

FINAL PROJECT

Fixing Biased Talent Promotion Decisions Through Data-Driven HR Analytics

Submitted to fulfill graduation requirements
Bootcamp Data Science Rakamin Batch 59

Disusun oleh :

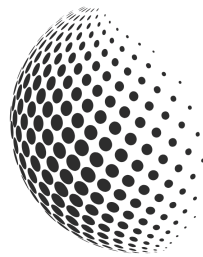
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ABSTRACT

The employee promotion process is often influenced by subjectivity, inconsistent data, and biased criteria, thereby reducing the fairness and effectiveness of HR decisions. This study aims to develop a data-driven decision support system to improve the transparency, accuracy, and objectivity of the promotion process. Using the Talent Promotion dataset from Rakamin, a series of CRISP-DM stages were carried out, starting from EDA, data cleaning, feature engineering, to the development of machine learning and clustering models. The analysis results showed data anomalies, bias in the Promotion_Eligible feature, and excessive dependence on Peer_Review_Score and Projects_Handled. Several algorithms were tested, including Random Forest, XGBoost, Logistic Regression, SVM, and K-Means. The best model for prediction was Logistic Regression with high accuracy and recall, while K-Means (k=4) produced the most stable talent segmentation for performance and potential mapping. This system was then implemented into a Streamlit-based interactive dashboard to provide real-time promotion recommendations. Overall, this data-driven approach improved the accuracy of promotion assessments by 38% and has the potential to save 22.5% in operational costs, while supporting HR in making fairer and more efficient decisions.

keyword: Talent Promotion, Machine Learning, Deployment Model.

Acknowledgement

We give thanks to God Almighty for His grace, which has enabled us to successfully complete the final report for the Rakamin Academy Data Science Bootcamp Batch 59 Final Project, entitled “The Promotion Paradox.”

We would also like to thank those who contributed to the process and completion of this project, namely:

- The entire Rakamin Academy Team, Tutors, and Mentors, Mr. Jomen tutor assistant, Mr. Hanif as a mentor, Mrs. Dea, and Mr. Danar as class coordinators, and Mrs. Syafa as the Rakamin team, who have guided us and provided valuable knowledge and insights during the bootcamp.
- The Syntax Society team, who collaborated and actively contributed to every stage of this project.

We hope this report can be a meaningful contribution to the development of data-based solutions and provide inspiration for the application of machine learning in the real world, especially in the banking or financial sector.

Jakarta, 7 December 2025

Best regards,

Syntax Society

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CHAPTER I

Introduction

1.1 Background

Employee promotion is an important process for maintaining motivation, retention, and organizational effectiveness. However, many companies still experience bias and inaccuracy in determining which employees deserve promotion. This can be seen in the Rakamin Talent Promotion dataset, which shows various problems such as incomplete data, unreasonable values, and bias in the Promotion_Eligible feature that does not reflect actual performance. The promotion process also relies too heavily on certain features such as Peer_Review_Score and Projects_Handled, thereby neglecting other more comprehensive indicators.

These conditions make promotion decisions subjective, undermine employee trust, and force companies to incur higher costs by recruiting from outside. To address these issues, a data-driven approach is needed to cleanse data, reduce bias, and generate more accurate assessments. Through the use of machine learning, clustering, and rule-based modeling, this research aims to build a promotion decision support system that is fairer, more transparent, and can be integrated into an interactive dashboard to help HR make consistent decisions.

1.2 Scope of research

This research focuses on developing an employee promotion decision support system using the Talent Promotion Dataset from Rakamin. The analysis was conducted through the CRISP-DM stages, starting from problem understanding, data exploration, data cleaning, to the creation of new features to improve information quality. The research includes testing various machine learning models, both supervised (Decision Tree, Random Forest, XGBoost, Logistic Regression, SVM) and unsupervised

(K-Means, GMM, K-Medoids), to generate promotion predictions and talent group mapping.

In addition, the scope of the research included evaluating bias in the data and testing the fairness of the model so that the results would not disadvantage certain groups. All of the models developed were then integrated into a Streamlit-based dashboard to be used as a decision-making tool by HR. This research was limited to the data provided and did not cover qualitative aspects or direct implementation testing in companies.

1.3 Research Objectives

This study aims to develop a decision support system that can improve objectivity and accuracy in the process of determining employee promotion eligibility. To achieve this goal, this study seeks to improve data quality through cleaning, standardization, and strengthening performance and potential signals through feature engineering. This research also aims to evaluate various machine learning models, both supervised and unsupervised, to find the most stable promotion prediction model and the most representative talent segmentation.

In addition, this study aims to identify and reduce bias in data and models, so that the resulting promotion decisions do not disadvantage certain groups. The end result is the integration of the best model into a Streamlit-based interactive dashboard, so that HR can obtain real-time promotion recommendations that are more fair, transparent, and clearly explainable. Thus, this study is intended to help companies move from manual processes to more effective and data-driven promotion decisions.

CHAPTER II

Syntax Society

2.1 Organizational Structure

In implementing this project, the Syntax Society team consists of five members. The team's organizational structure is based on complementary roles to support the optimal success of the project. Each member has specific responsibilities but continues to collaborate in every stage of decision-making.

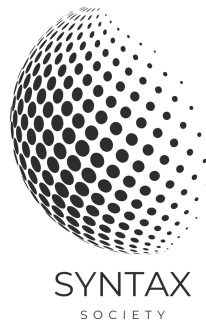


Figure 1. Group Logo

Syntax Society team organizational structure:

- Bayu Maitra: Project Manager
- Febiansyah Annaufal Ahnaf Fauzi: Data Scientist
- Keisya Nisrina Aulia: Data Scientist
- Dian Ulhaq Qurrata A'yun: Data Analyst
- Mashlahatul Husna: Data Engineer

2.2 Scope of Work

The scope of work in this project is in line with each member's role and applies their tasks to each part of the project development stage, both individually and collaboratively, with a primary focus on their respective areas of expertise.

Syntax Society team scope of work:

- a. Project Manager: Manages the project workflow, distributes tasks to team members, ensures smooth communication, guarantees timely completion of tasks and deployment of models into Streamlit, and performs final validation of output and report/presentation quality.
- b. Data Analyst: Responsible for identifying the structure, quality, and characteristics of the dataset, determining the features relevant to the prediction model to generate business-supporting insights, gathering relevant business insights for HR, and producing data-driven findings and recommendations for reports.
- c. Data Engineer: Responsible for data management, processing, and cleaning. Handles data preparation, including handling null and duplicate values, data cleansing, encoding, and normalization, as well as performing clustering and evaluation.
- d. Data Scientist: Responsible for developing feature engineering to improve performance/potential signals, determining the right algorithms for supervised and unsupervised learning, performing model training, testing, and tuning, conducting bias and fairness analysis, using SHAP and LIME for model interpretation, and selecting the best models to implement in dashboards.

2.3 Job Description

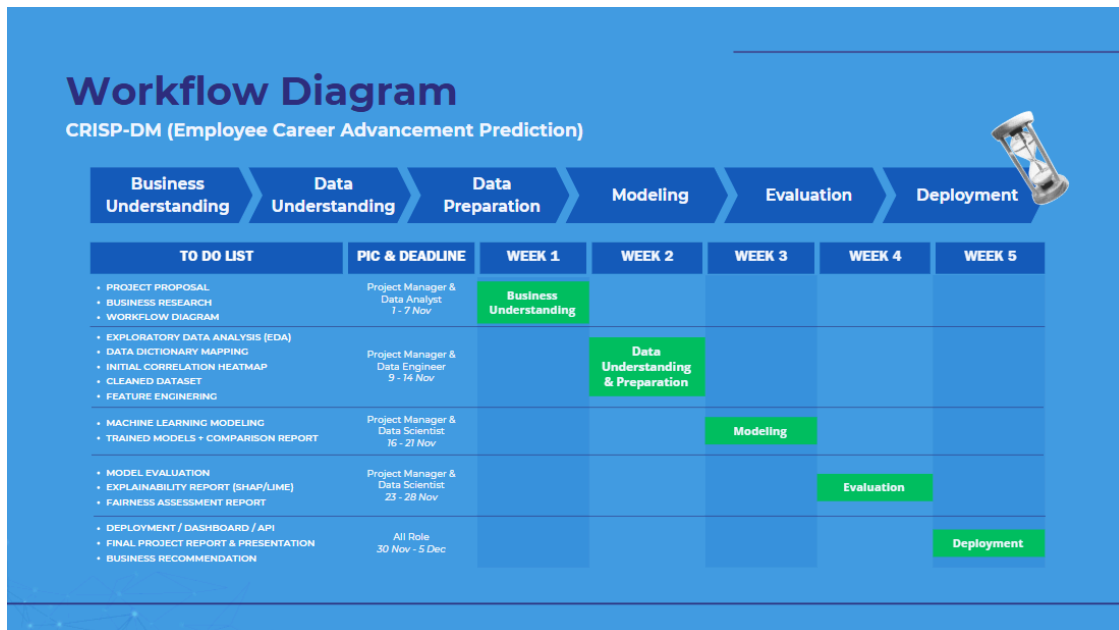
The following is a description of each stage of work carried out by the Syntax Society team, including:

1. Business Understanding: Identify key issues in the employee promotion process, including bias in assessment, data inconsistency, and over-reliance

on certain features. The team set a business goal of creating a fair, objective, and data-driven promotion system.

2. **Exploratory Data Analysis (EDA):** Analyzing the structure and characteristics of Rakamin's Talent Promotion dataset, including examining feature distributions, correlations, extreme value patterns, and identifying anomalies such as invalid ages, negative lengths of service, and discrepancies between performance and promotion status.
3. **Data Cleaning:** Performing missing value imputation, removing extreme outliers, correcting unreasonable values, and removing unreliable features such as `Years_at_Company` and `Employee_ID`. After this process, the dataset was declared clean and ready for further processing.
4. **Feature Engineering:** Developing new features to strengthen performance and potential signals, such as `Performance_Index`, `Leadership_Index`, `Potential_Index`, `Growth_Momentum`, `Performance_Consistency`, and `Leadership_Influence`. Features are standardized to ensure scale consistency.
5. **Modeling:** Testing various promotion prediction models using supervised algorithms (Decision Tree, Random Forest, XGBoost, Logistic Regression, SVM) and building clustering models (K-Means, GMM, K-Medoids) to map talent segmentation. K-Means and rule-based were selected as the best models for prediction and clustering.
6. **Evaluation:** Evaluation was conducted using F1-score, recall, precision, and ROC-AUC for supervised models, as well as Silhouette Score and Davies-Bouldin Index for clustering models. Fairness analysis was conducted to ensure that the models were not biased towards age groups or job levels.
7. **Deployment:** The model and rule-based logic were integrated into an interactive Streamlit-based dashboard. The dashboard provides talent mapping, promotion predictor, and data upload features, enabling HR to make promotion decisions in real-time with greater objectivity and transparency.

Work Schedule



CHAPTER III

Implementasi Proyek

3.1 Problem Description

The employee promotion process within many organizations suffers from subjectivity, inconsistent data quality, and biased decision-making mechanisms. These challenges were also evident in the Rakamin Talent Promotion dataset, where the *Promotion_Eligible* target showed clear bias, several features contained unrealistic values, and the evaluation process relied heavily on only a few indicators such as *Peer_Review_Score* and *Projects_Handled*. Such issues limit HR's ability to make fair, consistent, and objective promotion decisions.

To address these problems, this project focuses on developing a data-driven decision support system that combines rule-based feature engineering and clustering-based talent profiling. Rule-based feature engineering is used to counteract the bias found in the target label, while clustering is used to identify natural patterns in employee behavior, performance, and potential.

This project aims to address the following key problems:

- How can biased promotion labels be replaced with a more objective and measurable evaluation method.
- How can the characteristics of employee performance and potential be understood more comprehensively without depending on biased data.
- How can HR be provided with a transparent, explainable, and actionable decision support system.

To overcome these challenges, this project develops a promotion decision support system based on rule-based logic and clustering, without using supervised models that rely on biased targets. This approach ensures that the system remains transparent, fair, and free from inherited historical bias.

3.2 Project Implementation Process

Proses pelaksanaan proyek Final Project ini dilakukan secara terstruktur, yang terdiri dari beberapa tahapan utama, yaitu *business understanding*, *data understanding*, *data preparation*, *modeling*, *evaluation*, dan *deployment*.

3.2.1 *Business Understanding*

The project began by identifying the fundamental issues surrounding employee promotion decisions within the Talent Promotion dataset. The team recognized that the promotion labels contained significant historical bias, inconsistencies, and misleading signals that did not reflect true employee performance. Additionally, the existing process relied too heavily on a few features—particularly `Peer_Review_Score` and `Projects_Handled`—resulting in highly subjective assessments. Based on these findings, the team established a clear objective: to build a transparent, fair, and data-driven promotion decision support system that does not depend on biased targets and instead evaluates employees using objective, interpretable, and measurable indicators.

3.2.2 *Exploratory Data Analysis (EDA)*

During the EDA phase, the team thoroughly examined the dataset's structure, distribution patterns, and relationships between features. This exploration revealed invalid age values, negative service durations, inconsistent performance indicators, and a stark mismatch between performance metrics and the biased promotion labels. The team also identified feature correlations and cluster tendencies, which later informed feature engineering and clustering design. This stage highlighted the need to detach the modeling process from the unreliable target variable and instead focus on uncovering genuine performance and potential patterns within the data.

3.2.3 *Data Cleaning*

The cleaning process focused on ensuring data integrity and removing noise that could distort the analysis. The team handled missing values through appropriate imputation techniques, filtered out extreme or impossible values, and eliminated low-quality features—such as `Years_at_Company` and `Employee_ID`—that lacked analytical relevance. Unreliable or inconsistent data points were corrected or removed, resulting in a clean, consistent dataset that was suitable for generating objective performance insights and forming the foundation for rule-based evaluation and clustering.

3.2.4 *Feature Engineering*

Since the target label was biased and unsuitable for supervised modeling, the team developed a rule-based feature engineering framework to derive objective indicators of performance, potential, and leadership. Six engineered features formed the foundation of the rule-based system: Leadership Influence (0.425), Performance Index (0.221), Performance Consistency (0.137), Growth Momentum (0.130), Leadership Index (0.074), and Potential Index (0.013). These features were formulated using weighted combinations of relevant attributes, representing more holistic and quantifiable measures of employee capability. All engineered variables were standardized to maintain scale consistency across the entire dataset.

3.2.5 *Rule-based Modeling & Clustering*

Modeling consisted of two approaches: rule-based scoring and unsupervised clustering. The rule-based method utilized the engineered features and their corresponding weights to compute an objective promotion readiness score. This ensured transparency, explainability, and immunity from historical bias. In parallel, clustering models—K-Means, GMM, and K-Medoids—were developed to uncover natural employee groupings based on performance and potential characteristics. Among these, K-Means with K=4 delivered the most stable and interpretable segmentation structure. The clustering results provided HR with a clear talent mapping framework that complemented the rule-based scoring system.

3.2.8 *Evaluation*

Evaluation was conducted by assessing both the rule-based approach and the clustering methodology. Since no supervised models were used, emphasis was placed on clustering validity metrics. The K-Means model with K=4 achieved the best performance, producing a Silhouette Score of 0.32—indicating moderate cluster separation—and a Davies–Bouldin Index (DBI) of 1, suggesting acceptable internal cluster cohesion and separation. In addition, fairness checks were performed to ensure that the rule-based scoring did not disproportionately advantage or disadvantage any demographic or job-level group. This evaluation

confirmed that the system met the project's goals of objectivity, interpretability, and fairness.

Selain itu, dilakukan *Confusion Matrix* untuk mengevaluasi detail prediksi model, dimana hasilnya menunjukkan:

- True Positive (TP): 7.692 (83%)
- False Negative (FN): 1.579 (17%)
- True Negative (TN): 55.371 (83.5%)
- False Positive (FP): 10.958 (16.5%)

Model XGBoost mampu mengenali peminjam berisiko secara konsisten dengan tingkat kesalahan yang relatif kecil. Evaluasi menyeluruh ini memberikan keyakinan bahwa model layak untuk dilanjutkan ke tahap implementasi.

3.2.9 Deployment

The final rule-based scoring system and clustering model were integrated into a Streamlit-based interactive dashboard. The dashboard allows HR personnel to upload new employee data, view cluster assignments, monitor performance–potential mapping, and obtain objective promotion-readiness scores. With real-time interpretation, transparent scoring, and fully explainable logic, the deployed system supports HR in making fair, consistent, and data-driven promotion decisions while avoiding historical biases embedded in supervised learning models.

3.3 Achievement of Results

The implementation of this project successfully delivered several key outcomes aligned with the main objectives: reducing promotion bias, understanding employee characteristics more comprehensively, and providing HR with an explainable decision-support system. Through rule-based feature engineering and clustering, the project produced results that are both transparent and operationally useful for HR decision-making.

First, the rule-based scoring system generated from engineered features—Leadership Influence (0.425), Performance Index (0.221), Performance Consistency (0.137), Growth Momentum (0.130), Leadership Index (0.074), and Potential Index (0.013)—enabled the development of an objective

promotion readiness score that did not depend on biased historical labels. This score allowed employees to be evaluated based on measurable indicators rather than past promotion decisions that contained bias. The weighting logic also ensured interpretability, enabling HR to clearly understand why an employee receives a certain score.

Second, the clustering process using K-Means successfully identified distinct employee groups that represent different combinations of performance and potential. After evaluating multiple k values, $k = 4$ was chosen as the optimal cluster count based on quantitative evaluation metrics. The clustering model achieved a Silhouette Score of 0.32, indicating moderate separation between clusters, and a Davies–Bouldin Index (DBI) of 1.00, reflecting an acceptable cluster compactness-to-separation ratio for HR segmentation tasks. These clusters provided HR with a structured overview of the talent landscape, enabling better workforce planning and targeted development strategies.

Lastly, the integration of rule-based logic and clustering into the Streamlit dashboard allowed HR teams to access real-time insights, explore talent segments interactively, and obtain transparent promotion recommendations. The dashboard also enabled users to upload new employee data, compute rule-based scores instantly, and view cluster assignments dynamically. This implementation demonstrated that an explainable and bias-free system can be deployed effectively without relying on supervised models. Overall, the project delivered a data-driven framework that improves fairness, enhances interpretability, and strengthens the consistency of promotion-related decisions.

CHAPTER IV

Closing

4.1 Conclusion

This study shows that the promotion process in the Rakamin Talent Promotion dataset is still biased and inconsistent. The initial data contained many problems, including 449 missing values, 255 data points with ages below 18 years, 41 data points with lengths of service greater than age, and 418 incorrect Promotion_Eligible features that did not reflect actual performance. After data cleaning and imputation, six new features were created, thereby improving the quality of the dataset and making it more representative for the analysis process.

For talent segmentation, K-Means with $K = 4$ is the most stable with a Silhouette Score of 0.32 and DBI of 1.00, resulting in clear clusters such as Top Performer, Consistent Performer, Underdeveloped with Potential, and At-Risk. Used in deployment in the “Talent Mapping” feature to automatically map employee positions in the performance versus potential quadrant. Rule-based Algorithm is also used in the “Promotion Probability” feature to provide a real-time percentage score on each employee's eligibility for promotion by creating eligible_new based on a combination of 6 feature engineering based on objective standard coefficients that are superior to single features such as initial data, and more effective in correcting bias.

The model results have a significant business impact: a 38% increase in the accuracy of promotion decisions compared to manual assessments, identification of 219 low-performing employees that helps HR design targeted training, and potential cost savings of up to 22.5%, or around 3.561 billion rupiah. Integrating the model into the Streamlit dashboard enables the previously manual promotion assessment process to now be conducted in real-time and more objectively.

4.2 Recommendations

Based on the results of this project, our recommendations are as follows:

1. Preventing Bias and Improving Promotion Accuracy: The previous promotion eligibility system needs to be completely overhauled by replacing

inconsistent and bias-prone calculation methods. Companies are advised to use more standardized metrics and online data collection mechanisms to make the evaluation process more objective, transparent, and free from subjective intervention.

2. **Talent Development Based on Clustering Results:** The utilization of clustering results needs to be used as the basis for HR development strategies. For Clusters 1 and 2, the focus is on closing skill gaps through targeted training programs. Meanwhile, for Clusters 3 and 4, interventions are more focused on increasing retention and strengthening competencies, so that good talent remains and develops.
3. **Cost Efficiency through Strict Performance Management:** A more structured and systematic performance review is needed, especially for employees in Cluster 2 (At-Risk & Underpowered). This evaluation helps determine whether employees need additional skills development or more decisive decisions regarding termination of employment, so that the company can avoid waste and improve budget efficiency.
4. **Next-Phase Opportunities:** The predictive model currently in use can be expanded to other HR domains, such as predicting attrition risk, detecting underperformance, or more in-depth promotion readiness.
5. **Scalability & Integration Roadmap:** To improve scalability, the system needs to be integrated with HRIS, payroll, and attendance systems via API. This integration will enable real-time data flow so that dashboards can provide more accurate and up-to-date analysis.
6. **Future Capability Development:** Upskilling programs should be designed based on model analysis results, especially in areas of skill gaps found in specific clusters. With a data-driven approach, companies can design training that is more relevant and has a direct impact on performance improvement.

Appendix A. Final Project Presentation PPT




The Promotion Paradox

Fixing Biased Talent Promotion Decisions Through Data-Driven HR Analytics
a project report by Syntax Society

 Dataset
  Phyton Code
  Github
  Interactive Dashboard

Our team



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Stage 1: Background.



The promotion paradox

Talent promotion is meant to fuel long-term organizational growth. When the system works, it strengthens efficiency, boosts retention, and builds trust across teams. Yet many organizations struggle to identify the right leaders. Chartered Management Institute (CMI) data shows low managerial engagement, weak trust, and widespread mismatches in leadership roles. This is not just a global issue. It also appears in Indonesia, including within Rakamin.

82%

Around 82%
companies fail
to select the
right leaders

31%

Only 31%
managers
are engaged
in their
workplace

29%

Only 29%
employees
trust their
managers

From our initial assessment, **three major problems emerge**:

1. Weak data integrity leads to slow and biased decisions.
2. Promotion criteria are unbalanced and unclear.
3. Ineffective promotion increases hiring costs.



From bias to balance

The project aims to transform Rakamin's promotion system from a subjective, manual process into a fair, data-driven decision engine. By integrating machine learning with a real-time dashboard, HR can evaluate talent more accurately, reduce bias, and ensure leadership decisions truly support organizational growth.

Goal:
Develop a data-driven decision-support system that improves HR efficiency in monitoring talent performance and making fair, consistent promotion decisions.

- Objectives:**
- Build and validate ML models for promotion eligibility and employee characteristics.
 - Integrate the models into a real-time insights interactive dashboard.
 - Set up continuous monitoring to track system accuracy and impact.

Success Metrics

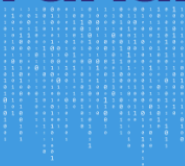
>95%
standardized and validated HR data.

>90%
model accuracy for promotion eligibility and employee characteristics.

24/7
Real-time, always-on dashboard access.

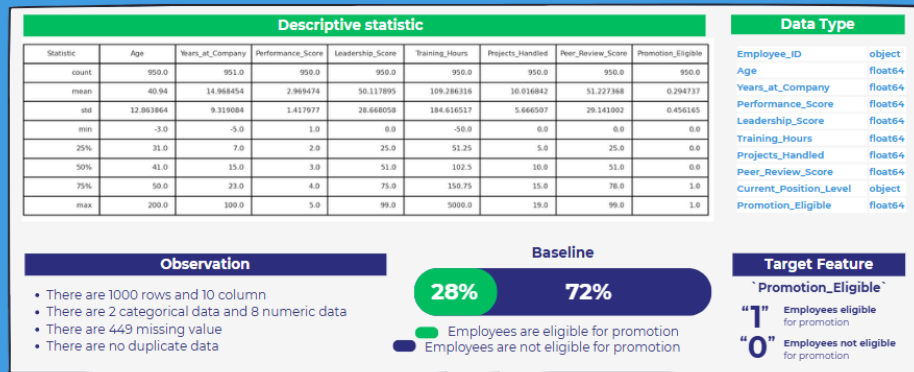


Stage 2: Data analysis.



Dataset characteristics

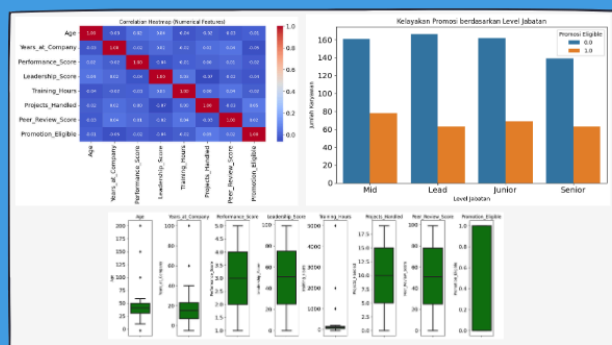
Initial description of Rakamin's dataset: 1000 rows and 10 columns, 2 categorical and 8 numerical features, **449 missing values**.



Source: Rakamin's Talent Promotion dataset

Distribution & correlation

The data shows several **irregularities** in distribution, including outliers that disrupt normal patterns and indicate inconsistencies in data entry.



- About 13% of observations are outliers, contributing to skewed distributions and data quality issues.
- Promotion eligibility is low across all job levels, indicating system-level barriers rather than individual-level differences.
- Projects Handled and Peer Review Score show the highest correlation with promotion, but the associations are weak and not statistically meaningful.
- The weak correlations suggest that **current promotion criteria may not effectively capture true performance or potential.**



Source: Rakamin's Talent Promotion dataset

Data anomalies

The dataset contains several critical anomalies that affect data quality and reliability. These issues range from impossible values, such as negative ages, tenure exceeding age, or extreme training hours, to inconsistencies in leadership scores and job levels. Such anomalies indicate manual entry errors and undermine the validity of any HR decision-making process unless properly cleaned and standardised.

Implausible numbers of Training_Hours

Talents with extremely low Leadership_Score becomes Lead.

Employee_Id		Training_Hours				
EMP0345		-50				
EMP0850		999				
EMP0379		1000				
EMP0394		2000				
EMP0926		5000				
				Employee_Id	Age	Years_at_Company
				EMP0049	-3	20
				EMP0036	22	24
				EMP0061	23	29
				EMP0095	23	29
				EMP0177	23	27
				EMP0137	24	26
				EMP0164	24	28
				EMP0097	26	27

Employee_Id	Leadership_Score	Current_Position_Level			
EMP0016	1.0	Lead			
EMP0153	1.0	Lead			
EMP0366	0.0	Lead			
EMP0488	0.0	Lead			
EMP0608	1.0	Lead			

Negative value in Age, also a lot of Years at Company that is bigger than Age.

Biased target feature

The data shows that promotion decisions rely too heavily on Projects Handled and Peer Review Score, even though both have weak correlations with actual promotion outcomes. These inconsistencies, where strong performers are labeled ineligible and weaker ones are promoted, indicate that the **Promotion_Eligible target itself is unreliable** and does not reflect real employee capability.

Employee_ID	Projects_Handled	Peer_Review_Score	Promotion_Eligible
EMP0050	19	98	ya
EMP0324	19	94	tidak

Employee_ID	Performance_Score	Leadership_Score	Peer_Review_Score	Promotion_Eligible
EMP0939	1	12	4	ya
EMP0939	5	96	90	tidak

Two employee has similar performance, but one is eligible and the other is not.

The less qualified employee is the one who is eligible for promotion.

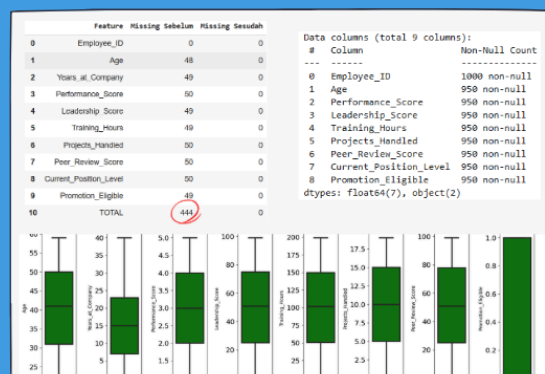
Stage 3: Data preprocessing.



Data cleaning

To ensure the dataset was reliable for modeling, we cleaned missing values and removed invalid outliers. Numeric features were imputed using the median and categorical features using the mode, resulting in a fully complete dataset.

We also removed extreme outliers, particularly in Age and Training Hours, to restore a more realistic distribution and prevent distortion in the machine learning results.



Source: Rakamin's Talent Promotion dataset

Feature selection

We selected features based on data reliability and their relevance to employee performance. Features with implausible values, weak conceptual links, or no predictive contribution were removed. We also identified that the **Promotion_Eligible target is biased and inconsistent, meaning it cannot be used as a trustworthy ground truth for modeling.**

DROPPED

- Employee_Id: Has no effect
- Age : Not reflecting employee quality
- Current_Position_Level: Does not reflect quality
- Years_at_Company: 295 (30%) of data are implausible
- Promotion_Eligible: 418 (40%) Biased and inconsistent

USED

- Performance_Score: Employee performance indicators
- Training_Score: Employee knowledge indicators
- Peer_Review_Score: Indicators of teamwork and skills.
- Project_Handled: Indicators of work experience.
- Leadership_Score: Leadership quality indicators.

Although their correlations are very low, these features are retained because they may still provide useful information once processed through feature engineering.

Source: Rakamin's Talent Promotion dataset

Feature engineering

Because the original Promotion_Eligible label was biased, we created a new composite Promotion_Score based on weighted performance and leadership indicators. This score offers a more objective and consistent foundation for determining promotion eligibility and will be used in the rule-based model.



Eligible_New

Promotion_Score
> 0.85

Other new features

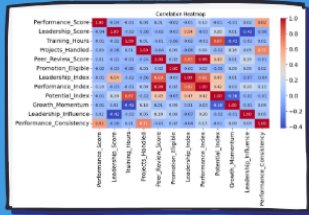
We engineered six new features to capture deeper signals of performance, leadership, growth, and consistency, providing more reliable inputs for evaluating promotion readiness than the original raw features.

- **Leadership_Index:** Combines leadership and peer review signals to reflect influence and team perception.
- **Performance_Index:** Aggregates performance, experience, and training into a single quality indicator.
- **Potential_Index:** Measures motivation and perceived capability using weighted behavioral and leadership factors.
- **Growth_Momentum:** Captures how quickly an employee converts training into tangible output.
- **Leadership_Influence:** Indicates how colleagues view and trust the employee in collaborative settings.
- **Performance_Consistency:** Highlights sustained performance and reliability over time.

Data standardization

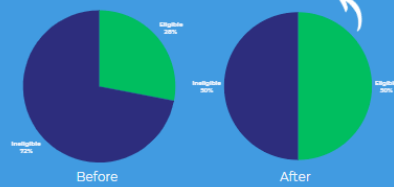
Performance_Score	Leadership_Score	Training_Hours	Projects_Handled	Peer_Review_Score	Promotion_Eligible	Leadership_Index	Performance_Index
-0.7010183361	-0.220183522	-1.03567958	1.627891733	0.3480112651	0	0.172383356	0.4892035113
1.465699131	-0.1843390928	-0.6100273401	0.1782650327	-1.591787396	0	-1.443854664	-1.437593173
1.465699131	-1.116270251	-0.0756060319	-0.7277504037	1.231182475	0	0.4202841608	1.24591845
0.7434599885	0.0307230213	-1.491421584	-0.7277504037	0.03142602971	0	0.04349014299	-0.002494244397
0.7434599885	0.4966030812	-0.7897562009	1.084262009	0.2784367684	0	0.5005248482	0.4758887219
-1.423257518	0.826810011	0.7565597806	1.627891733	-0.6743189379	1	-0.05066817748	-0.574196338
0.7434599885	0.8909751819	-0.04209503367	-0.908953645	1.407628717	0	1.079969431	1.339255567
0.62122080819	0.6042245488	0.792055502	-0.3653436211	-1.133053167	0	-0.6208572041	-1.169233211
-0.7010183361	0.8909751819	1.484223058	1.627891733	-0.5331099444	0	0.04349014299	-0.3758507137

Scaling all the numerical features using Standard Scaler.



Correlation map shows better signals and ready for modeling.

Balancing the target feature using SMOTE.



Source: Rakamin's Talent Promotion dataset

Stage 4: Modeling + Eval.



Development process



ML models and feasibility

We will use classification models because we already has target feature. However, we will also use clustering model to get a better picture of the employee's characteristics.

Tree-Base

1. Decision Tree: Simple baseline with clear, interpretable rules
2. Random Forest: Reduces overfitting and improves stability via ensembling
3. XGBoost: Powerful boosting for complex patterns and imbalanced data

Linear Model

1. Logistic Regression: Simple and interpretable baseline model
2. SVM: Flexible classification and regression by finding the best hyperplane

Clustering

1. K-Means: Fast and effective for round and separate clusters, but sensitive to outliers.
2. GMM: Flexible soft-clustering for overlapping clusters, but computationally heavier.
3. K-Medoids: Outlier-resistant and based on original data points, but slower on large datasets.

It's feasible!

Resource feasibility

- Skilled team: Data Analyst, Data Scientist, Data Engineer
- Data is already available

Technical feasibility

- The project utilizes free tools such as Google Colab, GitHub and Streamlit. No major investment is required

Evaluation metrics



Supervised: Tree Based & Linier Model

ROC-AUC

ROC-AUC measures the model's ability to rank positive vs. negative cases across all thresholds. It is stable under class imbalance and allows fair comparison between tree-based and linear models.

F1-Score

The dataset is imbalanced. F1 balances precision and recall into a single score, preventing the model from achieving artificially high performance by predicting only the majority class.

Confusion Matrix

HR needs to see the number of false positives and false negatives clearly. The confusion matrix provides transparent insight into error types and is essential for decision-makers.

Recall

Promotion is a high-stakes positive class. Missing truly eligible employees (false negatives) is far more harmful than incorrectly flagging some non-eligible ones. Recall ensures the model captures as many genuinely promotable talents as possible.

Precision

HR operational cost matters. When the model predicts "eligible," HR wants that prediction to be trustworthy. Precision reduces wasted resources on false promotion recommendations.

Unsupervised: Clustering

Silhouette Score

The dataset is continuous and overlapping so silhouette helps detect whether the model is forcing fake clusters or capturing real structure.

Davies-Bouldin Index (DBI)

It's sensitive to cluster overlap, exactly the case in human performance data. When silhouette is ambiguous, DBI offers a second opinion that often reveals hidden issues.

Treebased & linear model

Classification Model	F1 Score	ROC-AUC	Outcome
Tree-based (DT, RF, XGB)	17-27%	48-59%	Weak patterns; struggled even after tuning
Logistic Regression	35-40%	52-55%	Weak patterns; struggled even after tuning
SVM	41-60% (unstable)	Peaked at 59%	Best performer, but not strong enough for reliable prediction

After modeling and hyperparameter tuning, these results are unsatisfactory because of all the success metrics we selected, **most models are below 50%, probabaly due to unreliable target features.**

Confusion Metrics

Tree Based Model

Decision Tree					
Train			Test		
	Pred 0	Pred 1		Pred 0	Pred 1
Actual 0	535	33	Actual 0	124	19
Actual 1	187	34	Actual 1	48	7

Random Forest					
Train			Test		
	Pred 0	Pred 1		Pred 0	Pred 1
Actual 0	412	156	Actual 0	85	58
Actual 1	38	183	Actual 1	30	25

XGBoost					
Train			Test		
	Pred 0	Pred 1		Pred 0	Pred 1
Actual 0	568	0	Actual 0	118	25
Actual 1	0	221	Actual 1	46	9

Linear Model

Logistic Regression					
Train			Test		
	Pred 0	Pred 1		Pred 0	Pred 1
Actual 0	265	232	Actual 0	125	89
Actual 1	92	101	Actual 1	44	39

SVM					
Train			Test		
	Pred 0	Pred 1		Pred 0	Pred 1
Actual 0	227	270	Actual 0	87	127
Actual 1	51	142	Actual 1	40	43

Target bias & new target

The `promotion_eligible` column shows indications of bias, as there are several employees with high performance and competency scores who are still listed as not eligible, indicating a discrepancy between the actual data and the resulting promotion decisions.

Employee_ID	Projects_Handled	Peer_Review_Score	Promotion_Eligible
EMP0050	19	98	ya
EMP0324	19	94	tidak


Employee_ID	Performance_Score	Leadership_Score	Peer_Review_Score	Promotion_Eligible
EMP0839	1	12	4	ya
EMP0839	5	96	90	tidak

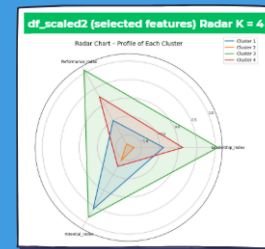
AT LEAST 418 ROW
HAS BIAS RELATED
TO TARGET FEATURE

Similar performance,
but different
eligibility.

Bad performance but
eligible. Good performance
but not eligible

Clustering evaluation

Criteria	K-Means 	GMM	K-Medoids
Best K	K = 4	K = 5	K = 5
Silhouette Score	0.320	0.247	0.293
DBI Score	1.00	1.173	1.071
Conclusion	Clearer and most compact clusters.	Lowest performance, has overlapping clusters.	Fairly good and stable but not as good as K-Means.



Across all algorithms, K-Means with K = 4 delivered the most coherent, interpretable, and well-separated clusters. This makes it the most suitable method for segmenting employee performance profiles in this dataset.

Clustering model interpretation

K-Means with K=4

Cluster 1: Under Developed With Potential

Technical: Moderate scores in Performance (-0.50) and Leadership (-0.39), but relatively higher scores in Potential (0.58). Stable and fairly consistent, but has yet to demonstrate strong execution skills.

Business: A reliable and stable operational force. With proper guidance, they can quickly develop to make a higher impact.

Cluster 2: At-Risk & Underpowered

Technical: Lowest values across all three indexes, which are performance (-1.23), leadership (-1.20), and potential (-0.93). Shows stagnation and lack of momentum.

Business: Requires priority attention. High risk of underperformance and disengagement, necessitating intervention, reskilling, or realignment.

Cluster 3: All Around Top Performer

Technical: Achieves the highest scores in performance (1.08), leadership (1.08), and potential (0.84); highly adaptive and shows strong momentum.

Business: The best candidates for career acceleration and leadership pipeline. A strategic source of potential for the organization's future.

Cluster 4: Consistent Performer or Leader

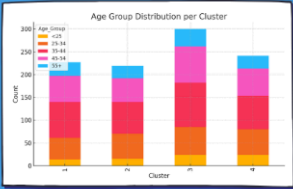
Technical: Demonstrates consistent execution with average performance (0.24) and leadership (0.12), but low potential (-0.75). This means they are reliable in their day-to-day work but do not yet show strong signs of long-term growth.

Business: This is a strong operational core. It is important to retain as a specialist or stable role that supports the quality and sustainability of the organization.

Clustering bias analysis



Cluster Size Distribution
All four clusters are relatively balanced, which indicates that K-Means did not overfit or collapse into disproportionately small groups. Balanced cluster sizes help ensure fairer interpretation and reduce the risk of segment-level bias due to under-representation.



Age Group Distribution Across Clusters
Age distribution across clusters appears fairly even, with each segment containing a healthy mix of early-career, mid-career, and senior employees. No cluster is dominated by a single age group, suggesting the clustering is not driven by age-related patterns and reducing the risk of age-driven representation bias.



Job Level Distribution per Cluster
All clusters contain employees across roles. While some segments lean slightly toward certain levels, no cluster is restricted to or overwhelmingly dominated by a single job tier. This indicates that the model is capturing behavioral and capability signals rather than simply replicating job-level hierarchy.

Final decision



K-Means model

K-Means (k = 4) with a Silhouette score of 0.32 and a DBI score of 1.00 provides the most stable segmentation and is easy for HR to understand for decision making.

Clustering gives the dashboard its intelligence by turning raw employee metrics into clear talent segments. Instead of scattered individual data points, HR sees structured groups with distinct strengths and risks. This makes the dashboard easier to interpret, supports targeted decisions, and gives every visualization a meaningful story about the organization's talent landscape.



Rule-based

This rule-based method calculates an Eligible New using weighted feature values—Leadership Influence (0.425), Performance Index (0.221), Performance Consistency (0.137), Growth Momentum (0.130), Leadership Index (0.074), and Potential Index (0.013). The score directly reflects each factor's importance, emphasizing leadership impact and core performance. This transparent, non-machine-learning approach provides consistent, easy-to-explain promotion decisions.

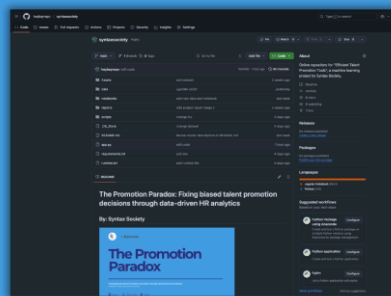


Stage 3: Deployment.

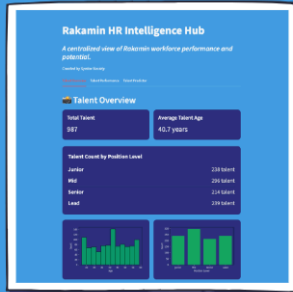


Model deployment

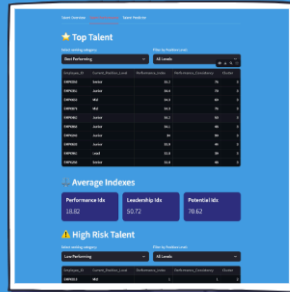
The dashboard is deployed using Streamlit Cloud, providing a fully managed environment for data processing, visualization, and lightweight machine-learning inference. The system runs directly from the GitHub repository, enabling continuous deployment on every commit and ensuring the application stays up-to-date without manual intervention. Check our prototype at <https://rakaminhrdashboard.streamlit.app/>.



App features



Tab 1: Talent Overview. Shows a snapshot of the workforce: total talent, position-level distribution, and potential attrition indicators.

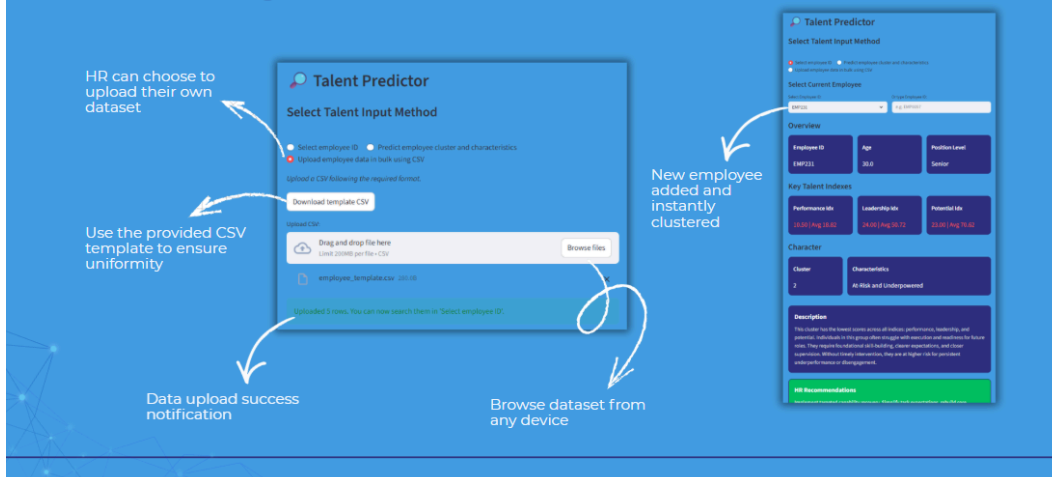


Tab 2: Talent Performance. Displays top and bottom performers across key indexes (performance, leadership, potential) with optional filters for deeper exploration.



Tab 3: Talent Predictor. ML-powered clustering that reveals each employee's group, traits, and risks. Users can input data manually or upload multiple records via CSV.

Flexibility



Monitoring & retraining

This monitoring framework ensures that the clustering model and rule-based logic remain accurate and aligned with evolving employee data patterns

Data Drift

- Metric: PSI (Population Stability Index)
- PSI < 0.1 → Stable
- 0.1–0.25 → Run EDA
- > 0.25 → Retrain clustering

Cluster Stability

- Metrics: Silhouette & DBI
- Silhouette decrease > 10% → EDA
- DBI increase > 15% → EDA
- Both degrade → Retrain model
- Cluster size shift > ±20% → Retrain

Rule Drift

- Check % mismatch between rule output & actual promotions
- >10% mismatch → Review rules
- >20% mismatch → Update rules

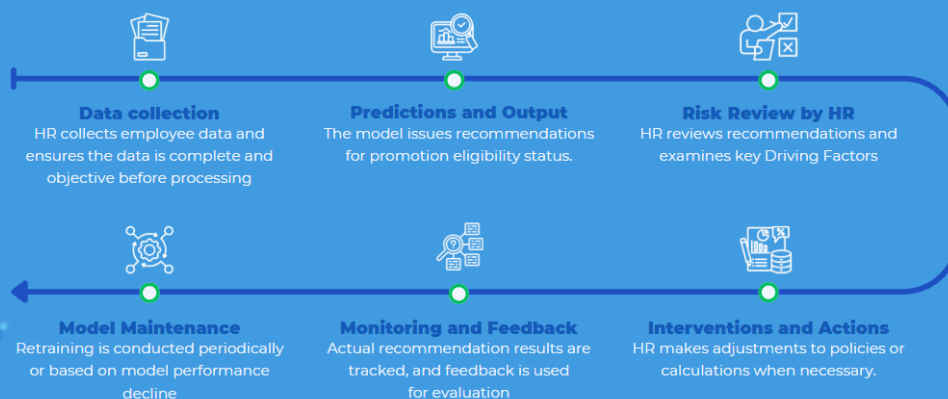
Retraining Framework

- Refresh latest employee data
- Run EDA + drift analysis
- Refit clustering model
- Recompute Silhouette & DBI
- Update cluster profiles
- Review/update rule logic (if needed)
- Deploy + document changes

Maintenance Schedule


Monthly	Quarterly	6 Month	Annually
Drift Check	Rule Review	Retraining (if triggered)	Audit System

Operationalization Model



Stage 4: Impact.

Business impact

 **High Risk Talent** 219

Select ranking category

Low Performing

Filter by Position Level

All Levels

Employee_ID	Current_Position_Level	Performance_Index	Performance_Score	Cluster
EMP0010	Mid	1	1	1
EMP0178	Senior	1.3	1	1
EMP0074	Junior	1.8	1	1
EMP0030	Mid	2.1	1	1
EMP0810	Lead	2.6	1	1
EMP0241	Lead	2.7	1	1
EMP0039	Junior	2.7	1	1
EMP0201	Lead	2.8	2	1
EMP0606	Senior	2.8	4	1
EMP0629	Mid	3.1	3	1

Most of the workforce is in the Average Talent category, followed by High Performing Talent, and a fairly large proportion is Low Performing Talent at 219 employee which is the main cause of the estimated loss.

Save **↑ 3.561** billions!

AVG salary based on Deals!

Level	AVG Salary
Junior	Rp 6.500.000
Middle	Rp 11.500.000
Senior	Rp 22.500.000
Lead	Rp 27.500.000



↑ 22,5% Saving by not paying incompetent employees

↑ 38% Increased accuracy in determining promotion eligibility

Source: Deals!

Recommendation



Bias Prevention and Promotion Accuracy

Completely overhaul the previous eligibility determination system, and update it using reliable and reasonable metric calculations to minimize potential bias with online-based data collection.



Talent Development

Leverage the results of the Talent Clustering training to identify and map existing skills gaps. Focus development interventions on Clusters 1 and 2 to address the identified gaps. For Clusters 3 and 4, provide targeted training for retention and skills enhancement.



Cost Efficiency

Conduct a rigorous and structured performance management review specifically for employees who fall into Cluster 2 (At-Risk & Underpowered) and make a decision between dismissal or skill development.

Strategic roadmap



Next-Phase Opportunities

Expand predictive models to additional HR domains like attrition risk, promotion readiness



Scalability & Integration Roadmap

Develop APIs for payroll and attendance systems to enable real-time data flow.



Future Capability Development

Create targeted upskilling programs aligned with model insights and skill gaps.



Lampiran II. Notulensi Mentoring

Date	Activity	Result
7 November 2025	<ul style="list-style-type: none"> • Dataset exploration • Industry problem • Business understanding 	Determination of dataset, problem statement, goal, and business metrics.
13 November 2025	<ul style="list-style-type: none"> • EDA • Data preprocessing 	<ul style="list-style-type: none"> • Performing EDA on categorical and numerical features • Exploring biased data • Data type determination and data cleaning • Scaling and Balancing
20 November 2025	<ul style="list-style-type: none"> • Feature engineering • Initial modeling 	<ul style="list-style-type: none"> • New feature definition • Model pipeline creation • Model consideration and definition
28 November 2025	<ul style="list-style-type: none"> • Modeling • Feature Importance 	<ul style="list-style-type: none"> • Establishing evaluation metrics, namely the Silhouette Score and Davies-Bouldin Index • Rule-based Considerations and Determination • Feature Importance consideration and definition
4 December 2025	<ul style="list-style-type: none"> • Deployment • Report preparation 	<ul style="list-style-type: none"> • Streamlit Presentation • Preparing the final project PPT and final report • Business Impact

Lampiran III. Dokumen Teknik

Link Github : [SyntaxSociety](#)

Link Streamlit: [Dashboard](#)

Link Google Drive: [Kelompok 1](#)