

## Final Project

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## 1 Introduction

In this report we consider that the new CEO of a specific IT company has contacted us because she wants us to **analyze the current Human Resources status** of the company. She has just sent a data set with all available employee information. As we can see, the **company has two locations**: the first one in **London**, and the second one in **Barcelona**.

The new CEO is concerned about several issues. She truly believes in gender equality in organizations as it implies a signal to society. On the other hand, she is concerned that the offices in Barcelona do not follow a similar structure to the one in London. In her opinion, the structure of the Barcelona offices should tend towards the London structure. In her meeting with us, she also told us that she would like to know the attitudes (e.g., satisfaction) of the employees across the different departments and if anything could be done to improve them. Finally, she commented that she is very concerned about the company's succession strategy and in particular some positions in certain departments.

Let's consider that the new CEO of a specific IT company has contacted us because she wants us to analyze the current Human Resources status of the company. She has just sent a data set with all available employee information. This information is in the attached data set. As we can see, the company has two locations: the first one in London, and the second one in Barcelona.

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Based on this information, we need to carry out an exploratory data analysis and prepare a technical report (with Rmarkdown) and a technical presentation (5-10 minutes).

Note: It is highly recommended to seek external sources of information (either in dataset or report formats) for the analysis and the reporting.

Based on this information, we will to carry out an exploratory data analysis and prepare a technical report (with Rmarkdown) and a technical presentation (5-10 minutes).

## 2 Setup the software

The software used for the development of the study and the writing of the report is R[1]. The first step is to define the work directory and to load the libraries needed:

library(tidyverse)
library(ggplot2)
library(GGally)
library(gridExtra)
library(yardstick)
library(broom)
library(janitor)
library(caTools)
library(ROCR)
library(tidytext)
library(glue)
library(scales)

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library(plotly)
library(patchwork)
library(skimr)
library(RColorBrewer)

## 3 Importing Data

The first step is to load the dataset in the system, and check the names of the variables.

```
mydb <- read.csv2("dataset.csv")
# web_db <- read.csv("WA_Fn-UseC_-HR-Employee-Attrition.csv")
# names(web_db)</pre>
```

#### 3.1 Variables analysis

We got the dataset from the website of Atenea, it is composed by 1506 observations of 36 variables. The variables selected for this dataset are:

- 1. **Age**: Variable that represent the age of the employee
- 2. Attrition: variable that represent the departure of employees from the organization for any reason
- 3. BusinessTravel: Represent how often an employee travel for work purpose
- 4. DailyRate: The amount of money the employees are paid per day
- 5. **Department**: Department of the company at which the employee belong
- 6. **DistanceFromHome**: Employee home distance from the workplace
- 7. **Education**: Educational level of the employee (1=Below College, 2=College, 3=Bachelor, 4=Master,5 = Doctor)
- 8. **EducationField**: Education field of employee (Human Resources, Life Sciencies, Marketing, Medical, Technical Degree, Other)
- 9. EmployeeCount: Coolumn all equal to 1 to count the total number of employee in the data set
- 10. **EmployeeNumber**: unique number to identify the employee
- 11. **EnvironmentSatisfaction**: level of environment satisfaction (1=Low, 2=Medium, 3=High, 4=Very High)
- 12. **Gender**: Gender of the employee (Male, Female)
- 13. HourlyRate: The amount of money the employees are paid per hour
- 14. **JobInvolvement**: Level of involvement of the employee (1=Low, 2=Medium, 3=High, 4=Very High)
- 15. **JobLevel**: Is a category of authority in the company (1=low, 5=High)
- 16. **JobRole**: Represent the role cover by the employee (Sales Executive, Research Scientist, Laboratory Technician, Manufacturing Director, Healthcare Representative, Manager, Sales Representative, Research Director, Human Resources)
- 17. **JobSatisfaction**: Level of satisfaction of the employee (1=Low, 2=Medium, 3=High, 4=Very High)
- 18. MaritalStatus: Marital status of the employee (Divorced, Married, Single)
- 19. MonthlyIncome: Monthly income of the employee
- 20. MonthlyRate: Monthly rate of employee
- 21. NumCompaniesWorked: Number of companies for ehich the employee worked
- 22. Over18: If the age of the employee is higher than 18 (Y = yes, N = no)
- 23. **OverTime**: If the employee perform over time (Yes, No)
- 24. **PercentSalaryHike**: Represent the percentage inrease of a salary
- 25. **PerformanceRating**: Performance rating of the employee (1=Low, 2=Good,3=Excellent,4=Outstanding)



- 26. **RelationshipSatisfaction**: Relationship satisfaction of the employee (1=Low, 2=Medium, 3=High, 4=Very High)
- 27. Standard Hours: Standard working hour per week? (80 for everyone)
- 28. StockOptionLevel: Stock option level
- 29. TotalWorkingYears: Total years of working
- 30. TrainingTimesLastYear: Training hours of the last year
- 31. WorkLifeBalance: the amount of time you spend doing your job compared with the amount of time you spend with your family and doing things you enjoy (1=Bad,2=Good, 3=Better, 4=Best)
- 32. YearsAtCompany: Total years of working at the company
- 33. YearsInCurrentRole: Total years spent in the current position
- 34. YearsSinceLastPromotion: How many year ago the employee had the last promotion
- 35. YearsWithCurrManager: How many years the employee is with the actual manager
- 36. City: where the employee works (London, Barcelona)

## 4 Cleaning Data

#### 4.1 Names

In this sub-point we are going to change the names of the variables in order to have all he names of the variables with the same layout.

```
mydb <- mydb %>% clean_names(., "snake")
```

#### 4.2 Dimensions

First of all, we are going to check the actual dimension of our dataset. Hence, from the following code we can understand that there are 36 variables in total and

```
mydb %>% dim()

## [1] 1506 36

mydb %>% nrow()

## [1] 1506

mydb %>% ncol()
```

#### 4.3 Head and Tail

## [1] 36

Here, we are going to check the first 10 elements at the beginning and at the end of the dataset. Consecutively, we are going to check the top and the bottom values of the main relevant variables to catch some errors.

```
mydb %>% head(10)
mydb %>% tail(10)
mydb<-rename(mydb, age =age)
mydb %>% arrange(desc(age)) %>% top_n(10, age)
mydb %>% arrange(age) %>% top_n(-10, age)
```

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#### 4.4 Removing

In this part of the data cleaning we are going to remove all the blank rows, the duplicates and strange values that may affect our analysis.

```
# Remove blank rows and columsn
mydb <- mydb %>% remove_empty(c("rows", "cols"))

# Removing entries with too high and too low age
mydb <- mydb %>% filter(age <= 80 & age >= 16)
mydb <- mydb %>% filter(job_involvement <= 4)
mydb <- mydb %>% filter(num_companies_worked >= 0)
```

Therefore, as we can see, this line of code did not affected our dataset. So, this mean that there are no rows or columns that are empty.

Now, we are going to pass to the study of duplicates, by the *employee\_number* variable that we suggest it is the key.

```
# Duplicates removal
mydb %>% get_dupes(employee_number)
mydb <- mydb %>% distinct(employee_number, .keep_all= TRUE)
```

#### 4.5 Checking n's

Hence, now it is time to check the n's.

#### 4.6 Droping na

To conclude, the cleaning of the dataset, we are going to remove every line with at least one empy gap.

```
mydb <- mydb %>% drop_na()
```

From know on we can easily proceed with our analysis.

## 5 Analysis

Our analysis consists in different parts.

- 1. First of all, we want to describe the gender equality inside the company and understand if there are discrepancies and how we can solve those problems.
- 2. Secondly, we want to understand the attrition factor and have a clear comprehension of what is the structure of the officies between Barcelona and London. This would be very helpful in otder to decrease the percentace of people who want to leave and how the company can improve the level of comfort of its employees.
- 3. Thirdly, we think is very important to describe the attitude of our employees and what it their satisfaction level. So, combining this solution with the previous question we can improve our decision and suggest to the company where it can adopt new HR methodologies.

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- 4. Fourthly, we want to understand how the company can find its successor and what could be the best solution.
- 5. To conclude, there is also the good practice to import in our project new datasets that could improve the decions that we can take.

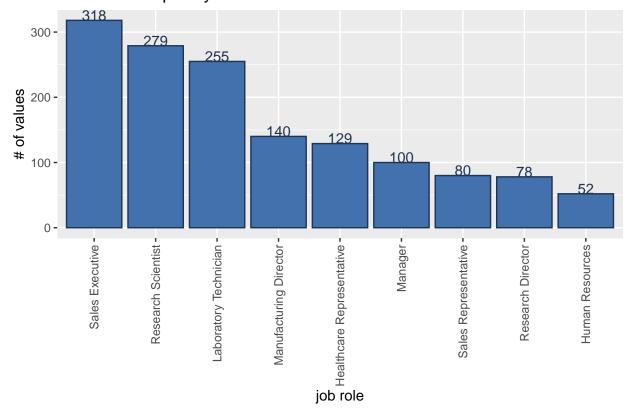
#### 5.1 Introduction Analysis

#### 5.1.1 Plot job role frequency

```
# This would help to analyse the number of types of jobs and compare with types
k <- mydb %>% tabyl(job_role)

ggplot(k, aes(x = reorder(job_role, -n), y = n)) +
    geom_bar(stat = "identity", fill = "#4271AE", colour = "#1F3552") +
    theme(axis.text.x=element_text(angle=90,hjust=1,vjust=0.5)) +
    geom_text(aes(label = n), vjust = 0, colour = "#1F3552")+
    labs(y= "# of values", x = "job role") +
    ggtitle("Job Role Frequency")
```

### Job Role Frequency

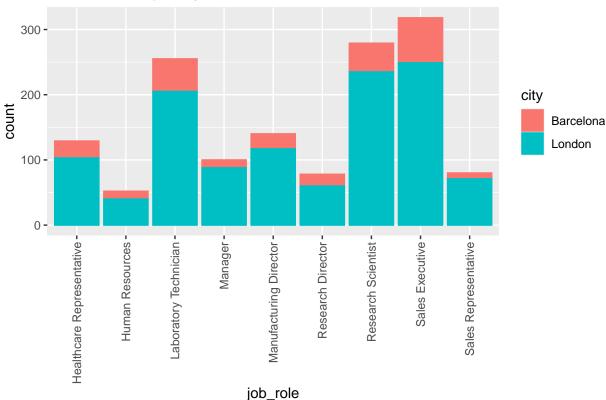


```
rm("k")
```



```
ggplot(mydb, aes(x = job_role, color = city, fill = city)) +
  geom_bar(stat = "count") +
  theme(axis.text.x=element_text(angle=90,hjust=1,vjust=0.5)) +
  ggtitle("Job Role Frequency Barcelona & London")
```





#### 5.2 Gender Analysis

First of all, we want to understand the salary that sex has. This would give us a better overview on how the salary is distributed inside the company. Moreover, we will also take into account the possibile differences that we have in the Barcelona and London headwarters.

#### 5.2.1 Monthly Income

It is pretty clear that the monthly income could be one of the most important variable that will determine the differences inside a compnay taking into account the gender analysis.

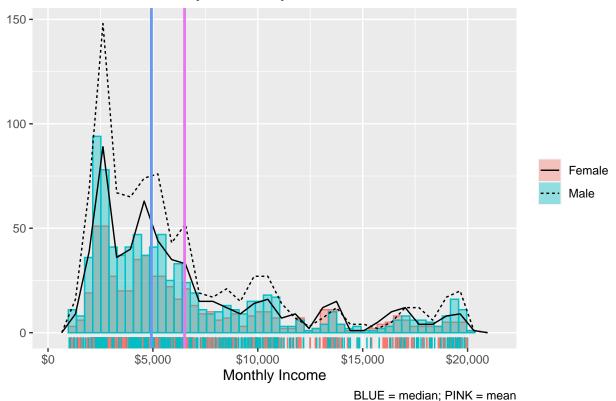
Introduction

summary(mydb\$monthly\_income)

```
## Min. 1st Qu. Median Mean 3rd Qu. Max.
## 1009 2909 4930 6510 8386 19999
```

```
mydb %>% select(monthly_income, gender) %>%
  ggplot(aes(monthly_income)) +
  geom_histogram(
   aes(monthly_income, color = gender, fill = gender),
   alpha = 0.4,
   position = "identity",
   bins = 50,
  ) +
  geom_freqpoly(aes(linetype = gender), bins = 30) +
  geom_rug(aes(color = gender)) +
  scale_x_continuous(labels = label_dollar()) +
  geom_vline(aes(xintercept = mean(monthly_income)), color = "#E67AEC", size = 1) +
  geom_vline(aes(xintercept = median(monthly_income)), color = "#6899F1", size = 1) +
  guides(color = "none") +
  labs(title = "Distridution of Monthly Income by Gender",
       caption = "BLUE = median; PINK = mean",
       x = "Monthly Income",
       y = NULL,
       fill = NULL,
       linetype = NULL)
```

## Distribution of Monthly Income by Gender



Hence, from this graph we can see that most of the employee have a salary lower than the average. In ddition, we can also see that generally we have the dotted male line almost always above the female line, but this can be considered acceptable, due to the fact that in our dataset we have more men and women. To conclude, we can also see that the major discrepancies are given from the lower range of salary, while the higher is the salary, the lower are the differences between the female and male monthly income.



Now, we will take a closer look to the monthly income between male an female . So, we can observe that the male have a worse results. While, the female has in medium an higher salray than man.

```
mydb %>%
  select(gender, monthly_income) %>%
  group_by(gender) %>%
  summarise(avg_income = round(mean(monthly_income), 2), .groups = "drop") %>%
  ggplot(aes(x = gender, y = avg_income)) +
  geom_col(aes(fill = gender), width = 0.3, show.legend = FALSE) +
  geom_text(
   aes(
     x = gender,
     y = 0.01,
      label = dollar(avg_income, prefix = "EUR ")
   ),
   hjust = -0.2,
   size = 4,
   colour = "white",
   fontface = "bold"
 ) +
  coord_flip() +
  scale_y_continuous(labels = label_dollar()) +
  theme(plot.title = element_text(size = 14, hjust = 0.5)) +
  labs(title = "Average Monthly Income by Gender",
       x = NULL,
      y = NULL)
```

## Average Monthly Income by Gender





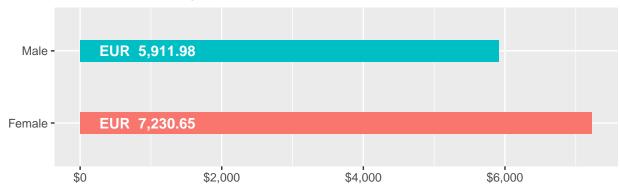
Clearly, this difference is so minimal that we need to go further in detail to clearly understand if we can adopt any strategy to balance the gender inside a company or not.

So, due to we also need to understan where is located this difference, we will filter by country.

```
# Barcelona
g1 <- mydb %>% filter(city == "Barcelona") %>%
  select(gender, monthly_income) %>%
  group_by(gender) %>%
  summarise(avg_income = round(mean(monthly_income), 2), .groups = "drop") %>%
  ggplot(aes(x = gender, y = avg_income)) +
  geom_col(aes(fill = gender), width = 0.3, show.legend = FALSE) +
  geom_text(
   aes(
     x = gender,
     y = 0.01,
     label = dollar(avg_income, prefix = "EUR ")
   ),
   hjust = -0.2,
   size = 4,
   colour = "white",
   fontface = "bold"
  ) +
  coord_flip() +
  scale_y_continuous(labels = label_dollar()) +
  theme(plot.title = element_text(size = 14, hjust = 0.5)) +
  labs(title = "Average Monthly Income by Gender: Barcelona",
      x = NULL,
      y = NULL)
# London
g2 <- mydb %>% filter(city == "London") %>%
  select(gender, monthly_income) %>%
  group_by(gender) %>%
  summarise(avg_income = round(mean(monthly_income), 2), .groups = "drop") %>%
  ggplot(aes(x = gender, y = avg_income)) +
  geom_col(aes(fill = gender), width = 0.3, show.legend = FALSE) +
  geom_text(
   aes(
     x = gender,
     y = 0.01,
     label = dollar(avg_income, prefix = "EUR ")
   ),
   hjust = -0.2,
   size = 4,
   colour = "white",
   fontface = "bold"
  ) +
  coord_flip() +
  scale_y_continuous(labels = label_dollar()) +
  theme(plot.title = element_text(size = 14, hjust = 0.5)) +
  labs(title = "Average Monthly Income by Gender: London",
      x = NULL
  y = NULL
```

grid.arrange(g1, g2, nrow = 2)

## Average Monthly Income by Gender: Barcelona



## Average Monthly Income by Gender: London



rm(g1, g2)

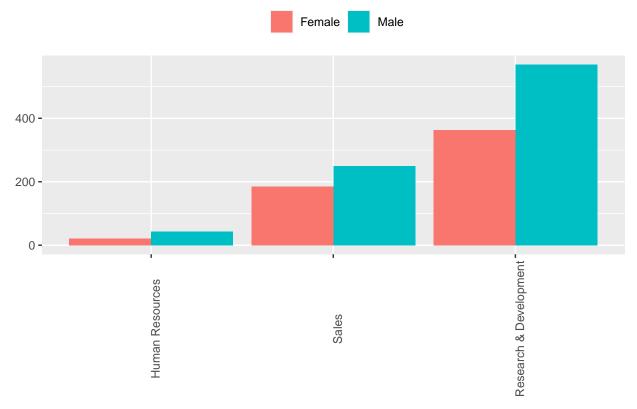
In this differentiation is definetely more clear how in Barcelona the monthly salary seems to privilege the female gender despite the male one. While, in London even if women has slightly higher average monthly salary, this is so small that can be omitted. In conclusion, we can focus to Barcelona and try to identify here the causes of this differences.

#### 5.2.2 Department



```
legend.position = "top") +
labs(title = "Number of Employees by Department and Gender",
x = NULL,
y = NULL,
fill = NULL)
```

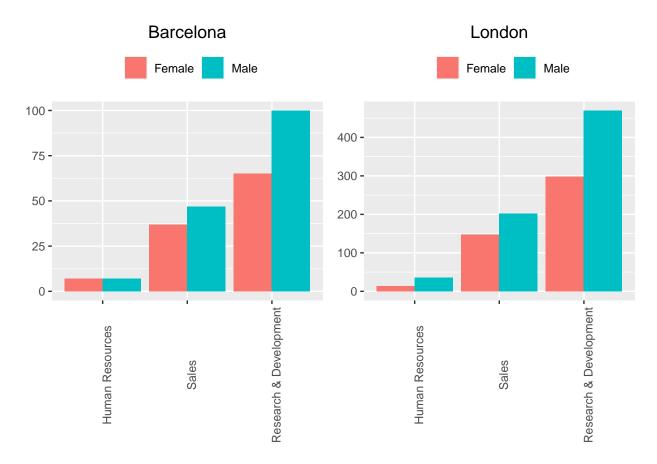
## Number of Employees by Department and Gender



Therefore, in this graph we can see how inside the company we have the majority of employees in the field of research and development. Moreover, also here we can see that in general the male sex has an higher frequency in each department compared to to female one.

Also here we found pretty important to stat that the differences between Barcelona and London to decide ultimately where to take decisions.

```
x = NULL,
y = NULL,
fill = NULL)
# London
g2 <- mydb %>% filter(city == "London") %>%
  group_by(department, gender) %>%
  summarise(amount = n(), .groups = "drop") %>%
  ggplot(aes(
   x = fct_reorder(department, amount),
   y = amount,
   fill = gender
  )) +
  geom_col(position = "dodge") +
  theme(axis.text.x = element_text(angle = 90),
        plot.title = element_text(hjust = 0.5),
        legend.position = "top") +
  labs(title = "London",
x = NULL,
y = NULL,
fill = NULL)
grid.arrange(g1, g2, nrow = 1)
```





#### rm(g1, g2)

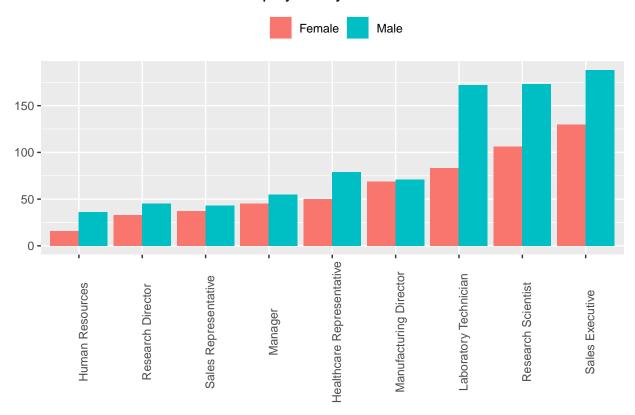
Now, we can start seeing that the major differences about the number of employees and their distribution is mainly in London, while in Barcelona for instance, In the HR department we have almost the same number of employee per gender. This balance inside the company is a good sign of gender equality, even if there are some department, such as sales and R&D where the male sex is predominant In both London and Barcelona.

#### **5.2.3** Job Role

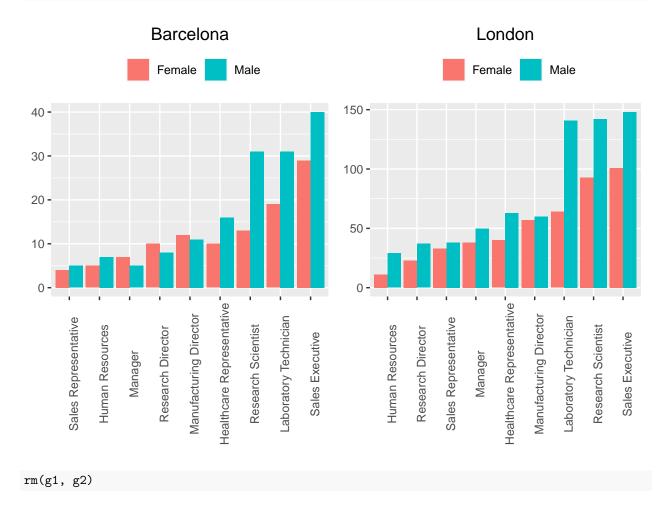
The same analysis as above is represented below taking into account the job\_role variable.

```
mydb %>%
  group_by(job_role, gender) %>%
  summarise(amount = n(), .groups = "drop") %>%
  ggplot(aes(
    x = fct_reorder(job_role, amount),
    y = amount,
    fill = gender
  )) +
  geom_col(position = "dodge") +
  theme(axis.text.x = element_text(angle = 90),
        plot.title = element_text(hjust = 0.5),
        legend.position = "top") +
  labs(title = "Number of Employees by Job Role and Gender",
x = NULL,
y = NULL,
fill = NULL)
```

## Number of Employees by Job Role and Gender



```
# Barcelona
g1 <- mydb %>% filter(city == "Barcelona") %>%
  group_by(job_role, gender) %>%
  summarise(amount = n(), .groups = "drop") %>%
  ggplot(aes(
   x = fct_reorder(job_role, amount),
    y = amount,
   fill = gender
  )) +
  geom_col(position = "dodge") +
  theme(axis.text.x = element_text(angle = 90),
        plot.title = element_text(hjust = 0.5),
        legend.position = "top") +
  labs(title = "Barcelona",
x = NULL,
y = NULL,
fill = NULL)
# London
g2 <- mydb %>% filter(city == "London") %>%
  group_by(job_role, gender) %>%
  summarise(amount = n(), .groups = "drop") %>%
  ggplot(aes(
    x = fct_reorder(job_role, amount),
    y = amount,
   fill = gender
```

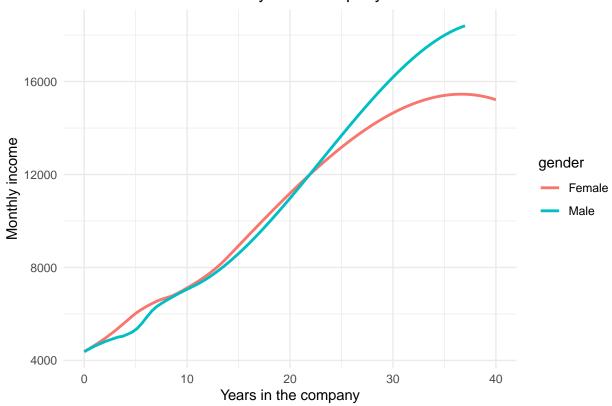


This two graphs seems to be relevant in some job roles. In fact, as we can see in Barcelona, women play an essential role in the two Director job roles.

#### 5.2.4 Seniority

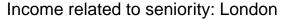
Taking in consideration both company location In this graphs in order to show that up in a better way, we decided to remove the confidence interval and the points.

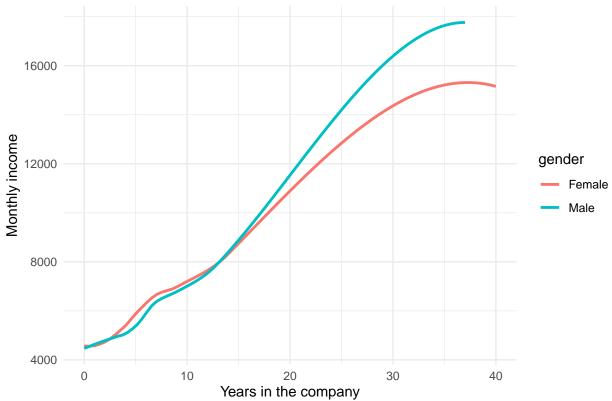
## Income related to seniority to all company location



So, as we can see here, generally speaking the female gender has an higher salary compare to the male gender. This is true till approximately the 20th year of seniority inside the company where the male gender will overcome the female monthly income in a dramatic way.

Taking in consideration London

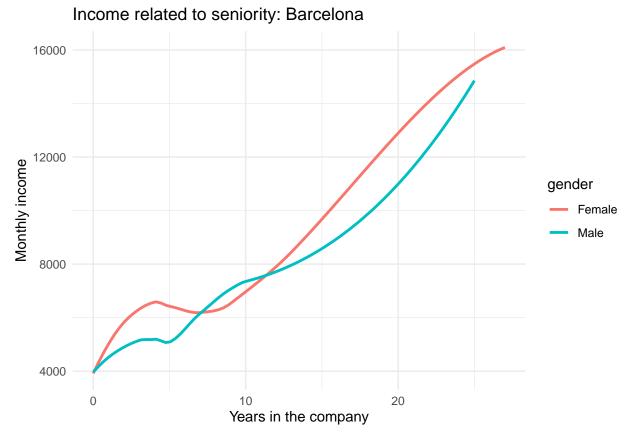




In the specific case of London we can stat that generally speaking the monthly income is well balanced between male and female work positions, but around the 15th year of seniority the male gender will have a boost in therm of monthly income.

 $Taking\ in\ consideration\ Barcelona$ 

```
ggplot(mydb%>%filter(city=="Barcelona"),
          aes(x=years_at_company, y=monthly_income, colour=gender)) +
geom_smooth(method = 'loess', formula = y ~ x, se=F) + labs(
    title = "Income related to seniority: Barcelona",
          x = "Years in the company",
          y = "Monthly income"
    ) +
theme_minimal()
```



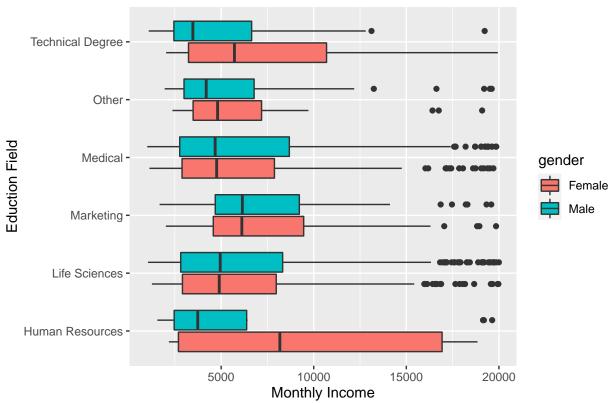
Now, in Barcelona we can see hat the resoult we obtained is pretty different than before. In fact, the female gender has generally an higher income compared to the male gender.

#### 5.2.5 Education field

Performance rating education field.

```
ggplot(mydb, aes(y= education_field, x = monthly_income, fill = gender))+
labs(y = "Eduction Field", x = "Monthly Income", title = "Income per gender and Education field") +
geom_boxplot()
```

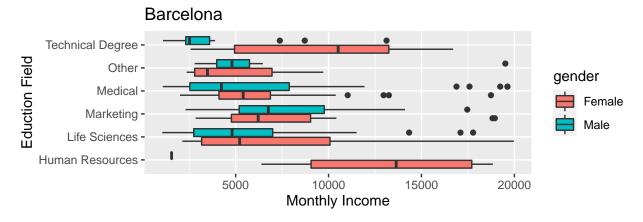
## Income per gender and Education field

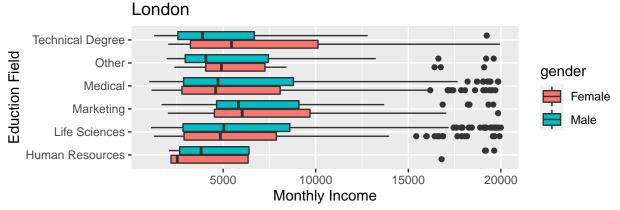


```
# Barcelona
g1 <- ggplot(mydb%>%filter(city == "Barcelona"), aes(y= education_field, x = monthly_income, fill = gentlabs(y = "Eduction Field", x = "Monthly Income", title = "Barcelona") +
    geom_boxplot()

# London
g2 <- ggplot(mydb%>%filter(city == "London"), aes(y= education_field, x = monthly_income, fill = gender labs(y = "Eduction Field", x = "Monthly Income", title = "London") +
    geom_boxplot()

grid.arrange(g1, g2, nrow = 2)
```





rm(g1, g2)

So, in the first graph we can see that there are some differences. Hence we decided to locate them and understood that the major problems are in Barcelona. In fact, in the HR sector, women have an higher salary than men, also for technical degree we can see how the female gender seems to have a clear advantage on that.

Clearly, per education field we can see also that in some cases also the male gender seems to have a slightly higer salary, but the main focus are those from which the discrepancy are very high, such as HR in Barcelona and Technical Degree, always in Barcelona.

#### 5.2.6 Regression

To conclude, we wanted also to see if the gender is a relevan variable that affect *monthly\_income* or other variables relavant for our study.

```
mod1 <- lm(monthly_income ~ ., data = mydb)
summary(mod1)

##
## Call:
## lm(formula = monthly_income ~ ., data = mydb)
##
## Residuals:
## Min 1Q Median 3Q Max</pre>
```



```
## -3908.5 -708.4
                      -2.6
                             671.1 4386.4
## Coefficients: (2 not defined because of singularities)
##
                                      Estimate Std. Error t value Pr(>|t|)
## (Intercept)
                                     3.470e+02
                                                7.669e+02
                                                            0.453 0.650964
## age
                                    -5.641e+00
                                               4.709e+00
                                                         -1.198 0.231111
## attritionYes
                                     3.134e+01
                                               9.423e+01
                                                            0.333 0.739467
## business_travelTravel_Frequently
                                     1.522e+02
                                                1.179e+02
                                                            1.291 0.196892
## business_travelTravel_Rarely
                                     1.809e+02
                                               1.007e+02
                                                           1.797 0.072541
## daily_rate
                                     8.238e-02 7.538e-02
                                                            1.093 0.274661
## departmentResearch & Development 3.289e+02 3.880e+02
                                                            0.848 0.396800
## departmentSales
                                     1.243e+02
                                                4.096e+02
                                                            0.303 0.761617
## distance from home
                                    -4.345e+00 3.731e+00 -1.165 0.244375
## education
                                    -1.657e+01 3.035e+01 -0.546 0.585303
## education_fieldLife Sciences
                                    -1.192e+02 2.915e+02
                                                          -0.409 0.682715
                                                          -0.067 0.946408
## education_fieldMarketing
                                    -2.094e+01
                                               3.114e+02
                                                          -0.484 0.628357
                                    -1.418e+02 2.928e+02
## education_fieldMedical
                                                          -0.702 0.482566
## education_fieldOther
                                    -2.207e+02 3.142e+02
## education_fieldTechnical Degree
                                    -4.758e+01 3.056e+02 -0.156 0.876305
## employee_count
                                            NA
                                                               NA
                                     7.576e-02 5.037e-02
## employee_number
                                                            1.504 0.132803
## environment_satisfaction
                                    -3.513e+00
                                                2.804e+01
                                                          -0.125 0.900322
## genderMale
                                     1.033e+02 6.209e+01
                                                            1.664 0.096398
## hourly rate
                                     1.065e+00
                                               1.492e+00
                                                            0.714 0.475601
## job involvement
                                    -9.031e+01 4.298e+01
                                                          -2.101 0.035832 *
## job level
                                     2.758e+03 6.892e+01
                                                          40.018 < 2e-16 ***
## job_roleHuman Resources
                                    -4.542e+01
                                               4.133e+02
                                                           -0.110 0.912508
## job_roleLaboratory Technician
                                    -5.865e+02 1.413e+02
                                                          -4.150 3.53e-05 ***
## job_roleManager
                                     4.247e+03 2.105e+02 20.177 < 2e-16 ***
## job_roleManufacturing Director
                                    -4.501e+01 1.394e+02 -0.323 0.746829
## job_roleResearch Director
                                     4.072e+03 1.846e+02 22.064 < 2e-16 ***
                                    -5.202e+02 1.399e+02 -3.718 0.000209 ***
## job_roleResearch Scientist
## job_roleSales Executive
                                     1.204e+02 2.746e+02
                                                            0.439 0.661048
## job_roleSales Representative
                                    -5.310e+02 3.059e+02 -1.736 0.082827
## job_satisfaction
                                     8.567e-01
                                                2.776e+01
                                                            0.031 0.975385
                                     1.722e+01 8.113e+01
                                                            0.212 0.831897
## marital_statusMarried
## marital_statusSingle
                                    -3.919e+01
                                               1.119e+02
                                                          -0.350 0.726291
                                                          -1.079 0.280650
## monthly_rate
                                    -4.583e-03 4.246e-03
## num_companies_worked
                                     1.128e+01
                                               1.361e+01
                                                            0.829 0.407411
## over18Y
                                    -2.533e+01 4.363e+02
                                                         -0.058 0.953715
## over_timeYes
                                    7.032e+01 7.004e+01
                                                            1.004 0.315615
## percent salary hike
                                     1.746e+01 1.306e+01
                                                            1.337 0.181600
## performance rating
                                    -1.627e+02 1.316e+02 -1.237 0.216350
                                     2.005e+01 2.817e+01
## relationship_satisfaction
                                                            0.712 0.476750
## standard_hours
                                                               NA
                                                                        NA
                                           NΑ
                                                       NΑ
## stock_option_level
                                    -4.319e+01
                                               4.853e+01
                                                          -0.890 0.373648
                                                           5.598 2.62e-08
## total_working_years
                                     4.752e+01 8.490e+00
## training_times_last_year
                                    -1.715e+01
                                               2.369e+01
                                                          -0.724 0.469296
                                                          -0.364 0.716218
## work_life_balance
                                    -1.562e+01
                                                4.295e+01
## years_at_company
                                     3.395e+00
                                                1.057e+01
                                                            0.321 0.748023
## years_in_current_role
                                     5.206e+00 1.356e+01
                                                            0.384 0.701107
                                               1.219e+01
                                                            1.940 0.052544
## years_since_last_promotion
                                     2.366e+01
                                                          -2.216 0.026842
## years_with_curr_manager
                                    -3.138e+01
                                               1.416e+01
                                    -1.143e+01 7.823e+01 -0.146 0.883837
## cityLondon
```



summary(mod3)

```
## Signif. codes: 0 '***' 0.001 '**' 0.05 '.' 0.1 ' ' 1
## Residual standard error: 1129 on 1383 degrees of freedom
## Multiple R-squared: 0.9445, Adjusted R-squared: 0.9426
## F-statistic: 500.8 on 47 and 1383 DF, p-value: < 2.2e-16
mod2 <- lm(monthly_income ~ gender, data = mydb)</pre>
summary(mod2)
##
## Call:
## lm(formula = monthly_income ~ gender, data = mydb)
## Residuals:
             1Q Median
##
     Min
                            3Q
                                  Max
  -5554 -3586 -1555 1924 13603
##
##
## Coefficients:
##
              Estimate Std. Error t value Pr(>|t|)
                 6682.8
                             197.5 33.837 <2e-16 ***
## (Intercept)
## genderMale
                 -287.2
                             254.5 -1.129
                                              0.259
## ---
## Signif. codes: 0 '***' 0.001 '**' 0.05 '.' 0.1 ' ' 1
## Residual standard error: 4711 on 1429 degrees of freedom
## Multiple R-squared: 0.0008906, Adjusted R-squared:
## F-statistic: 1.274 on 1 and 1429 DF, p-value: 0.2593
names (mydb)
   [1] "age"
                                     "attrition"
##
   [3] "business_travel"
                                     "daily rate"
  [5] "department"
                                     "distance_from_home"
##
##
   [7] "education"
                                     "education_field"
##
  [9] "employee_count"
                                     "employee_number"
## [11] "environment_satisfaction"
                                     "gender"
                                     "job_involvement"
## [13] "hourly_rate"
## [15] "job_level"
                                     "job_role"
## [17] "job_satisfaction"
                                     "marital_status"
                                     "monthly_rate"
## [19] "monthly_income"
## [21] "num_companies_worked"
                                     "over18"
## [23] "over_time"
                                     "percent_salary_hike"
## [25] "performance_rating"
                                     "relationship_satisfaction"
## [27] "standard_hours"
                                     "stock_option_level"
## [29] "total_working_years"
                                     "training_times_last_year"
## [31] "work_life_balance"
                                     "years_at_company"
## [33] "years_in_current_role"
                                     "years_since_last_promotion"
## [35] "years_with_curr_manager"
                                     "city"
mod3 <- lm(monthly_income ~ age + gender + business_travel + education_field + education + distance_from
```

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```
##
## Call:
  lm(formula = monthly_income ~ age + gender + business_travel +
##
       education_field + education + distance_from_home + job_level +
##
       job_role + marital_status + total_working_years + performance_rating +
##
       years_at_company, data = mydb)
##
## Residuals:
##
       Min
                10
                   Median
                                30
                                        Max
                              660.6
##
  -3891.7
           -705.5
                       2.1
                                    4258.4
##
## Coefficients:
##
                                     Estimate Std. Error t value Pr(>|t|)
## (Intercept)
                                      193.964
                                                 450.615
                                                           0.430 0.666940
## age
                                       -4.646
                                                   4.638
                                                          -1.002 0.316737
  genderMale
                                      104.622
                                                  61.651
                                                           1.697 0.089917
                                                           1.205 0.228563
## business_travelTravel_Frequently
                                                 116.457
                                      140.283
## business_travelTravel_Rarely
                                                 100.023
                                                           1.662 0.096735
                                      166.238
## education_fieldLife Sciences
                                      -44.626
                                                 268.716
                                                          -0.166 0.868124
## education_fieldMarketing
                                       30.145
                                                 287.329
                                                           0.105 0.916458
                                                 269.850
                                                          -0.213 0.831460
## education_fieldMedical
                                      -57.443
## education_fieldOther
                                     -132.605
                                                 291.814
                                                          -0.454 0.649599
## education_fieldTechnical Degree
                                                 283.180
                                                           0.110 0.912314
                                       31.189
## education
                                      -17.829
                                                  30.166
                                                          -0.591 0.554597
## distance from home
                                       -4.104
                                                   3.703
                                                          -1.108 0.268013
## job_level
                                     2772.607
                                                  68.512
                                                          40.469 < 2e-16 ***
                                                          -1.481 0.138945
## job_roleHuman Resources
                                     -328.629
                                                 221.961
## job_roleLaboratory Technician
                                     -608.474
                                                 140.212
                                                          -4.340 1.53e-05 ***
## job_roleManager
                                     4114.167
                                                 182.436
                                                          22.551 < 2e-16 ***
## job_roleManufacturing Director
                                      -91.199
                                                 138.511
                                                          -0.658 0.510374
## job_roleResearch Director
                                     4006.173
                                                 183.527
                                                          21.829 < 2e-16 ***
                                                          -3.784 0.000161 ***
## job_roleResearch Scientist
                                     -528.001
                                                 139.542
## job_roleSales Executive
                                     -105.359
                                                 126.509
                                                          -0.833 0.405089
## job_roleSales Representative
                                     -701.603
                                                 182.652
                                                          -3.841 0.000128 ***
## marital_statusMarried
                                       48.096
                                                  77.150
                                                           0.623 0.533118
## marital_statusSingle
                                       23.255
                                                  83.002
                                                           0.280 0.779380
                                                   8.232
## total_working_years
                                       49.009
                                                           5.953 3.32e-09 ***
                                      -27.222
                                                  82.507
                                                          -0.330 0.741496
## performance_rating
## years_at_company
                                       -4.357
                                                   6.479
                                                          -0.672 0.501379
##
## Signif. codes: 0 '***' 0.001 '**' 0.05 '.' 0.1 ' ' 1
##
## Residual standard error: 1130 on 1405 degrees of freedom
## Multiple R-squared: 0.9435, Adjusted R-squared: 0.9425
## F-statistic: 937.9 on 25 and 1405 DF, p-value: < 2.2e-16
```

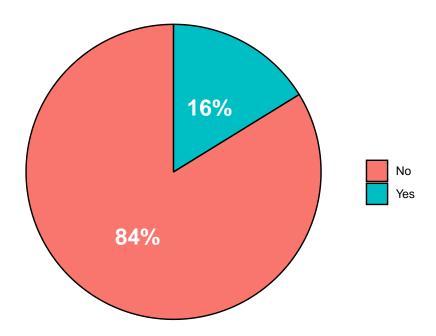
Hence, after this tree linear regression models we finally understood that actually the gender variable isn't significative to determine the monthly income. Anyway, this doesn't means that there are no discrepancy between gender, but simply that we need to develop an internal company analysis understand how in Barcelona for some kind of roles women and men have higher salaries compared to the opposite sex.



#### 5.3 Attrition Analysis

First of all, we want to understand how the percentage of attrition is distributed inside the company. Then, we will differenciate per country.

# Are the Attrition var Balanced? Pie Plot,percentortion of YES to NO in Attrition Var



UPC

```
# Removing the un-used variables
rm("temp")

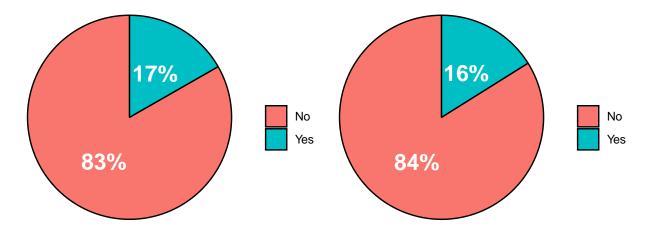
# Barcelona
# Create a temporary dataset to get the percentage of employees that would leave the company
```



```
t1 <- mydb %>% filter(city == "Barcelona") %>%
  group_by(attrition) %>%
  summarize(counts = n()) %>%
  mutate(percent = percentage_func(counts)) %>%
  arrange(desc(percent))
g1 <- pie_chart_func(dataset = t1,</pre>
               counts_var = t1$counts,
               var_interest = t1$attrition,
               title = "Barcelona",
               subtitle = "Pie Plot,percentortion of YES to NO in Attrition Var",
               caption = "")
# London
t2 <- mydb %>% filter(city == "London") %>%
  group_by(attrition) %>%
  summarize(counts = n()) %>%
  mutate(percent = percentage_func(counts)) %>%
  arrange(desc(percent))
# Create a pie chart to see the percentage of people that will leave the company
g2 <- pie_chart_func(dataset = t2,</pre>
               counts_var = t2$counts,
               var_interest = t2$attrition,
               title = "London",
               subtitle = "Pie Plot,percentortion of YES to NO in Attrition Var",
               caption = "")
grid.arrange(g1, g2, nrow = 1)
```

## Barcelona London

Pie Plot, percentortion of YES to NO in Attrition \@ie Plot, percentortion of YES to NO in Attrition \



```
# Removing the un-used variables rm(g1, g2, t1, t2)
```

Fortunately, as we can see the percentage of attrition between Barcleona and London is almost the same, so we can proceed with a generalized analysis.

```
mydb %>% select(starts_with("years"), attrition) %>%
ggpairs(
  aes(color = attrition),
  lower = list(continuous = wrap(
    "smooth",
    alpha = 0.2,
   size = 0.5,
    color = "#DE945E"
  )),
  diag = list(continuous = "barDiag"),
  upper = list(continuous = wrap("cor", size = 4))
) +
  theme(
    axis.text = element_text(size = 8),
    panel.background = element_rect(fill = "white"),
    strip.background = element_rect(fill = "white"),
    strip.background.x = element_rect(colour = "black"),
    strip.background.y = element_rect(colour = "black"),
```

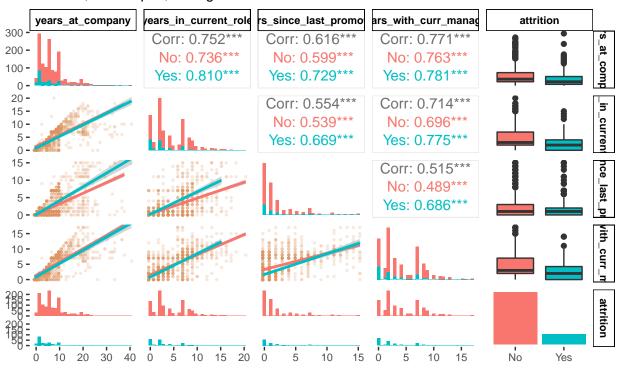
29



```
strip.text = element_text(color = "black", face = "bold", size = 8)
) +
labs(
  title = "Pair plot by attrition Var",
  subtitle = "Pair Plot, scatter plot, Histogram and Correlation coefficient",
  caption = "",
  x = NULL,
  y = NULL
)
```

## Pair plot by attrition Var

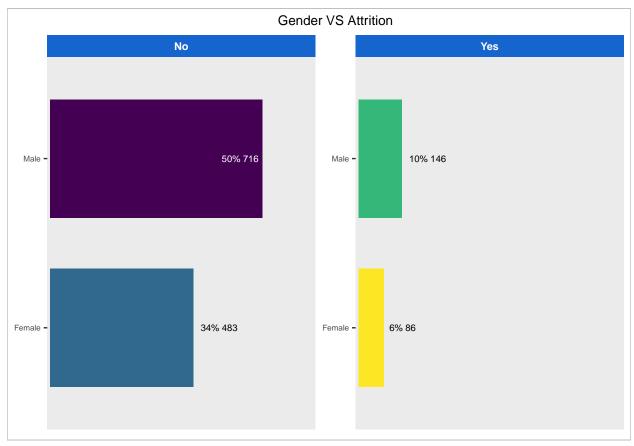
Pair Plot, scatter plot, Histogram and Correlation coefficient



#### 5.3.1 Gender vs Attrition

bar\_plot\_proportions(gender, attrition)



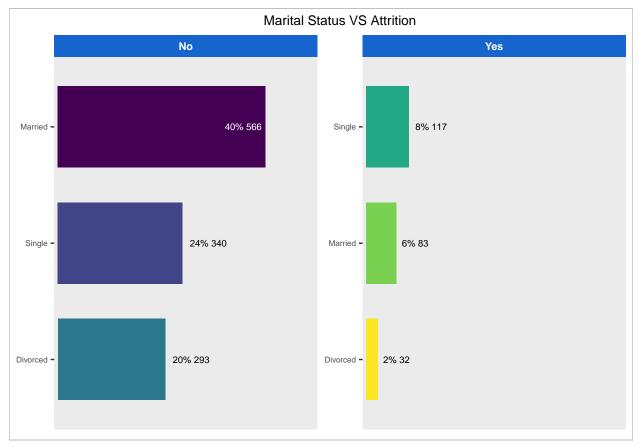


So, as we can see male tend to leave the comapny more the women does, but we also have to take into account the fact that there are more men in the company. Hence, the relation seems to be pretty balanced.

#### 5.3.2 Marital status vs Attrition

bar\_plot\_proportions(marital\_status, attrition)



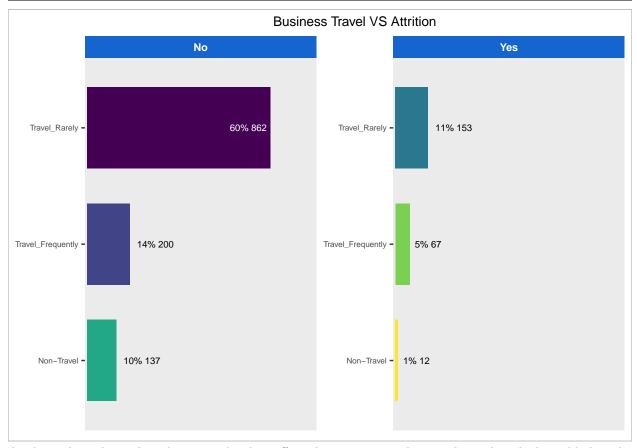


Here, we can see how single people tend to leave the company more, compared to married and divorced.

The *business\_travel* variable could be a very important variable that will tell us if the travels affect the attrition variable.

bar\_plot\_proportions(business\_travel, attrition)

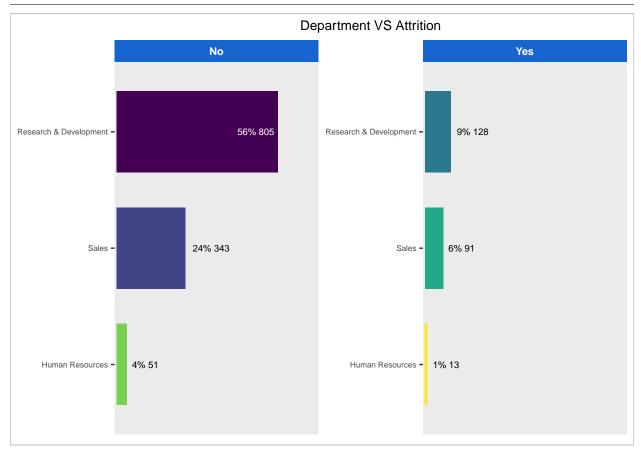




At the end, we have that the main obs that affect the attrition is the travel\_rarely, which could that the non routine and the change of plans for the single employee could cause an higher attrition. Hence, we suggest to clarify with higher advance if that employee have to travel or not, and finally take the new results and compute a further analysis.

The *department* variable could be a very important variable that will tell us if the department affect the attrition variable.

bar\_plot\_proportions(department, attrition)



Here instead, we can see how the R&D department seems the one with higher attrition. Anyway, we have also have to take into consideration that the majority of the people inside the company work in this department.

Now, we want to study also the

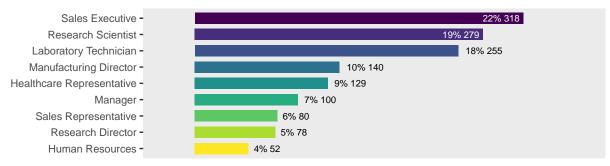
```
plt_job_role <- bar_plot_proportions(job_role)
plt_job_role_att <- bar_plot_proportions(job_role, attrition)
plt_education_field <- bar_plot_proportions(education_field)
plt_education_field_att <- bar_plot_proportions(education_field, attrition)

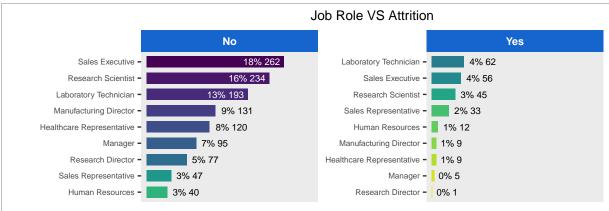
(plt_job_role /
    plt_job_role_att) +
    plot_annotation(
    title = "Proportions of Job role VS Attrition",
    caption = ""
) &
    theme(plot.caption = element_text(color = "#969696", size = 7))</pre>
```

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## Proportions of Job role VS Attrition

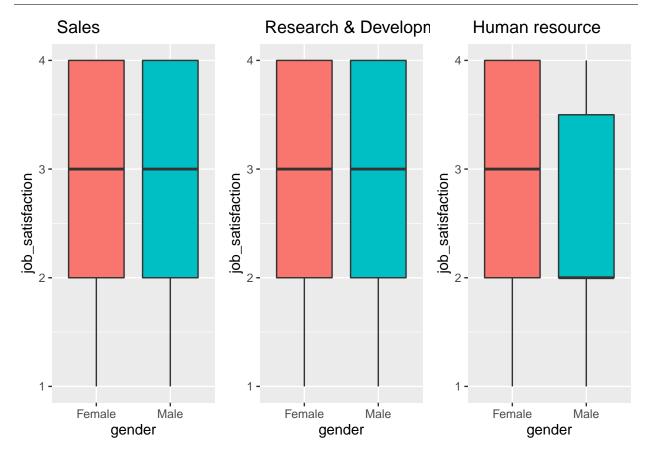




satisfaction of male and female in each department considering the whole data set

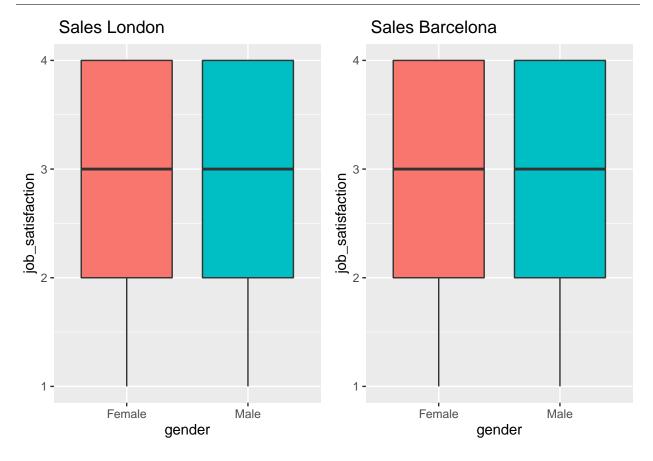
```
##Sales
g1 <- ggplot(mydb%>%filter(department =="Sales"),
             aes(x= gender, y=job_satisfaction, fill= gender))+
  geom_boxplot(show.legend = FALSE)+
  labs(title = " Sales")
##Research & Development
g2 <- ggplot(mydb%>%filter(department =="Research & Development"),
             aes(x= gender, y=job_satisfaction, fill= gender))+
  geom_boxplot(show.legend = FALSE)+
  labs(title = " Research & Development ")
##Human Resource
g3 <- ggplot(mydb%>%filter(department =="Human Resources"),
             aes(x= gender, y=job_satisfaction, fill= gender))+
  geom_boxplot(show.legend = FALSE)+
  labs(title = " Human resource ")
grid.arrange(g1, g2, g3, ncol = 3)
```

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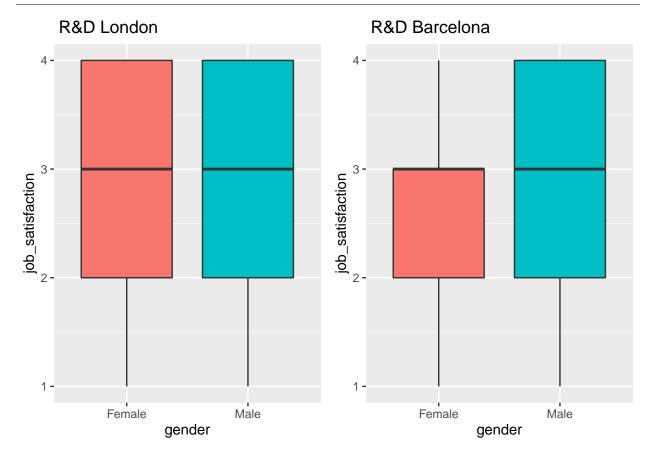


#### 5.4 Differences between the two cities in term of job satisfaction

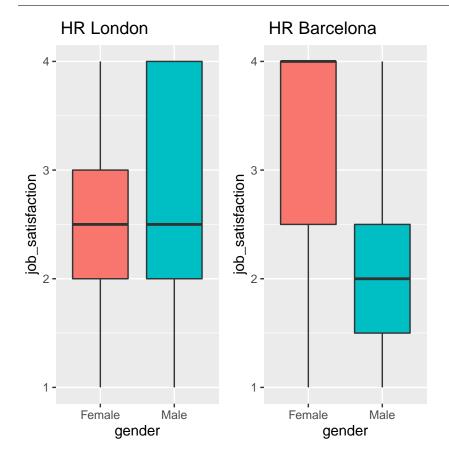
#### 5.4.1 Sales, Gender, Job satisfaction



#### 5.4.2 R&D, Gender, Job satisfaction



#### 5.4.3 HR, Gender, Job satisfaction



grid.arrange(g1, g2, g3, g4, g5, g6, g7, g8, g9, ncol = 3, top = "Comparison between job satisfaction and approximately comparison and a



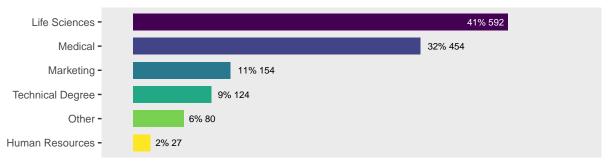
#### Comparison between job satisfaction and gender Research & Developn satisfaction Sales Human resource job\_satisfaction satisfaction 4 -4 -4 -3 -3 -3 -2-2-2 -1 -1 1 jobi job Male Female Male Female Male Female gender gender gender Sales London Sales Barcelona R&D London job\_satisfaction satisfaction satisfaction 3 -3 -3 -2 -2-2 -1 -1 -1 i do j <u>do</u>[ Female Male Female Male Female Male gender gender gender R&D Barcelona HR London HR Barcelona job\_satisfaction job\_satisfaction job\_satisfaction 4 -4 -3 -3 -3 -2 -2 -2 -Female Male Female Male Female Male gender gender gender

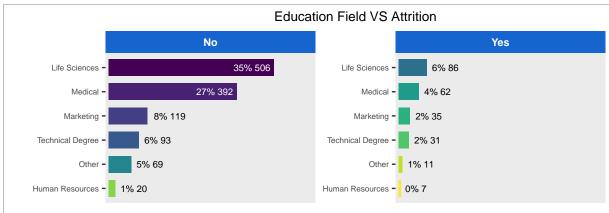
```
# clean variables
rm(g1, g2, g3, g4, g5, g6, g7, g8, g9)
```

```
(plt_education_field /
    plt_education_field_att) +
    plot_annotation(
    title = "Proportions of Education field VS Attrition",
    caption = "Data Source: Kaggle IBM HR Employee Attrition"
) &
    theme(plot.caption = element_text(color = "#969696", size = 7))
```



# Proportions of Education field VS Attrition





Data Source: Kaggle IBM HR Employee Attrition

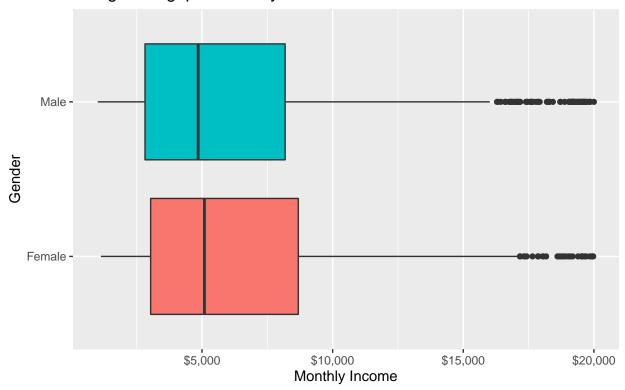
```
mean_mi <- round(mean(mydb$monthly_income),2)
median_mi <- round(median(mydb$monthly_income),2)</pre>
```

```
ggplot(mydb,
    aes(x = gender,
        y = monthly_income,
        fill = gender)) +
geom_boxplot(show.legend = FALSE) +
coord_flip() +
scale_y_continuous(labels = label_dollar()) +
labs(title = "The gender gap in monthly income",
    caption = "Data Source: Kaggle IBM HR Employee Attrition",
    x = "Gender",
    y = "Monthly Income")
```

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## The gender gap in monthly income



Data Source: Kaggle IBM HR Employee Attrition

## 5.5 Environment Satisfaction per department

#### 5.5.1

```
ggplot(mydb, aes(x= department, y= environment_satisfaction, fill = department))+
geom_boxplot(show.legend = FALSE)
```





### London male

```
ggplot(mydb%>%filter(city == "London", gender== "Male"), aes(x= department, y= environment_satisfaction
  geom_boxplot(show.legend = FALSE)
```





#### London female

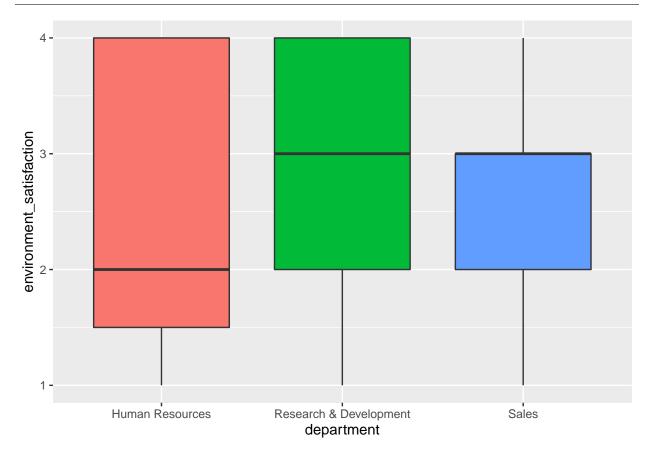
```
ggplot(mydb%>%filter(city == "London", gender== "Female"), aes(x= department, y= environment_satisfacti
geom_boxplot(show.legend = FALSE)
```



#### Barcelona malemale

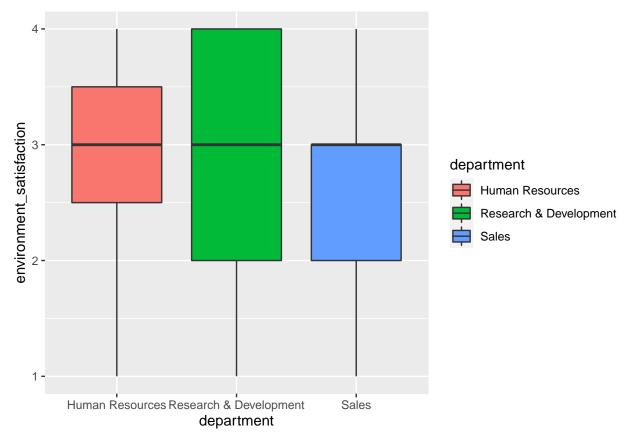
```
ggplot(mydb%>%filter(city == "Barcelona", gender== "Male"), aes(x= department, y= environment_satisfact
  geom_boxplot(show.legend = FALSE)
```





### Barcelona Female

```
ggplot(mydb%>%filter(city == "Barcelona", gender== "Female"), aes(x= department, y= environment_satisfa
geom_boxplot()+ labs(show.legend = FALSE)
```



# linear regression to understand which variable influence monthly income

```
\#m1 < -lm(city \sim ., mydb\% > \%drop_na()\% > \% select(-employee_count, -employee_number, -standard_hours)) \#summary(m1)
```

• performance rating e percent salary hike,

```
# Fa togliere
# ggplot(mydb%>%filter(city == "Barcelona"), aes(y= percent_salary_hike, x = performance_rating))+
# geom_point()
#
# ggplot(mydb%>%filter(city == "London"), aes(y= percent_salary_hike, x = performance_rating))+
# geom_point()
#
# ggplot(mydb, aes(x= percent_salary_hike, y = monthly_income)) + geom_point()
```

#### We can

- •
- total working year e age, years at company, relationship satisfaction, numb of companies worked, monthly income, job role, job level

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- environment satisfaction e over time (Yes), over 18, hourly rate, attrition yes
- job involvement job role, business travel and attrition



• job satisfaction attrition, years with current manager, overtime, marital status, hourly rate

-year since last promotion and, years in current role, years at company, job roles, attrition

### 6 Adding dataset

```
london_data<- read.csv("1st Dataset.csv")
london_data<- london_data%>%filter(Geography == "London", Sex == c("Female", "Male"), WorkingPattern ==
```

### 7 Conclusions

• Gender equality seems to be well reached in London, while in Barcelona we can suggest to concentrate more in defining same salaries per

### 8 References

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