

Components of learning

Metaphor: Credit approval

Applicant information:

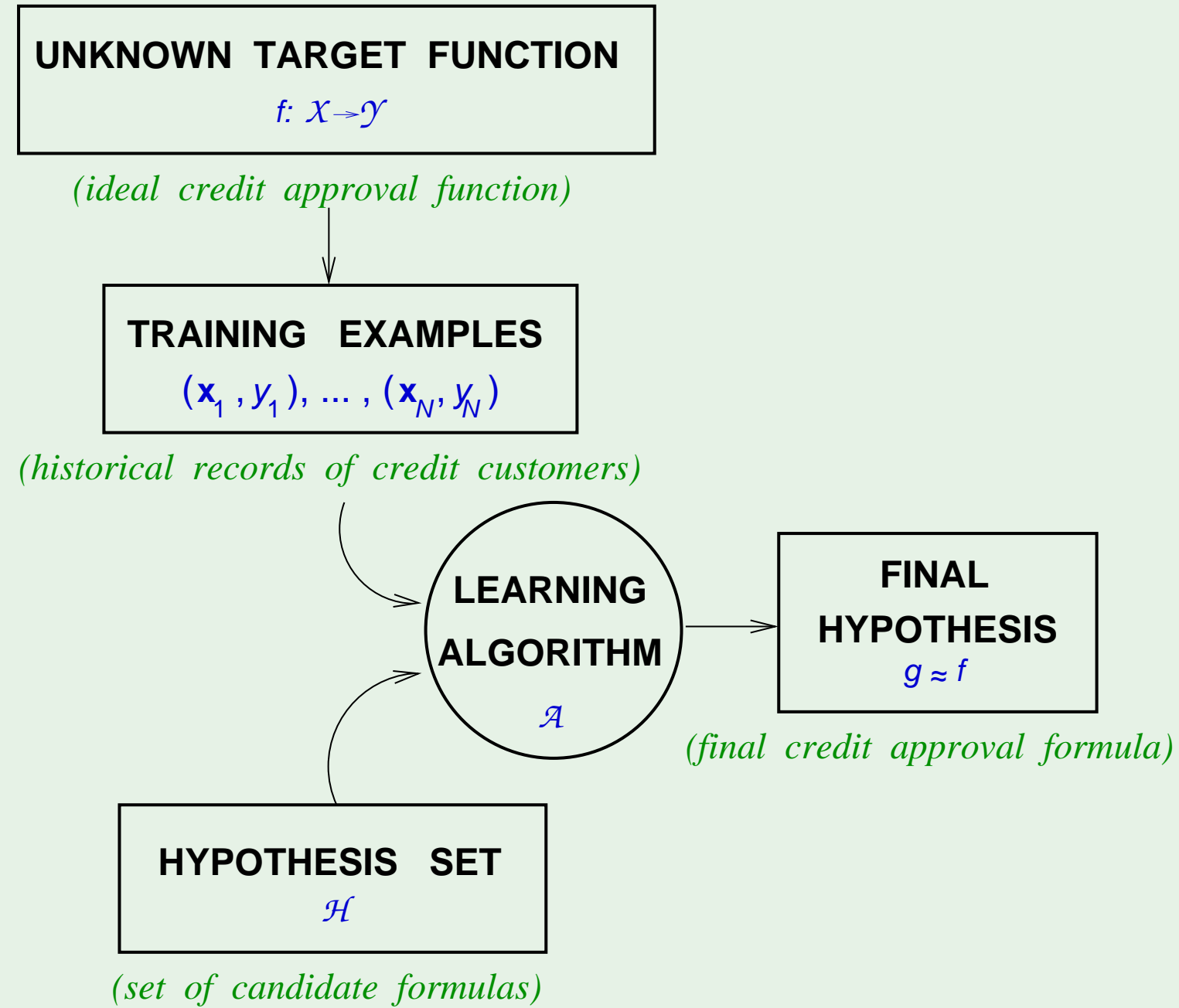
age	23 years
gender	male
annual salary	\$30,000
years in residence	1 year
years in job	1 year
current debt	\$15,000
...	...

Approve credit?

Components of learning

Formalization:

- Input: \mathbf{x} (*customer application*)
 - Output: y (*good/bad customer?*)
 - Target function: $f : \mathcal{X} \rightarrow \mathcal{Y}$ (*ideal credit approval formula*)
 - Data: $(\mathbf{x}_1, y_1), (\mathbf{x}_2, y_2), \dots, (\mathbf{x}_N, y_N)$ (*historical records*)
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- Hypothesis: $g : \mathcal{X} \rightarrow \mathcal{Y}$ (*formula to be used*)



Solution components

The 2 solution components of the learning problem:

- The Hypothesis Set

$$\mathcal{H} = \{h\} \quad g \in \mathcal{H}$$

- The Learning Algorithm

Together, they are referred to as the *learning model*.

