

Project Design Phase-I
Proposed Solution

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| Date | 24 September 2022 |
| Team ID | PNT2022TMID28131 |
| Project Name | Corporate Employee Attrition Analytics |
| Maximum Marks | 2 Marks |

Proposed Solution:

| S.No. | Parameter | Description |
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| 1. | Problem Statement | <p>Attrition is said to be gradual reduction in number of employees through resignation, death and retirement. Many of the employees may also tend to leave the job for various undisclosed factors such as lack of job security, lack of career advancement, desire for change in new opportunities, anticipating higher pay, problems with supervisors and few other personal reasons. Employee attrition is a major cost to an organization and predicting such attritions is the most important requirement of the HR department in many organizations. Employee attrition must be decreased for a firm as it increases the high training cost and the crucial business time of an organisation. In this problem, the organization analyzes the reasons behind the attrition of the employees.</p> |
| 2. | Idea / Solution description | <ul style="list-style-type: none">Recruiters must be clear about the organization's culture upfront, telling the candidate not what they think the person wants to hear, but how the company operates.Pay and benefits are key reasons people take jobs and show up for work every day. It's also a top reason why professionals change jobs.Companies should start by offering an appropriate starting salary that will attract qualified and talented candidates.Giving staff members new opportunities is a great way to recognize them.Employees are increasingly concerned with job flexibility, so giving them more latitude here is another way to boost retention. Flexible work isn't only telework or remote work. It can include flexitime, a compressed workweek, part-time schedules or a job-share where workers rotate days working from the office.It's critical to always keep an eye on employee engagement because higher employee engagement translates to lower turnover rates.Culture plays a central role in how much employees enjoy their job. Making the performance review a collaborative, dynamic and continuous process that works to improve the relationship between an employee and a manager, rather than put up walls between them, is the way to go.Internal recruiting must be standardized and free of fear from employees that they'll be penalized for seeking roles on other teams.Companies should focus on finding candidates that possess creativity, persuasion, adaptability and emotional intelligence.Leaders recognize that better communication with employees is key to increasing retention.It's becoming increasingly important for HR professionals to have data analysis skills so they can evaluate and interpret all the information in a way that can help the business. |

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| | | <ul style="list-style-type: none"> Leaders should stress that work-life balance is a company-wide priority. |
| 3. | Novelty / Uniqueness | <ul style="list-style-type: none"> A company with corporate employee attrition analytics system has an advantage over its competitors as it first analyses the workforce then builds teams according to personalities, sets goals, learning and training metrics, tends to hire and fire the right people, offers flexibility all of which reduces employee turnover and establishes a unique position in the market. Employee attrition analytics specifically focuses on identifying why employees voluntarily leave, what might have prevented them from leaving, and how we can use data to predict attrition risk. Most importantly, the employee predictive analytics can help the organization understand and design the interventions that will be most effective in reducing unwanted attrition and gains a competitive edge in the market. |
| 4. | Social Impact / Customer Satisfaction | <ul style="list-style-type: none"> The corporate employee attrition analytics brings to fore the cause of employee disengagement, enables HR managers develop long-term strategies to reduce attrition, competitive measures to enhance company brand image, develops and shapes drills that benefit both the management and the employees, enhanced work culture. Attrition analysis contributes to the details generated by HR managers on employees leaving the company. The metrics offer accuracy in terms of the reasons given by employees themselves. Apart from this, a wider avenue for change and dynamism also emerges from analysis of attrition. Corporate employee attrition analytics enhances business operations as it increases long-term employee productivity and retains profitable customers. Some direct impacts include team dynamics, acquired knowledge, employee engagement and morale, culture, extended productivity. By mitigating the impacts of attrition, HR managers can get holistic picture of the various roles the employee fulfils in the organization. This can be helpful not only in the recruitment process, but also to mitigate the impact of losing employees. Processes can be put into place to ensure that employees do not become critical points of failure in their teams, thereby reducing the negative impact of losing them. Transitions between exiting employees and new hires can also be smoothened out by ensuring that knowledge transfer and culture fitting happens effectively. |
| 5. | Business Model | <p>The term attrition refers to a gradual but deliberate reduction in staff numbers that occurs as employees leave a company and are not replaced. Attrition rate is one of the important assumptions used in actuarial valuation of employee benefits such as gratuity, leave, etc. We observe that many companies use 'standard' attrition rates such as 3% up to age 30, 2% between 31 to 44 years and 1% for ages 45 and above. Attrition rates determine the timing of payout of liability i.e., whether the benefit payout will happen earlier or later during the projection period. A lower attrition rate will mean a longer payout period for the liability and vice versa. For organizations to thrive in today's economy, finding and retaining the best employees is vital. This is especially challenging for small businesses and non-profit organizations that must compete with larger businesses, and</p> |

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| | | larger budgets, for top talent. Losing employees also leads to decreased productivity, quite simply because you have fewer team members to get work done. |
| 6. | Scalability of the Solution | <ul style="list-style-type: none"> • Some of the blame for poor hires falls on recruiting. Finding people with the right skills for today's digital economy is a pressing concern for organizations. It is tough in making sure that all employees have practical knowledge of systems and can use them to innovate. • Traditional daylong classroom or travel-intensive training sessions may not be the best use of a staff member's time or the type of engagement they're seeking. • One of the major barriers to internal recruiting is that managers don't want to let go of good talent. Organizations that encourage cross-functional projects, identify skills of existing employees and connect upskilling to internal opportunities have found these strategies help with internal recruiting and can convince workers to stick around. • Transparency is important. True transparency requires that people say what they really think and believes in a meritocracy. • Spotting toxic employees can be tough, but it's crucial. They can push high achievers out of the organization. • Effectively managing remote workers does pose its own challenges. Giving employees time off, and respecting that time off, is also crucial. |