-country_ Jama ica', 'native-country_ Japan', 'native-country_ Laos', 'native-countr y_ Mexico', 'native-country_ Nicaragua', 'native-country_ Outlying-US (Guam-USVI-etc)', 'native-country_ Peru', 'native-country_ Philippine s', 'native-country_ Poland', 'native-country_ Portugal', 'native-cou ntry_ Puerto-Rico', 'native-country_ Scotland', 'native-country_ Sout h', 'native-country_ Taiwan', 'native-country_ Thailand', 'native-cou ntry_ Trinadad&Tobago', 'native-country_ United-States', 'native-coun try_ Vietnam', 'native-country_ Yugoslavia']

```
In [9]: features_final
Out[9]:
```

	age	education- num	capital- gain	capital- loss	hours- per- week	workclass_ Federal- gov	workclass_ Local-gov	workclass_ Private	
0	0.301370	0.800000	0.667492	0.0	0.397959	0	0	0	
1	0.452055	0.800000	0.000000	0.0	0.122449	0	0	0	
2	0.287671	0.533333	0.000000	0.0	0.397959	0	0	1	
3	0.493151	0.400000	0.000000	0.0	0.397959	0	0	1	
4	0.150685	0.800000	0.000000	0.0	0.397959	0	0	1	
45217	0.219178	0.800000	0.000000	0.0	0.397959	0	0	1	
45218	0.301370	0.800000	0.000000	0.0	0.357143	0	0	1	
45219	0.287671	0.800000	0.000000	0.0	0.500000	0	0	1	
45220	0.369863	0.800000	0.747375	0.0	0.397959	0	0	1	
45221	0.246575	0.800000	0.000000	0.0	0.602041	0	0	0	
45222 r	45222 rows × 103 columns								

In [10]:	income	е							
Out[10]:	0	0							
	1	0							
	2	0							
	3	0							
	4	0							
	45217	0							
	45218	0							
	45219	0							
	45220	0							
	45221	1							
	Nama.		1 00046.	4 E222	. م میر 🛨 ام	- n + C 1			

Name: income, Length: 45222, dtype: int64

Shuffle and Split Data

Now all categorical variables have been converted into numerical features, and all numerical features have been normalized. As always, we will now split the data (both features and their labels) into training and test sets. 80% of the data will be used for training and 20% for testing.

Run the code cell below to perform this split.

```
In [11]: # Import train test split
         #from sklearn.cross validation import train test split
         from sklearn.model_selection import train_test_split
         # Split the 'features' and 'income' data into training and testing se
         X_train, X_test, y_train, y_test = train_test_split(features_final,
                                                              income,
                                                              test size = 0.2,
                                                              random_state = 0)
         # Show the results of the split
         print("Training set has {} samples.".format(X_train.shape[0]))
         print("Testing set has {} samples.".format(X_test.shape[0]))
```

Training set has 36177 samples. Testing set has 9045 samples.

Evaluating Model Performance

In this section, we will investigate four different algorithms, and determine which is best at modeling the data. Three of these algorithms will be supervised learners of your choice, and the fourth algorithm is known as a naive predictor.

Metrics and the Naive Predictor

CharityML, equipped with their research, knows individuals that make more than \$50,000 are most likely to donate to their charity. Because of this, *CharityML* is particularly interested in predicting who makes more than \$50,000 accurately. It would seem that using accuracy as a metric for evaluating a particular model's performace would be appropriate. Additionally, identifying someone that does not make more than \$50,000 as someone who does would be detrimental to *CharityML*, since they are looking to find individuals willing to donate. Therefore, a model's ability to precisely predict those that make more than \$50,000 is more important than the model's ability to recall those individuals. We can use F-beta score as a metric that considers both precision and recall:

$$F_{eta} = (1 + eta^2) \cdot rac{precision \cdot recall}{(eta^2 \cdot precision) + recall}$$

In particular, when $\beta=0.5$, more emphasis is placed on precision. This is called the ${f F}_{0.5}$ score (or F-score for simplicity).

Looking at the distribution of classes (those who make at most \$50,000, and those who make more), it's clear most individuals do not make more than \$50,000. This can greatly affect accuracy, since we could simply say "this person does not make more than \$50,000" and generally be right, without ever looking at the data! Making such a statement would be called **naive**, since we have not considered any information to substantiate the claim. It is always important to consider the naive prediction for your data, to help establish a benchmark for whether a model is performing well. That been said, using that prediction would be pointless: If we predicted all people made less than \$50,000, CharityML would identify no one as donors.

Note: Recap of accuracy, precision, recall

Accuracy measures how often the classifier makes the correct prediction. It's the ratio of the number of correct predictions to the total number of predictions (the number of test data points).

Precision tells us what proportion of messages we classified as spam, actually were spam. It is a ratio of true positives(words classified as spam, and which are actually spam) to all positives(all words classified as spam, irrespective of whether that was the correct classificatio), in other words it is the ratio of

```
[True Positives/(True Positives + False Positives)]
```

Recall(sensitivity) tells us what proportion of messages that actually were spam were classified by us as spam. It is a ratio of true positives (words classified as spam, and which are actually spam) to all the words that were actually spam, in other words it is the ratio of

```
[True Positives/(True Positives + False Negatives)]
```

For classification problems that are skewed in their classification distributions like in our case, for example if we had a 100 text messages and only 2 were spam and the rest 98 weren't, accuracy by itself is not a very good metric. We could classify 90 messages as not spam(including the 2 that were spam but we classify them as not spam, hence they would be false negatives) and 10 as spam(all 10 false positives) and still get a reasonably good accuracy score. For such cases, precision and recall come in very handy. These two metrics can be combined to get the F1 score, which is weighted average(harmonic mean) of the precision and recall scores. This score can range from 0 to 1, with 1 being the best possible F1 score(we take the harmonic mean as we are dealing with ratios).

Question 1 - Naive Predictor Performace

 If we chose a model that always predicted an individual made more than \$50,000, what would that model's accuracy and F-score be on this dataset? You must use the code cell below and assign your results to 'accuracy' and 'fscore' to be used later.

Please note that the the purpose of generating a naive predictor is simply to show what a base model without any intelligence would look like. In the real world, ideally your base model would be either the results of a previous model or could be based on a research paper upon which you are looking to improve. When there is no benchmark model set, getting a result better than random choice is a place you could start from.

HINT:

- When we have a model that always predicts '1' (i.e. the individual makes more than 50k) then our model will have no True Negatives(TN) or False Negatives(FN) as we are not making any negative('0' value) predictions. Therefore our Accuracy in this case becomes the same as our Precision(True Positives/(True Positives + False Positives)) as every prediction that we have made with value '1' that should have '0' becomes a False Positive; therefore our denominator in this case is the total number of records we have in total.
- Our Recall score(True Positives/(True Positives + False Negatives)) in this setting becomes 1 as we have no False Negatives.

```
In [25]:
         TP = np.sum(income) # Counting the ones as this is the naive case. No
         te that 'income' is the 'income raw' data
         encoded to numerical values done in the data preprocessing step.
         FP = income.count() - TP # Specific to the naive case
         TN = 0 # No predicted negatives in the naive case
         FN = 0 # No predicted negatives in the naive case
         # TODO: Calculate accuracy, precision and recall
         TP = np.sum(income)
         TN = 0 # No predicted negatives in the naive case
         FP = income.count()-TP
         FN = 0
         accuracy = (TP+TN)/(TP+TN+FN+FP)
         recall = TP/(TP+FN)
         precision =TP/(TP+FP)
         beta=0.5
         \# TODO: Calculate F-score using the formula above for beta = 0.5 and
          correct values for precision and recall.
         fscore = (1+beta**2)*precision*recall/(beta**2*precision+recall)
         # Print the results
         print("Naive Predictor: [Accuracy score: {:.4f}, F-score: {:.4f}]".fo
         rmat(accuracy, fscore))
```

Naive Predictor: [Accuracy score: 0.2478, F-score: 0.2917]

Supervised Learning Models

The following are some of the supervised learning models that are currently available in <u>scikit-learn</u> (http://scikit-learn.org/stable/supervised_learning.html) that you may choose from:

- Gaussian Naive Bayes (GaussianNB)
- Decision Trees
- Ensemble Methods (Bagging, AdaBoost, Random Forest, Gradient Boosting)
- K-Nearest Neighbors (KNeighbors)
- Stochastic Gradient Descent Classifier (SGDC)
- Support Vector Machines (SVM)
- · Logistic Regression

Question 2 - Model Application

List three of the supervised learning models above that are appropriate for this problem that you will test on the census data. For each model chosen

- Describe one real-world application in industry where the model can be applied.
- · What are the strengths of the model; when does it perform well?
- What are the weaknesses of the model; when does it perform poorly?
- · What makes this model a good candidate for the problem, given what you know about the data?

HINT:

Structure your answer in the same format as above, with 4 parts for each of the three models you pick. Please include references with your answer.

Answer:

1. Adaboost

- Describe one real-world application in industry where the model can be applied. Answer: Adaboost can be used to predict customer churn and classifying the types of topics customers are talking/calling about. Took from here (https://hackernoon.com/under-the-hood-of-adaboost-8eb499d78eab)
- What are the strengths of the model; when does it perform well? Answer: It is fast, simple and easy to program. It has also the flexibility to be combined with any machine learning algorithm. Took from here (https://www.educba.com/adaboost-algorithm/). It is also not prone to overfitting. Took from here (https://blog.paperspace.com/adaboost-optimizer/).
- What are the weaknesses of the model; when does it perform poorly? **Answer**: As every ensemble method, it is hard to visualize. Took from here (https://blog.ephorie.de/understanding-adaboost-or-how-to-turnweakness-into-strength). Its disadvantages are that it is from empirical evidence and particularly vulnerable to uniform noise and outliersTook from here (https://www.educba.com/adaboost-algorithm/).
- What makes this model a good candidate for the problem, given what you know about the data? **Answer**: As extensively discussed here Took from here (https://www.researchgate.net/post/Why_adaboost_is_used_in_ensemble_classification), adaboost takes advantage of bagging and boosting to make weak learners stronger by combining them.

1. Random Forest

- Describe one real-world application in industry where the model can be applied. Answer: The random forest algorithm is used in a lot of different fields, like banking, the stock market, medicine and e-commerceTook from here (https://builtin.com/data-science/random-forest-algorithm).
- What are the strengths of the model; when does it perform well? **Answer**: one of the biggest advantages of random forest is its versatility, for both classification and regression. Its default parameters often produce a good prediction result Took from here (https://builtin.com/data-science/random-forest-algorithm).
- What are the weaknesses of the model; when does it perform poorly? Answer: As every ensemble method, it is hard to visualize. Took from here (https://blog.ephorie.de/understanding-adaboost-or-how-to-turnweakness-into-strength). The main limitation of random forest is that a large number of trees can make the algorithm too slow and ineffective for real-time predictions. In most real-world applications, the random forest algorithm is fast enough but there can certainly be situations where run-time performance is important and other approaches would be preferred Took from here (https://builtin.com/data-science/random-forestalgorithm).
- What makes this model a good candidate for the problem, given what you know about the data? Answer: Because of the fact that random forest algorithm uses bagging and two main concepts: 1. Random sampling of training data points when building trees, 2. Random subsets of features considered when splitting nodestook from here (https://towardsdatascience.com/an-implementation-and-explanation-of-the-randomforest-in-python-77bf308a9b76). As shown in this (https://towardsdatascience.com/an-implementation-andexplanation-of-the-random-forest-in-python-77bf308a9b76) article random forests are strong in binary classifications

1. Logistic Regresion

• Describe one real-world application in industry where the model can be applied. Answer: Some real-world applications of logistic regression are: spam detection, credit card fraud, tumour prediction and marketingtook from here (https://magoosh.com/data-science/4-logistic-regressions-examples/).

- What are the strengths of the model; when does it perform well? Answer: It is easy to implement and very efficient to train; it can be easily extended to multiple classes; it is very fast at classifying unknown records; it can interpret model coeficients as indicators of features importances took from here (https://www.geeksforgeeks.org/advantages-and-disadvantages-of-logistic-regression/).
- What are the weaknesses of the model; when does it perform poorly? **Answer**: It constructs linear boundaries; The major limitation of Logistic Regression is the assumption of linearity between the dependent variable and the independent variables; Non-linear problems can not be solved with logistic regression, because it has a linear decision surface; linearly separable data is rarely found in real-world scenarios. Among others took from here (https://www.geeksforgeeks.org/advantages-and-disadvantages-of-logisticregression/).
- What makes this model a good candidate for the problem, given what you know about the data? Answer: Logistic Regression is very suitable for binary or multiclass classification as shown here (https://en.wikipedia.org/wiki/Logistic_regression), because basically classifies the output in zeros or ones based on the features

In [15]:

0.00

3. KNN

- Describe one real-world application in industry where the model can be applied.
- **Answer**: KNN is one of the most popular algorithms for text cate gorization and text mining. Also: Forecasting stock market, currency exchange rate, bank bankrupticies, trading futures, loan management, money laundey analyses, among many otherstook from here.
- What are the strengths of the model; when does it perform well? **Answer**: 1. The algorithm is simple and easy to implement. 2. Th ere's no need to build a model, tune several parameters, or make addi tional assumptions, 3. The algorithm is versatile. It can be used for classification, regression, and search.
- What are the weaknesses of the model; when does it perform poorly? **Answer**: 1.The algorithm gets significantly slower as the number of examples and/or predictors/independent variables increase.
- What makes this model a good candidate for the problem, given what you know about the data?

Out[15]:

'\n\n3. KNN\n\n- Describe one real-world application in industry wher e the model can be applied.\n **Answer**: KNN is one of the most pop ular algorithms for text categorization and text mining. Also: Foreca sting stock market, currency exchange rate, bank bankrupticies, tradi ng futures, loan management, money laundey analyses, among many other s<a href="https://stackoverflow.com/questions/53704811/is-k-nearest-n</pre> eighbors-algorithm-used-a-lot-in-real-life" target=" blank">took from here. \n- What are the strengths of the model; when does it perfo rm well?\n **Answer**: 1. The algorithm is simple and easy to implem ent. 2. There's no need to build a model, tune several parameters, or make additional assumptions, 3. The algorithm is versatile. It can be used for classification, regression, and search.\n\n- What are the we aknesses of the model; when does it perform poorly?\n **Answer**: 1. The algorithm gets significantly slower as the number of examples an d/or predictors/independent variables increase.\n- What makes this mo del a good candidate for the problem, given what you know about the d ata?\n\n'

Implementation - Creating a Training and Predicting Pipeline

To properly evaluate the performance of each model you've chosen, it's important that you create a training and predicting pipeline that allows you to quickly and effectively train models using various sizes of training data and perform predictions on the testing data. Your implementation here will be used in the following section. In the code block below, you will need to implement the following:

- Import fbeta_score and accuracy_score from <u>sklearn.metrics (http://scikit-</u> learn.org/stable/modules/classes.html#sklearn-metrics-metrics).
- Fit the learner to the sampled training data and record the training time.
- Perform predictions on the test data X_test, and also on the first 300 training points X_train[:300].
 - Record the total prediction time.
- Calculate the accuracy score for both the training subset and testing set.
- Calculate the F-score for both the training subset and testing set.
 - Make sure that you set the beta parameter!

```
In [26]:
         # TODO: Import two metrics from sklearn - fbeta score and accuracy sc
         ore
         from sklearn.metrics import fbeta score
         from sklearn.metrics import accuracy score
         def train predict(learner, sample size, X train, y train, X test, y t
         est):
             inputs:
                - learner: the learning algorithm to be trained and predicted
                - sample size: the size of samples (number) to be drawn from t
         raining set
                - X train: features training set
                - y_train: income training set
                - X test: features testing set
                - y_test: income testing set
             results = {}
             # TODO: Fit the learner to the training data using slicing with
          'sample_size' using .fit(training_features[:], training_labels[:])
             start = time() # Get start time
             learner = learner.fit(X train[:sample size],y train[:sample size
         ])
             end = time() # Get end time
             # TODO: Calculate the training time
             results['train time'] = end-start
             # TODO: Get the predictions on the test set(X test),
                     then get predictions on the first 300 training samples(X
         train) using .predict()
             start = time() # Get start time
             predictions test = learner.predict(X test)
             predictions_train = learner.predict(X_train[:300])
             end = time() # Get end time
             # TODO: Calculate the total prediction time
             results['pred time'] =end-start
             # TODO: Compute accuracy on the first 300 training samples which
          is y train[:300]
             results['acc train'] = accuracy score(y train[:300], predictions t
         rain[:300])
             # TODO: Compute accuracy on test set using accuracy score()
             results['acc test'] = accuracy score(y test,predictions test)
             # TODO: Compute F-score on the the first 300 training samples usi
         ng fbeta score()
              results['f train'] = fbeta score(y train[:300],predictions train
         [:300], beta=0.5)
```

```
# TODO: Compute F-score on the test set which is y test
results['f_test'] = fbeta_score(y_test,predictions_test,beta=0.5)
# Success
print("{} trained on {} samples.".format(learner.__class__.__name
sample_size))
# Return the results
return results
```

Implementation: Initial Model Evaluation

In the code cell, you will need to implement the following:

- Import the three supervised learning models you've discussed in the previous section.
- Initialize the three models and store them in 'clf_A', 'clf_B', and 'clf_C'.
 - Use a 'random state' for each model you use, if provided.
 - Note: Use the default settings for each model you will tune one specific model in a later section.
- Calculate the number of records equal to 1%, 10%, and 100% of the training data.
 - Store those values in 'samples_1', 'samples_10', and 'samples_100' respectively.

Note: Depending on which algorithms you chose, the following implementation may take some time to run!

```
In [29]: int(len(X_train)/100),len(y_train)
Out[29]: (361, 36177)
```

```
In [28]: # TODO: Import the three supervised learning models from sklearn
         from sklearn.ensemble import AdaBoostClassifier
         from sklearn.ensemble import RandomForestClassifier
         from sklearn.linear model import LogisticRegression
         # TODO: Initialize the three models
         clf A = AdaBoostClassifier(random state=42)
         clf B = RandomForestClassifier(random state=42)
         clf C = LogisticRegression(random state=42)
         # TODO: Calculate the number of samples for 1%, 10%, and 100% of the
          training data
         # HINT: samples 100 is the entire training set i.e. len(v train)
         # HINT: samples 10 is 10% of samples 100 (ensure to set the count of
          the values to be `int` and not `float`)
         # HINT: samples 1 is 1% of samples 100 (ensure to set the count of th
         e values to be `int` and not `float`)
         samples 100 = len(y train)
         samples 10 = int(samples 100/10)
         samples 1 = int(samples 100/100)
         # Collect results on the learners
         results = {}
         for clf in [clf A, clf B, clf C]:
             clf name = clf.__class__._name__
             results[clf name] = {}
             for i, samples in enumerate([samples_1, samples_10, samples_100
         ]):
                 results[clf name][i] = \
                 train_predict(clf, samples, X_train, y_train, X_test, y_test)
         # Run metrics visualization for the three supervised learning models
          chosen
         vs.evaluate(results, accuracy, fscore)
```

AdaBoostClassifier trained on 361 samples. AdaBoostClassifier trained on 3617 samples. AdaBoostClassifier trained on 36177 samples. RandomForestClassifier trained on 361 samples. RandomForestClassifier trained on 3617 samples. RandomForestClassifier trained on 36177 samples. LogisticRegression trained on 361 samples. LogisticRegression trained on 3617 samples.

/home/vagner/anaconda3/lib/python3.6/site-packages/sklearn/linear mod el/ logistic.py:940: ConvergenceWarning: lbfgs failed to converge (st atus=1):

STOP: TOTAL NO. of ITERATIONS REACHED LIMIT.

Increase the number of iterations (max iter) or scale the data as sho

https://scikit-learn.org/stable/modules/preprocessing.html Please also refer to the documentation for alternative solver option

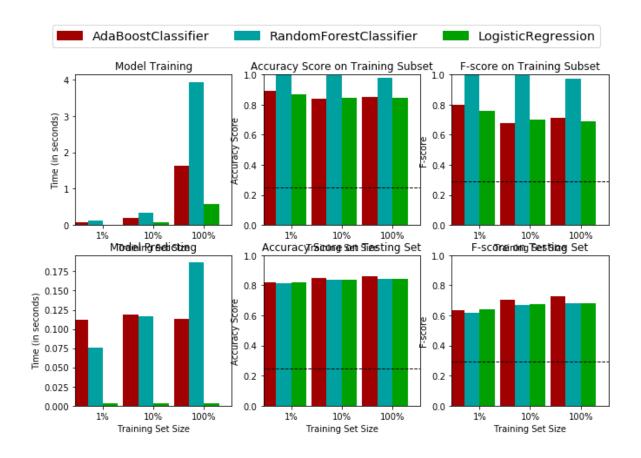
https://scikit-learn.org/stable/modules/linear model.html#logisti c-regression

extra warning msg= LOGISTIC SOLVER CONVERGENCE MSG)

LogisticRegression trained on 36177 samples.

/home/vagner/Documents/udacity/Nanodegree 2021 IntroML/projects/intro -to-ml-tensorflow-master/projects/pl charityml/visuals.py:118: UserWa rning: Tight layout not applied. tight layout cannot make axes width small enough to accommodate all axes decorations pl.tight_layout()

Performance Metrics for Three Supervised Learning Models



Improving Results

In this final section, you will choose from the three supervised learning models the best model to use on the student data. You will then perform a grid search optimization for the model over the entire training set (X train and y train) by tuning at least one parameter to improve upon the untuned model's F-score.

Question 3 - Choosing the Best Model

 Based on the evaluation you performed earlier, in one to two paragraphs, explain to CharityML which of the three models you believe to be most appropriate for the task of identifying individuals that make more than \$50,000.

HINT: Look at the graph at the bottom left from the cell above (the visualization created by vs.evaluate(results, accuracy, fscore)) and check the F score for the testing set when 100% of the training set is used. Which model has the highest score? Your answer should include discussion of the:

- metrics F score on the testing when 100% of the training data is used,
- prediction/training time
- · the algorithm's suitability for the data.

Answer: The model which presents highest score on the testing data is the AdaBoost. It is not the fastest model to train, but much faster than random forest, and it has the best f-score on the testing data. Also it is very suitable for classification problems, since AdaBoost combines weak learners through boosting and bagging to create a strong learner.

Question 4 - Describing the Model in Layman's Terms

 In one to two paragraphs, explain to CharityML, in layman's terms, how the final model chosen is supposed to work. Be sure that you are describing the major qualities of the model, such as how the model is trained and how the model makes a prediction. Avoid using advanced mathematical jargon, such as describing equations.

HINT:

When explaining your model, if using external resources please include all citations.

Answer: Adaboost is the most appropriate model for our problem. It takes advantage of the concepts of bagging and boosting, where something like many decision trees are combined together to create a stronger predictor. Decision Trees basically are a set of requirements that each feature, in combinaison, must fulfill in order to get classified in a particular class. By iteratively updating the weights of the training subsets, the algorithm iterates until the complete training data fits without any error or until reached to the specified maximum number of estimators. To make a final classfication, a vote across all of the learning algorithms is built. based on this article (https://www.datacamp.com/community/tutorials/adaboost-classifier-python)

Implementation: Model Tuning

Fine tune the chosen model. Use grid search (GridSearchCV) with at least one important parameter tuned with at least 3 different values. You will need to use the entire training set for this. In the code cell below, you will need to implement the following:

- Import sklearn.grid search.GridSearchCV (http://scikitlearn.org/0.17/modules/generated/sklearn.grid_search.GridSearchCV.html) and sklearn.metrics.make_scorer_(http://scikit-<u>learn.org/stable/modules/generated/sklearn.metrics.make_scorer.html)</u>.
- Initialize the classifier you've chosen and store it in clf.
 - Set a random state if one is available to the same state you set before.
- Create a dictionary of parameters you wish to tune for the chosen model.
 - Example: parameters = {'parameter' : [list of values]}.
 - Note: Avoid tuning the max features parameter of your learner if that parameter is available!
- Use make_scorer to create an fbeta_score scoring object (with eta=0.5).
- Perform grid search on the classifier clf using the 'scorer', and store it in grid_obj.
- Fit the grid search object to the training data (X_train, y_train), and store it in grid_fit.

Note: Depending on the algorithm chosen and the parameter list, the following implementation may take some time to run!

```
# TODO: Import 'GridSearchCV', 'make scorer', and any other necessary
In [30]:
         libraries
         from sklearn.model selection import GridSearchCV
         from sklearn.metrics import make scorer
         # TODO: Initialize the classifier
         clf = clf A
         # TODO: Create the parameters list you wish to tune, using a dictiona
         ry if needed.
         # HINT: parameters = {'parameter_1': [value1, value2], 'parameter_2':
         [value1, value2]}
         parameters = {'n estimators':[50,100,200,400],'learning rate':[0.2,0.
         5,1,2,4]}
         # TODO: Make an fbeta score scoring object using make scorer()
         scorer = make scorer(fbeta score,beta=0.5)
         # TODO: Perform grid search on the classifier using 'scorer' as the s
         coring method using GridSearchCV()
         grid obj = GridSearchCV(clf,parameters)
         # TODO: Fit the grid search object to the training data and find the
          optimal parameters using fit()
         grid fit = grid obj.fit(X train,y train)
         # Get the estimator
         best clf = grid fit.best estimator
         # Make predictions using the unoptimized and model
         predictions = (clf.fit(X train, y train)).predict(X test)
         best predictions = best clf.predict(X test)
         # Report the before-and-afterscores
         print("Unoptimized model\n-----")
         print("Accuracy score on testing data: {:.4f}".format(accuracy score(
         y test, predictions)))
         print("F-score on testing data: {:.4f}".format(fbeta score(y test, pr
         edictions, beta = 0.5))
         print("\n0ptimized Model\n-----")
         print("Final accuracy score on the testing data: {:.4f}".format(accur
         acy_score(y_test, best_predictions)))
         print("Final F-score on the testing data: {:.4f}".format(fbeta score(
         y test, best predictions, beta = 0.5)))
         Unoptimized model
         Accuracy score on testing data: 0.8576
         F-score on testing data: 0.7246
         Optimized Model
         Final accuracy score on the testing data: 0.8652
```

Final F-score on the testing data: 0.7401

Question 5 - Final Model Evaluation

- What is your optimized model's accuracy and F-score on the testing data?
- Are these scores better or worse than the unoptimized model?
- How do the results from your optimized model compare to the naive predictor benchmarks you found earlier in **Question 1**?

Note: Fill in the table below with your results, and then provide discussion in the Answer box.

Results:

Metric	Unoptimized Model	Optimized Model
Accuracy Score	0.8576	0.8652
F-score	0.7246	0.7401

Answer: The optimized model's accuracy and F-score are shown in the above table. It can be seen a significant improvement in both accuracy and F-score comparatively to the unoptimized model. The results are much better than in question 1 when regarding the F-score, which was about 0.5.

Feature Importance

An important task when performing supervised learning on a dataset like the census data we study here is determining which features provide the most predictive power. By focusing on the relationship between only a few crucial features and the target label we simplify our understanding of the phenomenon, which is most always a useful thing to do. In the case of this project, that means we wish to identify a small number of features that most strongly predict whether an individual makes at most or more than \$50,000.

Choose a scikit-learn classifier (e.g., adaboost, random forests) that has a feature importance attribute, which is a function that ranks the importance of features according to the chosen classifier. In the next python cell fit this classifier to training set and use this attribute to determine the top 5 most important features for the census dataset.

Question 6 - Feature Relevance Observation

When Exploring the Data, it was shown there are thirteen available features for each individual on record in the census data. Of these thirteen records, which five features do you believe to be most important for prediction, and in what order would you rank them and why?

Answer: I believe the following features are intuitively the most important: capital-gain, occupation, educationnum, education_level, native-country, since the capital gained is very relevant, the occupation and education are related to income, and native-country has a lot to do because of average salaries.

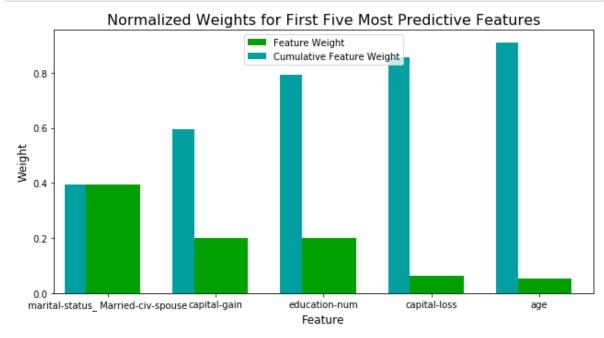
Implementation - Extracting Feature Importance

Choose a scikit-learn supervised learning algorithm that has a feature importance attribute availble for it. This attribute is a function that ranks the importance of each feature when making predictions based on the chosen algorithm.

In the code cell below, you will need to implement the following:

- Import a supervised learning model from sklearn if it is different from the three used earlier.
- Train the supervised model on the entire training set.
- Extract the feature importances using '.feature_importances_'.

```
# TODO: Import a supervised learning model that has 'feature importan
ces '
from sklearn.ensemble import GradientBoostingClassifier
# TODO: Train the supervised model on the training set using .fit(X_t
rain, y_train)
model = GradientBoostingClassifier()
model.fit(X_train,y_train)
# TODO: Extract the feature importances using .feature_importances_
importances = model.feature importances
# Plot
vs.feature_plot(importances, X_train, y_train)
```

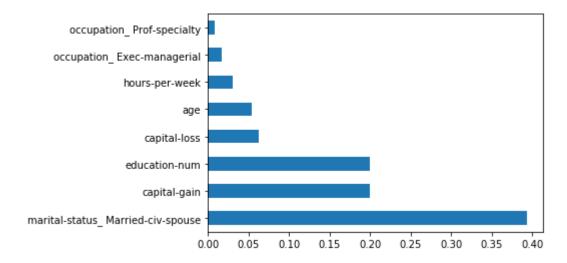


The above graph seems quite strange to me.

The below graph makes more clear the eight most relevant features.

```
In [22]:
         (pd.Series(model.feature importances , index=X train.columns)
             .nlargest(8)
             .plot(kind='barh'))
```

Out[22]: <matplotlib.axes._subplots.AxesSubplot at 0x7f76f7de0dd8>



In []:

Question 7 - Extracting Feature Importance

Observe the visualization created above which displays the five most relevant features for predicting if an individual makes at most or above \$50,000.

- How do these five features compare to the five features you discussed in Question 6?
- If you were close to the same answer, how does this visualization confirm your thoughts?
- If you were not close, why do you think these features are more relevant?

Answer: In my answer of question 6 I said that occupation, education and capital gain are likely related to income. Occupation is not that relevant. In the above graph I also see capital loss, which I expect to be somehow negatively correlated with capital gain. Age and hours-per-week also make sense, since depending on age there is a higher income and the more you work the more you are likely to earn. Marital status as the strongest feature has really surprised me, maybe this is because that in this dataset people that are not married are more (very) likely to donate.

Feature Selection

How does a model perform if we only use a subset of all the available features in the data? With less features required to train, the expectation is that training and prediction time is much lower — at the cost of performance metrics. From the visualization above, we see that the top five most important features contribute more than half of the importance of all features present in the data. This hints that we can attempt to reduce the feature space and simplify the information required for the model to learn. The code cell below will use the same optimized model you found earlier, and train it on the same training set with only the top five important features.

```
# Import functionality for cloning a model
from sklearn.base import clone
# Reduce the feature space
X train reduced = X train[X train.columns.values[(np.argsort(importan
ces)[::-1])[:5]]]
X test reduced = X_test[X_test.columns.values[(np.argsort(importances
)[::-1])[:5]]]
# Train on the "best" model found from grid search earlier
clf = (clone(best clf)).fit(X train reduced, y train)
# Make new predictions
reduced predictions = clf.predict(X test reduced)
# Report scores from the final model using both versions of data
print("Final Model trained on full data\n-----")
print("Accuracy on testing data: {:.4f}".format(accuracy score(y test
, best predictions)))
print("F-score on testing data: {:.4f}".format(fbeta_score(y_test, be
st predictions, beta = 0.5))
print("\nFinal Model trained on reduced data\n-----")
print("Accuracy on testing data: {:.4f}".format(accuracy score(y test
, reduced predictions)))
print("F-score on testing data: {:.4f}".format(fbeta score(y test, re
duced predictions, beta = 0.5))
Final Model trained on full data
Accuracy on testing data: 0.8652
F-score on testing data: 0.7401
Final Model trained on reduced data
Accuracy on testing data: 0.8568
F-score on testing data: 0.7318
```

Question 8 - Effects of Feature Selection

- How does the final model's F-score and accuracy score on the reduced data using only five features compare to those same scores when all features are used?
- If training time was a factor, would you consider using the reduced data as your training set?

Answer: By using only the 5 top features of the given data, the fbeta score reduced only by about 1%. This is quite low in terms of significance. If training time was an issue to be considered, surely the usage of only the most relevant features is advisable.

Note: Once you have completed all of the code implementations and successfully answered each question above, you may finalize your work by exporting the iPython Notebook as an HTML document. You can do this by using the menu above and navigating to

File -> Download as -> HTML (.html). Include the finished document along with this notebook as your submission.