CLEMSON UNIVERSITY

Lecture 10
Model Selection

STAT 8020 Statistical Methods II
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Whitney Huang
Clemson University

Agenda

1 Variable Selection Criteria

Variable Selection

- What is the appropriate subset size?
- What is the best model for a fixed size?

Mallows' C_p Criterion

$$
\begin{aligned}
(\hat{Y}_i - \mu_i)^2 &= (\hat{Y}_i - \mathrm{E}(\hat{Y}_i) + \mathrm{E}(\hat{Y}_i) - \mu_i)^2 \\
&= \underbrace{(\hat{Y}_i - \mathrm{E}(\hat{Y}_i))^2}_{\text{Variance}} + \underbrace{(\mathrm{E}(\hat{Y}_i) - \mu_i)^2}_{\text{Bias}^2},
\end{aligned}
$$

where $\mu_i = \mathrm{E}(Y_i | X_i = x_i)$

- Mean squared prediction error (MSPE): $\sum_{i=1}^{n} \sigma^2_{\hat{Y}_i} + \sum_{i=1}^{n} (\mathrm{E}(\hat{Y}_i) - \mu_i)^2$

- C_p criterion measure:

$$
\begin{aligned}
\Gamma_p &= \frac{\sum_{i=1}^{n} \sigma^2_{\hat{Y}_i} + \sum_{i=1}^{n} (\mathrm{E}(\hat{Y}_i) - \mu_i)^2}{\sigma^2} \\
&= \frac{\sum \text{Var}_{\text{pred}} + \sum \text{Bias}^2}{\text{Var}_{\text{error}}}
\end{aligned}
$$

C_p Criterion

- Do not know σ^2 nor numerator
- Use $\text{MSE}_{X_1,\cdots,X_{p-1}} = \text{MSE}_\text{F}$ as the estimate for σ
- For numerator:
  - Can show $\sum_{i=1}^{n} \sigma^2_{\hat{Y}_i} = p\sigma^2$
  - Can also show $\sum_{i=1}^{n} (\text{E}(\hat{Y}_i) - \mu_i)^2 = \text{E}(\text{SSE}_\text{F}) - (n-p)\sigma^2$

$$\Rightarrow C_p = \frac{\text{SSE} - (n-p)\text{MSE}_\text{F} + p\text{MSE}_\text{F}}{\text{MSE}_\text{F}}$$

C_p Criterion Cont'd

Recall

$$\Gamma_p = \frac{\sum_{i=1}^{n} \sigma^2_{\hat{Y}_i} + \sum_{i=1}^{n} (\mathrm{E}(\hat{Y}_i) - \mu_i)^2}{\sigma^2}$$

- When model is correct $\mathrm{E}(C_p) \approx p$
- When plotting models against p
  - Biased models will fall above $C_p = p$
  - Unbiased models will fall around line $C_p = p$
  - By definition: C_p for full model equals p