PANAMA LIMITED HR EMPLOYEE ATTRITION ANALYSIS 2024

ABSTRACT

This project analyzes employee attrition at Panama Limited, a Financial Technology Company facing high employee turnover. Key factors driving high attrition rates are identified and strategic recommendations are given. The analysis reveals employees who joined Panama limited as under-aged (below 18 years) have the highest attrition rate of 13.25%, Auditing Department has the highest attrition rate at 17.07%, Job Titles Sales Associate, Statistician IV and Executive Secretary have the highest attrition rate of 50%, Female gender has the highest attrition rate of 11.35%, Native Hawaiian or Other Pacific Islander have the highest attrition rate of 11.41%, Employees who work at the Headquarters have the highest attrition rate of 11.02%, Michigan Employees have the highest attrition rate of 11.72%.

To address these issues, the project recommends several strategic changes, including discontinuing the hiring of underage workers, investigating departments, job titles, locations with high turnover, borrowing strategies from departments and job titles with high retention rates and increasing remote work opportunities. By creating a more supportive work environment and actively seeking employee feedback, Panama Limited can improve retention rates, enhance employee satisfaction, and foster a more engaged workforce.

TABLE OF CONTENTS

ABSTRACT	
INTRODUCTION	2
PROJECT OBJECTIVES	2
PROBLEM STATEMENT	2
DATA IMPORT AND DATABASE SETUP	3
DATA CLEANING AND TRANSFOMATION	3
Remove duplicates	3
Standardize Data	3
DATA ANALYSIS AND QUERYING	7
LIMITATIONS	20
DATA VISUALIZATION WITH EXCEL	20
DASHBOARD INTERACTIVITY AND USER EXPERIENCE	22
RECOMMENDATIONS	22

CONCLUSION.......23

INTRODUCTION

Employee attrition is defined as the natural process by which employees leave the workforce – for example, through resignation for personal reasons or retirement – and are not immediately replaced.

In this project I'm conducting an Employee Attrition Analysis for Panama Limited, a Financial Technology Company, which is facing high employee turnover. The HR department has provided me with a dataset containing information on employee demographics, job roles, races and tenure with the company in order task is to analyze it and identify key factors contributing to employee attrition and to provide recommendations to reduce turnover.

For this project I'll be using SQL for Data Cleaning & Analysis and Microsoft Excel for Visualization.

PROJECT OBJECTIVES

My primary Objectives for this project are:

- 1.To understand Panama Limited Employee demographics
- 2.To analyze the Employee data to find factors contributing to high attrition in the company
- 3. To give recommendations to reduce attrition rate

PROBLEM STATEMENT

- 1. What are the factors contributing to employee attrition in Panama Limited?
- 2. Which departments, Job titles, Gender, Race, Age and Locations are affected by attrition and what are their attrition rates?
- 3.At what ages were the employees hired? Could there be any under aged employees?
- 4. Which departments and job titles have underage employees (below 18 years) and how many are they?
- 5. What is the attrition rate comparison between underaged employees and normal aged employees?
- 6. What are the departments and job titles with highest retention rates?
- 7. What is the average tenure?

8. How many employees in each job title have a tenure of less than 1 year? What are the issues causing that?

9. Which current employees have stayed the longest in the company and what departments and job titles are they in? What can we learn from them?

10. What measures to take to reduce employee attrition?

DATA IMPORT AND DATABASE SETUP

I imported the Employee Data into MySQL Workbench using the Import Table Wizard for cleaning and analysis.

DATA CLEANING AND TRANSFOMATION

Here I removed duplicates in the data and then standardized it.

Remove duplicates.

```
SQL Project ×
                                                         - | 🛵 | 🥩 🔍 👖 🖘
 🚞 🔚 | 🥖 📝 👰 🕛 | 🔂 | 🔘 🚳 | | Don't Limit
         -- DATA CLEANING
  2
         -- Check for Duplicates
        SELECT ID, COUNT(*)
        FROM data
  5
        GROUP BY Id
        HAVING COUNT(*) > 1;
         -- Delete Duplicates
  8
        CREATE TABLE new_table AS
        SELECT DISTINCT *
 10
 11
         FROM data;
 12
 13 •
        DROP TABLE data;
 14
 15 •
         RENAME TABLE new_table TO data;
 16
```

Standardize Data

- Checked if any trim is required or misspelt words and Modified
- Merged First and Last Name into a new column Full Name
- Modified the Gender Column
- Converted data type to date for column Hire date
- Converted data type to date for column Birthdate
- Converted data type to date for column Termdate

```
SQL Project ×
 🚞 🔚 | 🏏 f 👰 🕛 | 🗞 | 📀 🔕 👩 | Don't Limit
                                                        - | 🏡 | 🥩 🔍 👖 📦
        -- STANDARDIZE DATA
 17
         -- Check if any trim is required or misspelt words and Modify
 18
        SELECT DISTINCT Location_city
 19 •
 20
        FROM data
 21
        Order by 1;
 22
 23 •
        SELECT DISTINCT Jobtitle
        FROM data
 24
 25
        Order by 1;
 26
        -- Modify Misspelt words
 27
        UPDATE data
 28 •
 29
        SET Location_city = 'Jeffersonville'
        WHERE Location_city = 'JefFrsonville';
 30
 31
       UPDATE data
 32 •
        SET Jobtitle = 'Assistant Professor'
 33
 34
        WHERE Jobtitle = 'Assistant ProFssor';
 35
 36 •
        UPDATE data
 37
        SET Jobtitle = 'Associate Professor'
        WHERE Jobtitle = 'Associate ProFssor';
 38
 39
```

```
SQL Project ×
🚞 🔚 | 🥖 😿 👰 🕛 | 🗞 | 💿 🔞 | Don't Limit
                                                        - | 🏡 | 🥩 🔍 👖 🖃
        -- Modify Gender Column
 41 •
       UPDATE data

    SET Gender = CASE

 42
                      WHEN Gender = 'M' THEN 'Male'
 43
                      WHEN Gender = 'FM' THEN 'Female'
 44
 45
                      ELSE 'Non-Conforming'
 46
                      END;
 47
        -- Merge First and Last Name into a new column - Full Name
 48
       ALTER TABLE data
 49 •
        ADD Full Name VARCHAR (200) AFTER Id;
 50
 51
 52 •
       UPDATE data
        SET Full_Name = CONCAT(First_Name, ' ', Last_Name);
 53
 54
       ALTER TABLE data
 55 •
 56
        DROP COLUMN First name,
        DROP COLUMN Last_name;
 57
 58
```

```
SQL Project* ×
🗀 🖫 | 🐓 寮 👰 🕛 | 🗞 | 🕢 🔕 🔞 | Don't Limit
                                                   - | 🏡 | 🥩 🔍 👖 🖃
59 -- Convert data type to date for column Hire_date
 60 • SELECT *
 61
       FROM data;
 62
 63 • UPDATE data
 64 SET Hire_date = STR_TO_DATE(Hire_date, "%d-%m-%Y");
 65
 66 • ALTER TABLE data
 67
     Modify Hire_date DATE;
 69
       -- Convert data type to date for column Birthdate
 70 • UPDATE data
 71 SET Birthdate = STR_TO_DATE(Birthdate,"%d-%m-%Y");
 72
 73 • ALTER TABLE data
 74
      Modify Birthdate DATE;
 75
 76
       -- First create a new termdate column, Insert values then Convert data type to date for column Termdate
 77 • ALTER TABLE data
       ADD Termdate1 TEXT AFTER Termdate ;
 78
 79
 80 -- Insert values into the column
 81 • UPDATE data
     SET Termdate1 = LEFT(Termdate, 10);
 82
```

```
SQL Project* ×
                                                         - | 🏡 | 🥩 🔍 👖 🖘
       | 🗲 f 👰 🔘 | 🔂 | 🕢 🚳
        -- Insert values into the column
        UPDATE data
 81 •
 82
        SET Termdate1 = LEFT(Termdate, 10);
        -- Delete column Termdate
 84
        ALTER TABLE data
 85 •
        DROP COLUMN Termdate;
 87
        -- Rename new column to Termdate
 88
        ALTER TABLE data
 89 •
        RENAME COLUMN Termdate1 TO Termdate;
 90
 91
        UPDATE data
 92 •
 93
        SET Termdate = NULL WHERE Termdate = 0;
 94
        -- Convert the column data type from string to date
 95
        UPDATE data
 96 •
        SET Termdate = STR_TO_DATE(Termdate, "%Y-%m-%d")
 97
        WHERE Termdate IS NOT NULL;
 98
        ALTER TABLE data
100 •
101
        MODIFY COLUMN Termdate DATE;
102
```

DATA ANALYSIS AND QUERYING

I used SQL to conduct the following Analysis of the data:

1. Total Number of Employees (22214), Department(13), Job title(184), Race(7)

```
SQL Project* ×
                                                         - | 🏡 | 🥩 🔍 👖 🖃
            7 Q O S O
103
         -- ANALYSIS
         -- Calculate Total number of Employees
104
        SELECT COUNT(Id) AS Total Employees
105 •
         FROM data;
106
107
108
         -- Calculate Total number of Departments
        SELECT COUNT(DISTINCT Department) AS Total Department
109 •
        FROM data;
110
111
112
         -- Calculate Total number of Race
        SELECT COUNT(DISTINCT Race) AS Total Race
113 •
        FROM data;
114
115
        -- Calculate Total number of Job Titles
116
        SELECT COUNT(DISTINCT Jobtitle) AS Total_Jobtitle
117 •
         FROM data;
118
119
```

2. Employment Status – whether Active or Terminated

```
143
        -- Calculate Employee Status
        ALTER TABLE data
144 •
        ADD COLUMN Employee Status VARCHAR (50) AFTER Tenure;
145
146
        UPDATE data
    SET Employee Status = CASE
           WHEN Termdate IS NULL OR Termdate > '2024-10-09' THEN 'Active'
149
150
            ELSE 'Terminated'
151
      END;
152
```

3. Calculate the Age at which Employees were Hired so as to categorize the employees who are hired at the age below 18 as Underaged and those above 18 as Normal aged. Also, I checked for outliers in the ages(below 14 years) and removed them

```
-- Calculate Hired Age
153
154 •
        ALTER TABLE data
        ADD Hired_Age INT AFTER Termdate;
155
156
157 •
        UPDATE data
        SET Hired_Age = timestampdiff(YEAR, Birthdate, Hire_date );
158
159
160
        -- check for outliers in hired age column
        SELECT *
161 •
162
        FROM data
163
        WHERE Hired_Age < 14;
164
165
        -- Remove Outliers
        DELETE
166 •
        FROM data
167
168
      WHERE Hired_Age in (
              SELECT Hired Age
169
170
              FROM (
              SELECT *
171
              FROM data
172
              WHERE Hired_Age < 14) as subquery
173
174
              );
175
```

Thereafter I created a new column called Working age – this categorizes the employees into different categories – 1. 'Underage' where Hired_Age < 18

- 2. 'Overage' where Hired_Age > 65
- 3. 'Normal Age' where Hired_Age > 18 & < 65

```
176
        -- Calculate Working Age
177 •
        ALTER TABLE data
178
        ADD COLUMN Working Age TEXT;
179
180 •
        UPDATE data
181

⇒ SET Working_Age = CASE

182
            WHEN Hired_Age < 18 THEN 'Underage'
            WHEN Hired_Age > 65 THEN 'Overage'
183
            ELSE 'Normal Age'
184
       END;
185
186
```

```
195
        -- Calculate Working Age
        SELECT Id, Hired_Age,
196 •
197 ⊖ CASE
            WHEN Hired_Age < 18 THEN 'Underage'
198
            WHEN Hired_Age > 65 THEN 'Overage'
199
            ELSE 'Normal Age'
200
      END AS Working_Age
201
        FROM hrdata2
202
        ORDER BY Hired Age ASC;
203
204
        ALTER TABLE hrdata2
205
        ADD COLUMN Working_Age TEXT;
206
207
        UPDATE hrdata2
208 •
209
     SET Working_Age = CASE
            WHEN Hired_Age < 18 THEN 'Underage'
210
            WHEN Hired_Age > 65 THEN 'Overage'
211
            ELSE 'Normal Age'
212
      END;
213
```

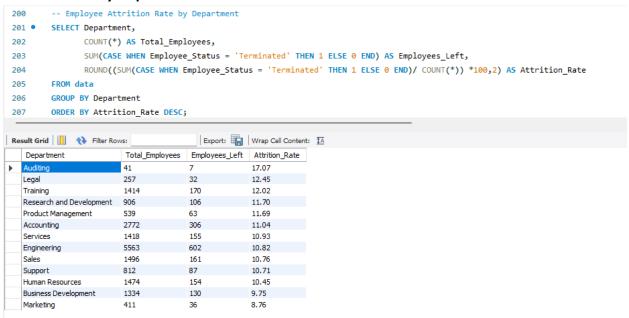
4. Calculate Tenure – this refers to is the length of time an employee has worked for a company.

6. Average Tenure of Terminated Employees

7. Attrition Rate by Department, Job title, Gender, Race, Location, Location Based, Working Age

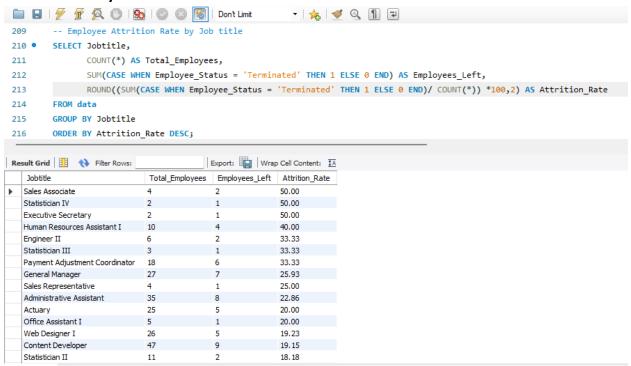
Attrition rate formula = Number of employees who left / the number of employees at the start of the period) x 100

Attrition Rate by Department



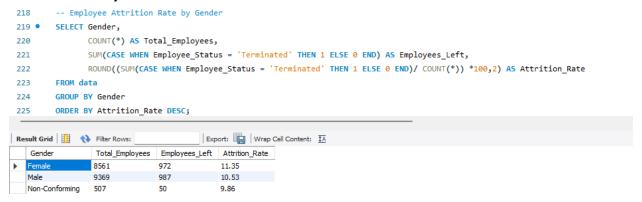
Auditing Department has the highest attrition rate of 17.07%

Attrition Rate by Job title



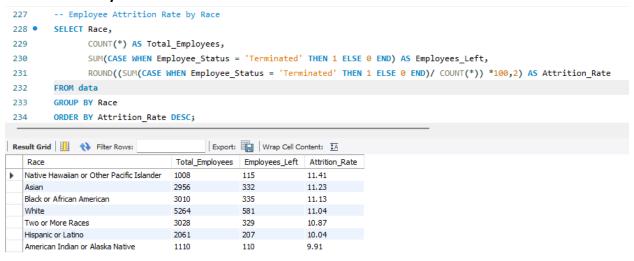
Job Titles Sales Associate, Statistician IV and Executive Secretary have the highest attrition rate of 50%.

Attrition Rate by Gender



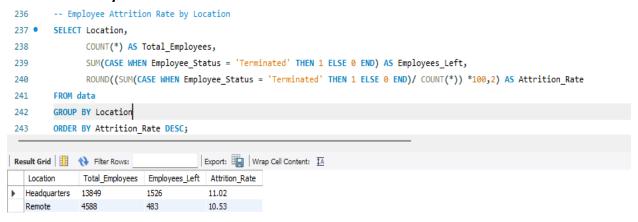
Female gender has the highest attrition rate of 11.35%.

Attrition Rate by Race



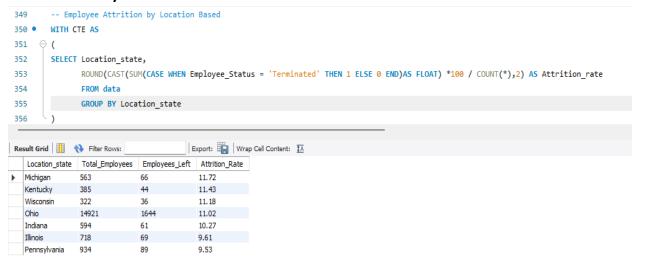
Native Hawaiian or Other Pacific Islander have the highest attrition rate of 11.41%

Attrition Rate by Location



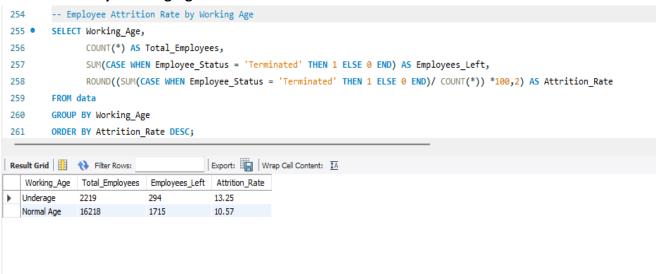
Employees who work at the Headquarters have the highest attrition rate of 11.02% as compared to those who work remotely 10.53%.

Attrition Rate by Location State



Employees who come from Michigan have the highest attrition rate of 11.72%

Attrition Rate by Working Age

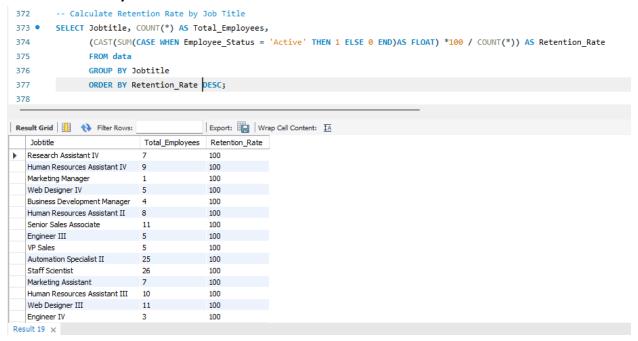


Employees who joined Panama limited as under-aged (below 18 years) have the highest attrition rate of 13.25%. This is a high indicator to the company to not hire under-aged employees as it contributes to attrition among other factors.

8. Which departments, Job titles have the highest retention Rate?

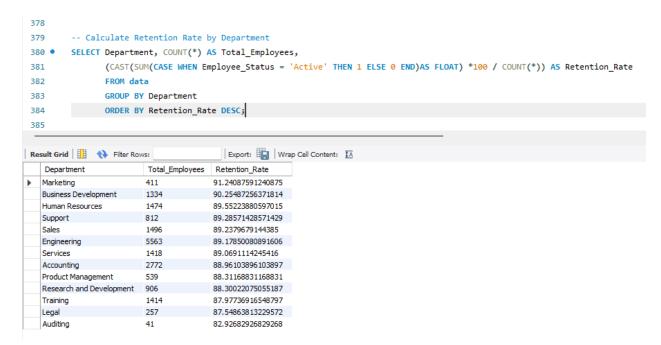
Retention rate formula = Number of remaining original employees / the number of employees at the start of the period) x 100

Retention Rate by Job title



The result shows Job titles with 100% retention rate . This means that these employees from the specified job titles have never left since joining Panama Limited. To help understand and reduce turnover, the HR and company leaders should analyze these employees with 100% retention rate to see what contributes to their stay so that they improve the same with other employees.

Retention Rate by Department



The result above shows Departments with the highest retention rates. To help understand and reduce turnover, the HR and company leaders should analyze these departments to understand what contributes to their stay so that they improve the same with other employees in different departments with high attrition rates.

9. Which Job titles and departments have under-age employees hired and how is their gender distribution?

```
-- Departments Working Age Count with gender
420
421 •
         SELECT Department, Gender,
                 COUNT(CASE WHEN Working_Age = 'Underage' THEN 1 END) AS Total_Underaged,
422
423
                 COUNT(CASE WHEN Working_Age = 'Normal Age' THEN 1 END) AS Total_NormalAged
         FROM data
424
         GROUP BY Department, Gender
425
         ORDER BY Total_Underaged DESC;
426
427
Export: Wrap Cell Content: IA
   Department
                       Gender
                                      Total_Underaged Total_NormalAged
                      Male
                                     359
                                                     2451
  Engineering
   Engineering
                      Female
                                     276
                                                     2310
   Accounting
                      Male
                                     170
                                                     1255
                      Female
                                     167
                                                     1104
   Accounting
                      Male
                                     97
                                                     624
   Services
                      Male
                                     97
                                                     651
   Human Resources
                                                     536
   Business Development
                      Female
                                     90
   Training
                      Male
                                     89
                                                     632
   Sales
                      Male
                                     88
                                                     668
   Services
                      Female
                                     86
                                                     584
   Human Resources
                      Female
                                     84
                                                     605
                                     72
                                                     597
   Business Development
                      Male
   Sales
                                     68
                                                     632
                      Female
                                     66
                                                     586
   Training
                      Female
                                                     355
   Support
                      Male
                                     55
Result 21 🗶
```

```
-- Jobtitle Working Age Count with gender
428
          SELECT Jobtitle, Gender,
429 •
                 COUNT(CASE WHEN Working_Age = 'Underage' THEN 1 END) AS Total_Underaged,
430
431
                 COUNT(CASE WHEN Working Age = 'Normal Age' THEN 1 END) AS Total_NormalAged
432
         FROM data
         GROUP BY Jobtitle, Gender
433
          ORDER BY Total_Underaged DESC;
434
435
Export: Wrap Cell Content: IA
                                            Total_Underaged
                                                           Total_NormalAged
    Jobtitle
                            Gender
  Research Assistant II
                           Female
                                                           243
   Human Resources Analyst II Female
                                           38
                                                           228
   Business Analyst
                                           35
                                                           246
  Business Analyst
                           Female
                                           33
                                                           248
                                           30
   Human Resources Analyst II Male
                                                           215
   Account Executive
                                           27
                                                           189
   Research Assistant I
                           Male
                                           26
                                                           201
   Staff Accountant I
                           Female
                                           25
                                                           142
   Data Visualization Specialist Male
                                           25
                                                           175
   Help Desk Technician
                           Male
                                           25
                                                           118
   Research Assistant II
                           Male
                                                           276
   Systems Administrator I
                          Male
                                           24
                                                           141
   Project Manager
                           Male
                                           24
                                                           138
   Service Tech II
                           Male
                                           23
                                                           119
   Research Assistant I
                           Female
                                           23
                                                           185
Result 22 ×
```

From the results above, we see Departments and Job titles with the number of Under- Age employees (<18 years) hired along with their genders. Engineering Department and Job title -Research Assistant II have the highest number of Under- Age employees when hired. This is a main issue that could be contributing to the high attrition in Panama as the employees are too young to work effectively and also not qualified to meet the job requirements.

10. Which Job titles have tenure < 1

```
-- Jobtitle Tenure < 1
436
437 •
         SELECT Jobtitle, Department,
                  COUNT(CASE WHEN Tenure < 1 THEN 1 END) AS Total_Employees
438
439
         FROM data
440
         GROUP BY Jobtitle, Department
441
         ORDER BY Total_Employees DESC;
442
Export: Wrap Cell Content: IA
                                                     Total_Employees
   Jobtitle
                            Department
  Research Assistant II
                           Business Development
  Project Manager
                           Product Management
                                                    6
  Business Analyst
                           Business Development
                                                    5
  Data Coordiator
                                                    5
                           Engineering
  Service Coordinator
                                                    5
                           Services
                                                    5
  Administrative Assistant I Training
  HR Manager
                           Human Resources
                                                    4
  Customer Success Manager Sales
                                                    4
                           Research and Development
  Structural Engineer
                                                    4
                                                    3
  Solutions Engineer Manager Sales
                                                    3
  Training Manager
                           Training
                                                    3
  Staff Accountant I
                           Accounting
  Desktop Support Technician
                           Support
                                                    3
  Human Resources Analyst II Human Resources
                                                    3
  Budget/Accounting Analyst... Accounting
                                                    3
```

11. Which Job titles have tenure >23

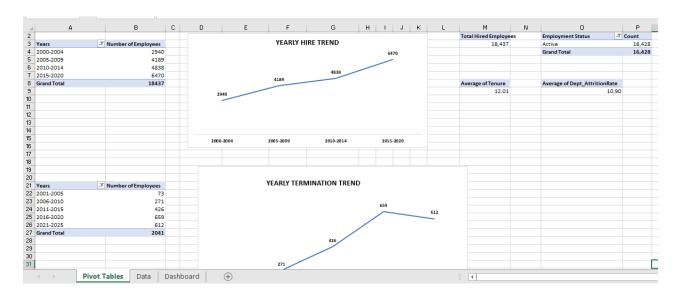
```
-- Highest Tenure (>23) by Jobtitles and Department
443
444 •
           SELECT Jobtitle, Department, Tenure,
                  COUNT(CASE WHEN Tenure >=23 THEN 1 END) AS Total_Employees
445
          FROM data
446
          GROUP BY Jobtitle, Department, Tenure
447
          ORDER BY Total Employees DESC;
448
                                                                                               4
Export: Wrap Cell Content: 🔼 Fetch rows:
    Jobtitle
                                                 Tenure
                                                          Total_Employees
                             Department
   Research Assistant II
                            Business Development
                                                 23
                                                         17
                                                23
                                                         15
   Business Analyst
                            Business Development
   Data Coordiator
                                                 23
                                                         13
                            Engineering
   Project Manager
                            Product Management 23
                                                         12
   Senior Developer
                            Engineering
                                                 23
                                                         11
   Desktop Support Technician
                            Support
                                                 23
                                                         10
                                                 23
   Account Executive
                            Sales
                                                         10
   Service Tech
                            Services
                                                 23
                                                         10
   Staff Accountant I
                                                 23
                                                         10
                            Accounting
   Cost Accountant
                            Accounting
   Recruiter
                                                 23
                            Human Resources
                                                 23
   Human Resources Analyst II Human Resources
   Human Resources Analyst
                                                 23
                            Human Resources
                                                 23
                                                         9
   Service Tech III
                            Services
   Data Visualization Specialist Engineering
                                                 23
                                                         9
Result 25 ×
```

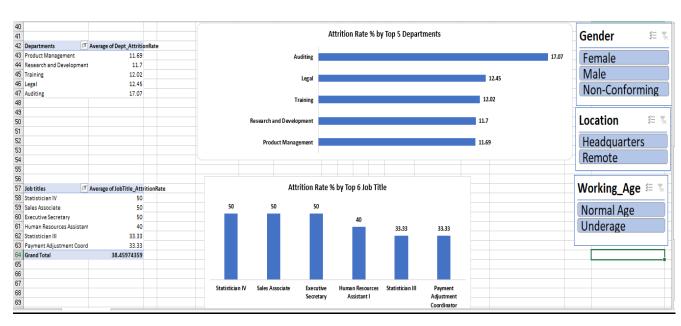
LIMITATIONS

The data given had some records with negative ages and these were excluded during querying. Ages used were 14 years and above.

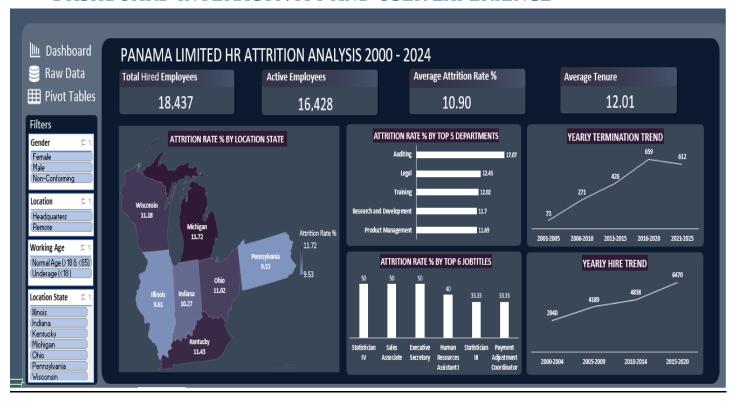
DATA VISUALIZATION WITH EXCEL

I used pivot table, charts and dashboard to visualize my data





DASHBOARD INTERACTIVITY AND USER EXPERIENCE



RECOMMENDATIONS

- 1. Panama Limited should avoid employing underage employees (below 18 years). This is an issue that could be contributing to the high attrition as the employees are too young to work effectively and also not qualified to meet the job requirements.
- 2. The company should look into departments and job titles with high attrition rates and tenure of <1 year and find out what could be causing employees to leave
- 3. It should also analyze departments and job titles with high retention rates and tenure of 23 years get insights as to why they stay. This will help them apply the same strategies to the other departments and job titles especially those with high retention rates
- 4. Panama limited should also consider having more remote roles as the analysis showed higher attrition rates among the employees who work at the headquarters
- 5. The company should also find out why employees who come from Michigan have the highest attrition rate of 11.72%. Is there an issue from that region that causes that?
- 6. The company should also be open to getting job review, satisfaction and rating from the employees. This will help them understand if there are any issues facing the employees and solve them.

7. Above all, Panama Limited should create a conducive working environment, salary review, recognize employees for their performances, offer training and career development opportunities

CONCLUSION

In conclusion, the analysis of employee turnover at Panama Limited has highlighted several key factors contributing to the company's high turnover rates. By avoiding the hiring of underage employees and investigating departments, job titles, locations with high attrition, the company can pinpoint underlying issues and implement targeted solutions. Moreover, understanding the characteristics of departments with high retention rates offers valuable insights that can be applied across departments and job titles with high attrition rates. Increasing remote work opportunities and collecting employee feedback through satisfaction surveys and reviews will further help create a more conducive work environment. By focusing on these recommendations, including salary reviews, recognition programs, and career development initiatives, Panama Limited can foster a more engaged workforce and significantly reduce attrition rates, ultimately contributing to a more stable and productive organizational culture.