Probability & Probability Distributions in Statistics

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What is Statistics?



together for reference or information.

communicated concerning some particular fact.

Statistics is a tool for creating new understanding from a set of numbers.

Statistics is a science of getting informed decisions.

Topics

- Basic Probability Concepts: Certainty/uncertainty
- Random & Non-Random Experiments:
- •Sample Spaces and Events :Mutually Exclusive, Equally Likely and Exhaustive Events
- Conditional Probability
- Random Variables
- Probability Distributions
- Binomial, Poisson and Normal



Sample Spaces

Collection of all Possible Outcomes e.g. All 6 faces of a die:

e.g. All 52 cards of a bridge deck:

Events

• Simple Event: Outcome from a Sample Space with 1 Characteristic

e.g. A *Red Card* from a deck of cards.

- Joint Event: Involves 2 Outcomes Simultaneously
 - e.g. An *Ace* which is also a *Red Card* from a deck of cards.

Visualizing Events

Contingency Tables

A	ce	Not Ace	Total
Black	2	24	26
Red	2	24	26
Total	4	48	52

• Tree Diagrams



Simple Events

The Event of a Happy Face



There are 5 happy faces in this collection of 18 objects

Joint Events

The Event of a Happy Face AND Light Colored



Special Events

Null event Club & diamond on 1 card draw **Complement of event** For event A, All events not In A: A



Dependent or Independent Events

The Event of a Happy Face *GIVEN* it is Light Colored E = Happy Face | Light Color



3 Items: 3 Happy Faces Given they are Light Colored

Contingency Table

A Deck of 52 Cards

Red Ace

	Ace	Not an Ace	Total
Red	2	24	26
Black	2	24	26
Total	4	48	52

Sample Space /

Tree Diagram



Probability

- Probability is the likelihood that the event will occur.
- Two Conditions:
 - Value is between 0 and 1.
 - Sum of the probabilities of all events must be 1.



Probability: Three Ways

• *First*: Process Generating Events is Known: **Compute using classical probability definition Example:** rolling dice • Second: Relative Frequency: **Compute using empirical data Example:** Rain Next day based on history •*Third*: Subjective Method: **Compute based on judgment** Example: Analyst predicts forest region will increase by 10% over next year

Computing Probability

• The Probability of an Event, E:

 $P(E) = \frac{\text{Number of Event Outcomes}}{\text{Total Number of Possible Outcomes in the Sample Space}}$

(There are 2 ways to get one 6 and the other 4)

• Each of the Outcome in the Sample Space equally likely to occur.

Random Variable

A numerical description of the outcome of an experiment

- **Discrete Random Variable:**
- Obtained by Counting (0, 1, 2, 3, etc.)
- (Usually finite by number of different values)
- *Example:* Toss a coin 5 times & Count the number of tails.
- (0, 1, 2, 3, 4, or 5 times)

Continuous Random Variable: A numerical description of the outcome of an experiment <u>Example:</u>

- The Value of the height, weight etc.
- Time to repair a failed machine

<u>RV Given by Capital Letters X & Y</u> <u>Specific Values Given by lower</u> <u>case</u>

Probability Distribution

Characterization of the possible values that a RV may assume along with the probability of assuming these values.

Discrete Probability Distribution

- List of all possible [x_i, p(x_i)] pairs
 X_i = value of random variable
 P(x_i) = probability associated with value
- Mutually exclusive (nothing in common)
- Collectively exhaustive (nothing left out) $0 \le p(x_i) \le 1$ $\Sigma P(x_i) = 1$

Weekly Demand of a Slow-Moving Product

Probability Mass Function

Demand, x	Probability, p(x)		
0	0.1		
1	0.2		
2	0.4		
3	0.3		
4 or more	0		

Weekly Demand of a Slow-Moving Product

A Cumulative Distribution Function:

Probability that RV assume a value <= **a given value**, **x**

Demand, x	Cumulative Probability, P(x)
0	0.1
1	0.3
2	0.7
3	1

Two or More Random Variables

Frequency of applications during a given week

Number of Applications					
Interest Rate	5	6	7	8	Total
7.00%	3	4	6	2	15
7.50%	2	4	3	1	10
8%	3	1	1	0	5
Total	8	9	10	3	30

Two or More Random Variables

Joint Probability Distribution

Number of Applications							
Interest Rate 5 6 7 8 Tot							
7.00%	0.100	0.133	0.200	0.067	0.500		
7.50%	0.067	0.133	0.100	0.033	0.333		
8.00%	0.100	0.033	0.033	0.000	0.167		
Total	0.267	0.300	0.333	0.100	1.000		

Two or More Random Variables

Joint Probability Distribution

Number of Applications								
Interest Rate	st Rate 5 6 7 8 Tota							
7.00%	0.100	0.133	0.200	0.067	0.500			
7.50%	0.067	0.133	0.100	0.033	0.333			
8.00%	0.100	0.033	0.033	0.000	0.167			
Total	0.267	0.300	0.333	0.100	1.000			

Marginal Probabilities

Computing Joint Probability

The Probability of a Joint Event, A and B:

P(A and B)

Number of Event Outcomes from both A and B

Total Number of Possible Outcomes in Sample Space

e.g. P(Red Card and Ace)

 $= \frac{2 \text{ Red Aces}}{52 \text{ Total Number of Cards}} = \frac{1}{26}$

Joint Probability Using Contingency Table



Computing Compound Probability

The Probability of a *Compound Event*, A or B:

 $P(A \text{ or } B) = \frac{\text{Numer of Event Outcomes from Either A or B}}{\text{Total Outcomes in the Sample Space}}$

e.g. P(Red Card *or* Ace)

 $\frac{4 \text{ Aces} + 26 \text{ Red Cards} - 2 \text{ Red Aces}}{52 \text{ Total Number of Cards}} = \frac{28}{52} = \frac{7}{13}$

Compound Probability Addition Rule

 $P(A_1 \text{ or } B_1) = P(A_1) + P(B_1) - P(A_1 \text{ and } B_1)$

	Eve		
Event	B ₁	B ₂	Total
A ₁	$P(A_1 \text{ and } B_1)$	P(A ₁ and B ₂)	P(A ₁)
A ₂	$P(A_2 \text{ and } B_1)$	P(A ₂ and B ₂)	P(A ₂)
Total	P(B ₁)	P(B ₂)	1

For Mutually Exclusive Events: P(A or B) = P(A) + P(B)

Computing Conditional Probability

The Probability of **Event A given that Event B has** occurred:

$$\mathbf{P}(\mathbf{A} \mid \mathbf{B}) = \frac{\mathbf{P}(\mathbf{A} \text{ and } \mathbf{B})}{\mathbf{P}(\mathbf{B})}$$

e.g. P(Red Card given that it is an Ace) = $\frac{2 \text{ Red Aces}}{4 \text{ Aces}} = \frac{1}{2}$

Conditional Probability Using Contingency Table

Conditional Event: Draw 1 Card. Note Kind & Color



Conditional Probability and Statistical Independence

Conditional Probability:

$$\mathbf{P}(\mathbf{A}|\mathbf{B}) = \frac{P(A \text{ and } B)}{P(B)}$$

Multiplication Rule:

 $P(A \text{ and } B) = P(A \mid B) \bullet P(B)$ $= P(B \mid A) \bullet P(A)$

Conditional Probability and Statistical Independence (continued)

Events are Independent: $P(A \mid B) = P(A)$ $Or, P(B \mid A) = P(B)$ $Or, P(A \text{ and } B) = P(A) \cdot P(B)$

Events A and B are *Independent* when the probability of one event, A is *not affected* by another event, B.

Discrete Probability Distribution Example



Important Discrete Probability Distribution Models

Discrete Probability Distributions

Binomial



Bernoulli Distribution

Two possible mutually exclusive outcomes • with constant probabilities of occurrence "Success" (x=1) or "failure" (x=0) Example : Response to telemarketing The probability mass function is \bullet p(x) = p if x=1 • P(x) = 1 - p if x=0Where p is the probability of success

Binomial Distribution

- 'N' identical trials
 - Example: 15 tosses of a coin, 10 light bulbs taken from a warehouse
- 2 mutually exclusive outcomes on each trial
 - Example: Heads or tails in each toss of a coin, defective or not defective light bulbs

Binomial Distributions

- Constant Probability for each Trial
 - Example: Probability of getting a tail is the same each time we toss the coin and each light bulb has the same probability of being defective

• 2 Sampling Methods:

- Infinite Population Without Replacement
- Finite Population With Replacement
- Trials are Independent:

• The Outcome of One Trial Does Not Affect the Outcome of Another
Binomial Probability Distribution Function

$$P(X) = \frac{n!}{X!(n-X)!} p^{X}(1-p)^{n-X}$$

- P(X) = probability that X successes given a knowledge of n and p
 - **X** = number of 'successes' in sample, (X = 0, 1, 2, ..., n)
 - p = probability of each 'success'
 - *n* = sample size

12110			ot Coin
Idil) 	103363	

<u>X</u>	<u>P(X)</u>
0	1/4 = .25
1	2/4 = .50
2	1/4 = .25

Binomial Distribution Characteristics

Mean $\mu = E(X) = np$ e.g. $\mu = 5 (.1) = .5$ **Standard Deviation** $\sigma = \sqrt{np(1-p)}$ e.g. $\sigma = \sqrt{5(.5)(1 - .5)}$ = 1.118





Poisson Distribution

Poisson process:

Discrete events in an 'interval'

 The probability of one success in an interval is stable

- The probability of more than one success in this interval is 0
- Probability of success is Independent from interval to Interval

Examples:

- □ # Customers arriving in 15 min
- □ # Defects per case of light bulbs



Poisson Distribution Function

$$P(X) = \frac{e^{-\lambda}\lambda^{X}}{X!}$$

 $P(X) = probability of X successes given \lambda$

- λ = expected (mean) number of 'successes'
- e = 2.71828 (base of natural logs)
- X = number of 'successes' per unit

e.g. Find the probability of 4 customers arriving in 3 minutes when the mean is 3.6

 $P(X) = \frac{\begin{array}{c} -3.6 & 4 \\ e & 3.6 \\ 4! \end{array}}{4!} = .1912$

Poisson Distribution Characteristics

Mean $\mu = E(X) = \lambda$ $= \sum_{i=1}^{N} X_i P(X_i)$



Standard Deviation $\sigma = \sqrt{\lambda}$



Continuous Probability Distributions

- Uniform
- Triangular
- Normal
- Exponential

The Uniform Distribution

- Equally Likely chances of occurrences of RV values between a maximum and a minimum
- Mean = (b+a)/2
- Variance = $(b-a)^2/12$
- 'a' is a location parameter
- 'b-a' is a scale parameter
- no shape parameter



The Uniform Distribution



The Triangular Distribution

f(x)



The Triangular Distribution

f(x)



The Triangular Distribution

f(x)



The Normal Distribution

- 'Bell Shaped'
- Symmetrical
- Mean, Median and Mode are Equal
- 'Middle Spread'

Equals 1.33 σ

• Random Variable has Infinite Range



The Mathematical Model

 $f(X) = \frac{1}{\sqrt{2\pi\sigma^2}} e^{-\frac{1}{2\sigma^2}(X-\mu)^2}$

- f(X) = frequency of random variable X
- π = 3.14159; e = 2.71828
- σ = population standard deviation
- X = value of random variable (- $\infty < X < \infty$)
- μ = population mean

Many Normal Distributions



There are an Infinite Number

Varying the Parameters σ and μ, we obtain Different Normal Distributions.

Normal Distribution: Finding Probabilities



Which Table?



Infinitely Many Normal Distributions Means Infinitely Many Tables to Look Up!

Solution (I): The Standardized Normal Distribution

Standardized Normal DistributionTable (Portion) $\mu_z = 0$ and $\sigma_z = 1$



Solution (II): The Cumulative Standardized Normal Distribution

Cumulative Standardized Normal Distribution Table (Portion)

Ζ	.00	.01	.02	$\mu_z = 0$ and $\sigma_z = 1$.5478	
0.0	.5000	.5040	.5080	Shaded Area Exaggerated	
0.1	.5398	.5438	. 5478		
0.2	.5793	.5832	.5871	Z = 0.12	
0.3	.5179	.5217	.5255	Probabilities	
Only One Table is Needed					

Standardizing Example

$Z = \frac{X - \mu}{\sigma} = \frac{6.2 - 5}{10} = 0.12$ Normal Distribution $\sigma = 10 \qquad \sigma_{z} = 1$

 $\mu = 5 \ 6.2 \ X \qquad \mu = 0 \ .12 \ Z$

Example: P(2.9 < X < 7.1) = .1664



Example: $P(X \ge 8) = .3821$



Finding Z Values for Known Probabilities



Recovering *X* **Values for Known Probabilities**



 $X = \mu + Z\sigma = 5 + (0.31)(10) = 8.1$

Normal Distribution

Applied to single variable continuous data
e.g. heights of plants, weights of lambs, lengths of time
➢ Used to calculate the probability of occurrences less than, more than, between given values

e.g. "the probability that the plants will be less than 70mm",

"the probability that the lambs will be heavier than 70kg",

"the probability that the time taken will be between 10 and 12 minutes"

Standard Normal tables give probabilities - you will need to be familiar with the Normal table and know how to use it.

First need to calculate how many standard deviations above (or below) the mean a particular value is, i.e., calculate the value of the "standard score" or "Z-score".

Use the following formula to convert a raw data value, , to a standard score, : X to a standard score:

$$Z = \frac{x-\mu}{\sigma}$$

eg. Suppose a particular population has M = 4 and $\sigma = 2$. Find the probability of a randomly selected value being greater than 6. The Z score corresponding to X = 6 is $\frac{6-4}{2} = 1$. (Z=1 means that the value X = 6 is 1 standard deviation above the mean.) Now use standard normal tables to find P(Z>1) = 0.6587 (more about this later).

Process:

- Draw a diagram and label with given values i.e. μ(population mean), σ(pop. s.d.) and X(raw score)
- Shade area required as per question
- Convert raw score(X) to standard score (Z) using formula
- Use tables to find probability: eg. p(0<Z<z)</p>
- Adjust this result to required probability

EXAMPLE

Wool fibre breaking strengths are normally distributed with mean $\mu = 23.56$ Newtons and standard deviation $\sigma = 4.55$. What proportion of fibres would have a breaking strength of 14.45 or less?

- Draw a diagram, lebel and shade area required:
- Convert raw score (X) to standard score (Z): $Z = \frac{14.45 - 23.56}{1 - 2.0} = -2.0$



That is, the raw score of 14.45 is equivalent to a standard score of -2.0. It is negative because it is on the left hand side of the curve.

• Use tables to find the probability and adjust the result to required probability:

p(X < 14.45) = p(Z < -2.0) = 0.5 - p(0 < Z < 2) = 0.5 - 0.4772 = 0.0228

Binomial Distribution

- Applied to single variable discrete data where results are the numbers of "successful outcomes" in a given scenario.
- e.g.: no. of times the lights are red in 20 sets of traffic lights, no. of students with green eyes in a class of 40, no. of plants with diseased leaves from a sample of 50 plants.
- Used to calculate the probability of occurrences exactly, less than, more than, between given values:

e.g. the "probability that the number of red lights will be exactly 5". "probability that the number of green eyed students will be less than 7". "probability that the no. of diseased plants will be more than 10"

Binomial Distribution: Parameters, statistics and symbols involved are:

	Population Parameter symbol	Sample statistic symbol
Probability of Success	π	Р
Sample size	N	n
Other symbols:		

X, the number of successful outcomes wanted X, C_x^n : the number of ways in which x successes can be chosen from sample size n.

Formula used:



Example

An automatic camera records the number of cars running a red light at an intersection (that is, the cars were going through when the red light was against the car). Analysis of the data shows that on average 15% of light changes record a car running a red light. Assume that the data has a binomial distribution. What is the probability that in 20 light changes there will be exactly three (3) cars running a red light?

Write out the key statistics from the information given: p = 0.15, n = 20, X = 3

Apply the formula, substituting these values:

 $P(X = 3) = 20 C_3 x 0.15^3 x 0.85^{17} = 0.243$

That is, the probability that in 20 light changes there will be three (3) cars running a red light is 0.24 (24%).

Poisson Distribution

This is often known as the *distribution of rare events*. Firstly, a Poisson process is where DISCRETE events occur in a CONTINUOUS, but finite interval of time or space. The following conditions must apply:

• For a small interval the probability of the event occurring is proportional to the size of the interval.

The probability of more than one occurrence in the small interval is negligible (i.e. they are rare events). Events must not occur simultaneously

 Each occurrence must be independent of others and must be at random.

The events are often defects, accidents or unusual natural happenings, such as earthquakes, where in theory there is no upper limit on the number of events. The interval is on some continuous measurement such as time, length or area. The parameter for the Poisson distribution is λ (lambda). It is the average or mean number of occurrences over a given interval.

The probability function is: Use e^x on calculator

$$p(x) = \frac{e^{-\lambda} \cdot \lambda^x}{x!}$$
 for $x = 0, 1.2, 3...$

For example: The average number of accidents at a levelcrossing every year is 5. Calculate the probability that there are exactly 3 accidents there this year.

Solution: Here, $\lambda = 5$ and x = 3

$$P(X=3) = \frac{e^{-\lambda}}{x!}\lambda^{x} = \frac{e^{-5}}{3!}5^{3} = 0.1404$$

That is, there is 14% chance that there will be exactly 3 accidents there this year.

Practice (Normal Distribution)

1. Potassium blood levels in healthy humans are normally distributed with a mean of 17.0 mg/100 ml, and standard deviation of 1.0 mg/100 ml. Elevated levels of potassium indicate an electrolyte balance problem, such as may be caused by Addison's disease. However, a test for potassium level should not cause too many "false positives".

What level of potassium should we use so that only 2.5 % of healthy individuals are classified as "abnormally high"?

2. For a particular type of wool the number of 'crimps per 10cm' follows a normal distribution with mean 15.1 and standard deviation 4.79. (a) What proportion of wool would have a 'crimp per 10 cm' measurement of 6 or less? (b) If more than 7% of the wool has a 'crimp per 10 cm' measurement of 6 or less, then the wool is unsatisfactory for a particular processing. Is the wool satisfactory for this processing?

- 3. The finish times for marathon runners during a race are normally distributed with a mean of 195 minutes and a standard deviation of 25 minutes.
- a) What is the probability that a runner will complete the marathon within 3 hours?
- b) Calculate to the nearest minute, the time by which the first 8% runners have completed the marathon.
- c) What proportion of the runners will complete the marathon between 3 hours and 4 hours?
- 4. The download time of a resource web page is normally distributed with a mean of 6.5 seconds and a standard deviation of 2.3 seconds.
- a) What proportion of page downloads take less than 5 seconds?
 b) What is the probability that the download time will be between 4 and 10
- seconds?
- c) How many seconds will it take for 35% of the downloads to be completed?

Practice (Binomial Distribution)

1 Executives in the New Zealand Forestry Industry claim that only 5% of all old sawmills sites contain soil residuals of dioxin (an additive previously used for anti-sap-stain treatment in wood) higher than the recommended level. If Environment Canterbury randomly selects 20 old saw mill sites for inspection, assuming that the executive claim is correct:

2 Inland Revenue audits 5% of all companies every year. The companies selected for auditing in any one year are independent of the previous year's selection.

a) What is the probability that the company 'Ross Waste Disposal' will be selected for auditing exactly twice in the next 5 years?

b) What is the probability that the company will be audited exactly twice in the next 2 years?

c) What is the exact probability that this company will be audited at least once in the next 4 years?

3 The probability that a driver must stop at any one traffic light coming to Lincoln University is 0.2. There are 15 sets of traffic lights on the journey.

a) What is the probability that a student must stop at exactly 2 of the 15 sets of traffic lights?

b) What is the probability that a student will be stopped at 1 or more of the 15 sets of traffic lights?
Practice (Poisson Distribution)

- 1. A radioactive source emits 4 particles on average during a fivesecond period.
- a) Calculate the probability that it emits 3 particles during a 5second period.
- b) Calculate the probability that it emits at least one particle during a 5- second period.
- c) During a *ten*-second period, what is the probability that 6 particles are emitted?
- 2. The number of typing mistakes made by a secretary has a Poisson distribution. The mistakes are made independently at an average rate of 1.65 per page. Find the probability that a *three*-page letter contains no mistakes.
- 3. A 5-litre bucket of water is taken from a swamp. The water contains 75 mosquito larvae. A 200mL flask of water is taken form the bucket for further analysis. What is (a) the expected number of larvae in the flask? and (b) the probability that the flask contains at least one mosquito lava?

