MTH 765P Mini-project

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1 Introduction

The example dataset of Los Angeles City Payroll is used in this mini-project. The purpose of this project is to clean, process, analyze, and visualize payroll datasets with the belief that payroll dataset analysis methods can be extended to other similar collections of data as well. This mini-project's comma-separated file was downloaded from Kaggle. Information overview, see figure 1.

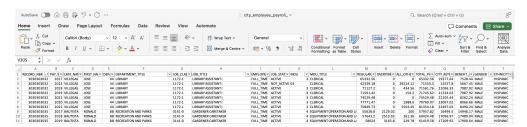


Figure 1: Overview of CSV file

2 Obtaining/Acquiring the Data

A brief, Kaggle is a collaborative platform for data science and machine learning that provides a varied array of datasets that users can download (as XLS, CSV, and many other forms) or access via APIs. This portal is a wonderful resource for accessing, studying, and utilizing multiple datasets for learning and innovation in the field of data science. Dataset: Las Angeles Payroll.

Payroll information for all Los Angeles City employees, includes the city's three proprietary departments: Water and Power, Airports, and Harbor. The Los Angeles City Controller's Office refreshes data biweekly. Payroll information for Department of Water and Power personnel is updated every three months. The original dataset on Kaggle was obtained from ControllerData.LaCity.Org

3 Description / Pre-Processing

This project's data collection contains 20 columns and 501,552 records. There are 14 dimensional columns and 6 factual columns among the 20 columns. Contents that summarize the dataset's column information are as follow:

- 1. Record_NBR: Unique number to identify an employee
- 2. Pay_Year: Tax year employee was paid. This is not fiscal year
- 3. Last_Name: Employee last name

4. First_Name: Employee first name

5. **Department_No:** Department number in city payroll system

6. **Department_Title:** Title of city department

7. Job_Class_Pgrade: Job class and pay grade

8. Job_Title: Job Title

9. Employment_Type: Employment Type Full Time, Par Time or Per Event

10. Job_Status: Employeeś job status at the time the data was uploaded

11. MOU: Memorandum of Understanding

12. MOU_Title: Title of Memorandum of Understanding

13. Regular_Pay: Regular work hours payment

14. Overtime_Pay: Payments attribute to hours worked beyond regular work schedule

15. All_Other_Pay: Any payments other than Regular and Overtime

16. Total_Pay: Sum of regular, overtime and all other payments

17. City_Retirement_Contributions: Estimated payments made by the city towards employee's retirement

18. **Benefit_Pay:** City contribution for the employees health care, dental care, vision care and life insurance

19. **Gender:** Gender as self-reported by employee

20. Ethnicity: Ethnicity as self-reported by employee

Effective exploratory data analysis relies significantly on the meticulous processes of data cleaning, transformation and pre-processing. Initially, data cleaning, is imperative to identify and rectify errors, inconsistencies and missing values, safeguarding the reliability of subsequent analyses. Subsequently, data transformation ensures that raw data is appropriately formatted for analysis, involving actions such as scaling variables and encoding categorical data. Collectively, these steps contribute to the quality of exploratory data analysis by establishing a foundation of accuracy, proper formatting and alignment with chosen analytical methods for meaningful insights and informed decision-making.

Los Angeles City Payroll Dataset had various inconsistencies which required data cleaning and transformation before the same could be utilised for analysis and visualisation. Initially, commands such as head(), tail() see figure 2, describe() and info() see figure 3 of pandas dataframe were executed for understanding errors in the loaded CSV file.

Based on preliminary observations column All_Other_Pay & Total_Pay displayed values in scientific notation. Furthermore individual values present in OVERTIME_PAY, City_Retirement_Contributions, Benefit_Pay, Regular_Pay, All_Other_Pay and Total_Pay had to be modified to 0.2 decimals for ease of visual interpretation. see figure 4

Another data cleaning check of null values is executed as null values should be eliminated from a dataset to prevent distortion of statistical measures, ensuring compatibility with algorithms that cannot handle missing values and maintain the overall accuracy and reliability of insights by reducing noise and uncertainty. see figure 5. Also, checking for duplicate records in exploratory data analysis (EDA) is vital to prevent biases, ensuring accurate representation of data, and enhance the performance of statistical models by eliminating redundancy. see figure 6

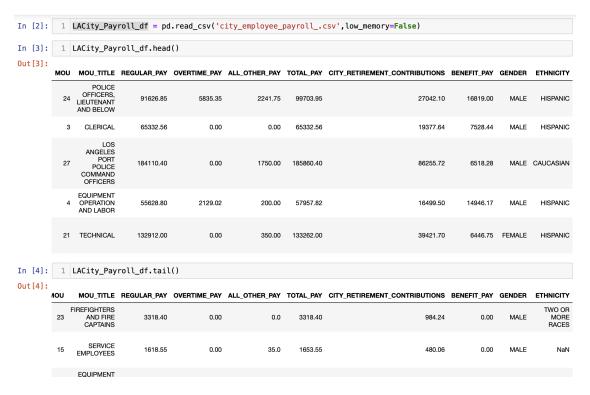


Figure 2: Data Frame - Head / Tail

```
In [5]: 1 LACity_Payroll_df.info()
           <class 'pandas.core.frame.DataFrame'</pre>
          RangeIndex: 501552 entries, 0 to 501551
Data columns (total 20 columns):
                                                         Non-Null Count
           #
                 Column
                                                                               Dtype
           0
1
2
                 RECORD_NBR
                                                         501552 non-null
                                                                               object
                PAY_YEAR
LAST_NAME
FIRST_NAME
DEPARTMENT_NO
                                                         501552 non-null
501542 non-null
                                                                               int64
                                                                               object
                                                         501552 non-null
                                                                               object
int64
                                                         501552 non-null
                DEPARTMENT_TITLE
JOB_CLASS_PGRADE
                                                         501552 non-null
                                                                               object
                                                         501322 non-null
                                                                               object
                 JOB TITLE
                                                         501322 non-null
                                                                               object
                EMPLOYMENT_TYPE
JOB_STATUS
MOU
                                                         501552 non-null
501552 non-null
                                                                               object
                                                         501322 non-null
501206 non-null
            10
11
12
13
14
15
                 MOU_TITLE
                                                                               object
                REGULAR_PAY
OVERTIME_PAY
                                                         501552 non-null
501552 non-null
                                                                               float64
                                                                               float64
                TOTAL_PAY
CITY_RETIREMENT_CONTRIBUTIONS
                                                         501552 non-null
                                                                               float64
                                                         501552 non-null
            16
                                                         501552 non-null
                                                                               float64
            17
18
                 BENEFIT_PAY
                                                         501552 non-null
                                                                               float64
                 GENDER
                                                         501551 non-null
                ETHNICITY
                                                         494856 non-null
          dtypes: float64(6), int64(2), object(12) memory usage: 76.5+ MB
In [6]: 1 LACity_Payroll_df.describe()
Out[6]:
                   PAY YEAR DEPARTMENT NO REGULAR PAY OVERTIME PAY ALL OTHER PAY
                                                                                                   TOTAL PAY CITY RETIREMENT CONTRIBUTIONS BENEFIT PAY
                                                                                                                                    501552.000000 501552.000000
         ount 501552.000000
                                  501552,000000 501552,000000 501552,000000
                                                                                   5.015520e+05 5.015520e+05
                 2019.930476
                                                                  10836.744109
                                                                                                                                     19075.823101
                                      65.691486
                                                 67781.198128
                                                                                   5.520667e+03 8.413861e+04
                                                                                                                                                    10647.492580
                                                                                   1.260215e+04 6.679212e+04
                     2.001931
                                      29.496858
                                                 50288.436506
                                                                 23398.729245
                                                                                                                                     20588.304831
                                                                                                                                                     8679.692954
           std
```

Figure 3: Data Frame - Describe / Info

Figure 4: Datatype modification

```
1 #Checking for null values in the dataframe
 2 LACity_Payroll_df.isnull().sum()
RECORD_NBR
PAY_YEAR
                                     a
LAST_NAME
                                     10
FIRST_NAME
                                     0
DEPARTMENT_NO
                                     0
DEPARTMENT_TITLE
                                     0
JOB_CLASS_PGRADE
                                    230
JOB_TITLE
                                    230
EMPLOYMENT_TYPE
                                     0
JOB_STATUS
                                     0
MOU
                                    230
MOU_TITLE
                                    346
REGULAR_PAY
                                     0
OVERTIME PAY
                                     0
ALL_OTHER_PAY
                                     0
TOTAL_PAY
                                     0
CITY_RETIREMENT_CONTRIBUTIONS
                                     0
BENEFIT_PAY
                                     0
GENDER
                                      1
ETHNICITY
                                  6696
dtype: int64
```

Figure 5: Nullvalues DataFrame

```
duplicate_rows_df = LACity_Payroll_df[LACity_Payroll_df.duplicated()]
print("Number of duplicate rows: ", duplicate_rows_df.shape)

#No duplicate records to remove

Number of duplicate rows: (0, 20)
```

Figure 6: Duplicate Records

4 Analysis

Analyzing and visualization are critical components of exploratory data analysis (EDA), as they provide crucial insights into the underlying patterns and trends in a dataset. The use of statistical measures and procedures to comprehend the central patterns, distributions, and relationships between variables is referred to as analysis. This is supplemented by visualization, which presents data in graphical representations such as charts, plots and graphs, making complex patterns more accessible and assisting in the detection of outliers or trends. Analysis and visualization in EDA work together to identify essential data properties, supporting informed decision-making and leading to more in-depth investigations as needed.

Payroll Datasets could be analysed and interpreted using various mythologies. The scope of this project is to observe patterns in the dataset chosen and convey a storey-line / interpretation from the set of information with the aid of visuals.

Firstly, the observations / records of the dataset are plotted using histogram to display the spread of data. see figure 7. This allows identification of any outlier information present in the dataset such as columns - OVERTIME_PAY, City_Retirement_Contributions, Benefit_Pay, Regular_Pay, All_Other_Pay and Total_Pay contain significant number of **0** (zero) values.

Secondly, a high-level analysis is implemented by observing the relationship between Regular_Pay vs Pay_Year. This allows us to detect if there has been any increase, decrease or stagnation of salary paid to city employees over the course of years (20172023). Based on the scatterplot, we may interpret that regular pay has **increased marginally** over the years; however, this is a general interpretation as further filters / detailed analysis is required to generate a conclusion. see figure 8

Thirdly, more accurate method of analysing different components of salary over the years is to plot using a line graph. Before implementing the same, I created a new dataframe with filtering information such as EmploymentType = FullTime, JobStatus = Active and Department = Police. We may observe that **Benefit Pay and has not changed in the last 6 years** and **Regular Pay has also not changed post 2021**. However, **Total Pay has increased due to increase in Overtime Pay from 2021**. see figure 9

In addition, with dataframe created in the last analysis I drill down further by comparing salary of Police personnel on active payroll based on gender. Pay vs Gender distribution analysis provides crucial information about the disparity in salary between Male and Female. As observed salary of Male employees in the Los Angeles police department has increased over the years, salary of female employees has not seen significant increase. Also, there is a huge pay gap between both genders that has not been bridged till the end of the dataset. see figure 10

Libraries Used:

- 1. Pandas
- 2. Matplotlib.Pyplot
- 3. Seaborn
- 4. Matplotlib.ticker (Only ScalarFormatter)

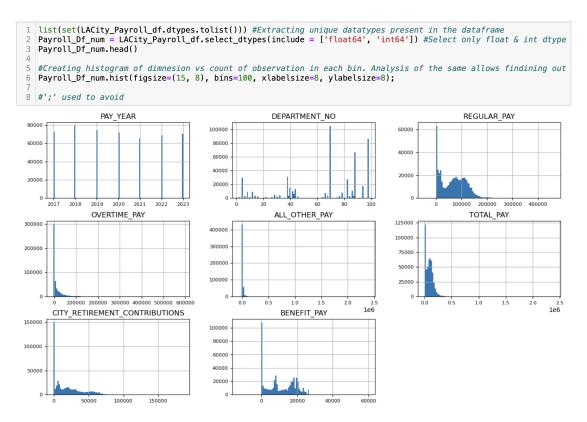


Figure 7: Observations vs Dimensions

```
In [14]: 1 111
                       Implemnting scatter plot to analyse relationship between PAY_YEAR vs REGULAR_PAY & TOTAL_PAY
               plt.figure(figsize = (8,3))
plt.scatter(LACity_Payroll_df['PAY_YEAR'], LACity_Payroll_df['REGULAR_PAY'])
plt.xlabel('PAY_YEAR')
plt.ylabel('REGULAR_PAY')
               8 plt.show()
             plt.figure(figsize = (8,3))
plt.scatter(LACity_Payroll_df['PAY_YEAR'], LACity_Payroll_df['TOTAL_PAY'])
plt.xlabel('PAY_YEAR')
plt.show()
                  400000
               ₹ 300000
              100000
100000
                         0
                              2017
                                                             2019
                                                                            2020
                                                                                            2021
                                                                                                           2022
                                                                                                                           2023
                                             2018
                                                                          PAY_YEAR
```

Figure 8: RegularPay vs PerYear

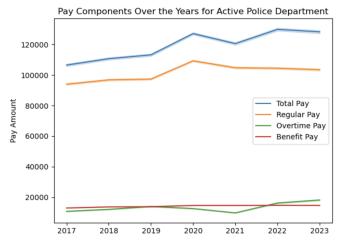


Figure 9: Police Employee Pay Per Year

Figure 10: Police Gender Pay Per Year

5 Questions

The adaptability of exploratory data analysis (EDA) is clear because it provides a plethora of functions and approaches for extracting critical insights from varied datasets, including the Payroll dataset in question. One can obtain a full grasp of the dataset by performing a variety of activities such as descriptive statistics, correlation analysis, outlier detection, and even utilizing machine learning models. EDA is an effective technique for identifying patterns, correlations, and anomalies, setting the groundwork for informed decision-making and further in-depth investigations when needed. Because of the dynamic nature of EDA, it is adaptable to specific issue statements, making it an essential element in the data analysis process.

With respect to Payroll dataset, following approach could be considered for a detailed analysis:

- 1. Larger dataset with additional dimensions (such as: Joining date / tenure period of employees, work experience of employees)
- 2. Perform mathematical / statistical calculations to infer any relationship between Pay and Other Dimensions (such as: Work experience, Gender, Ethnicity)
- 3. Detailed time-series analysis based on various other parameters (including other departments on Los Angeles Payroll) can be implemented for time-dependent data, analyze trends, seasonality, and cyclical patterns to gain insights.