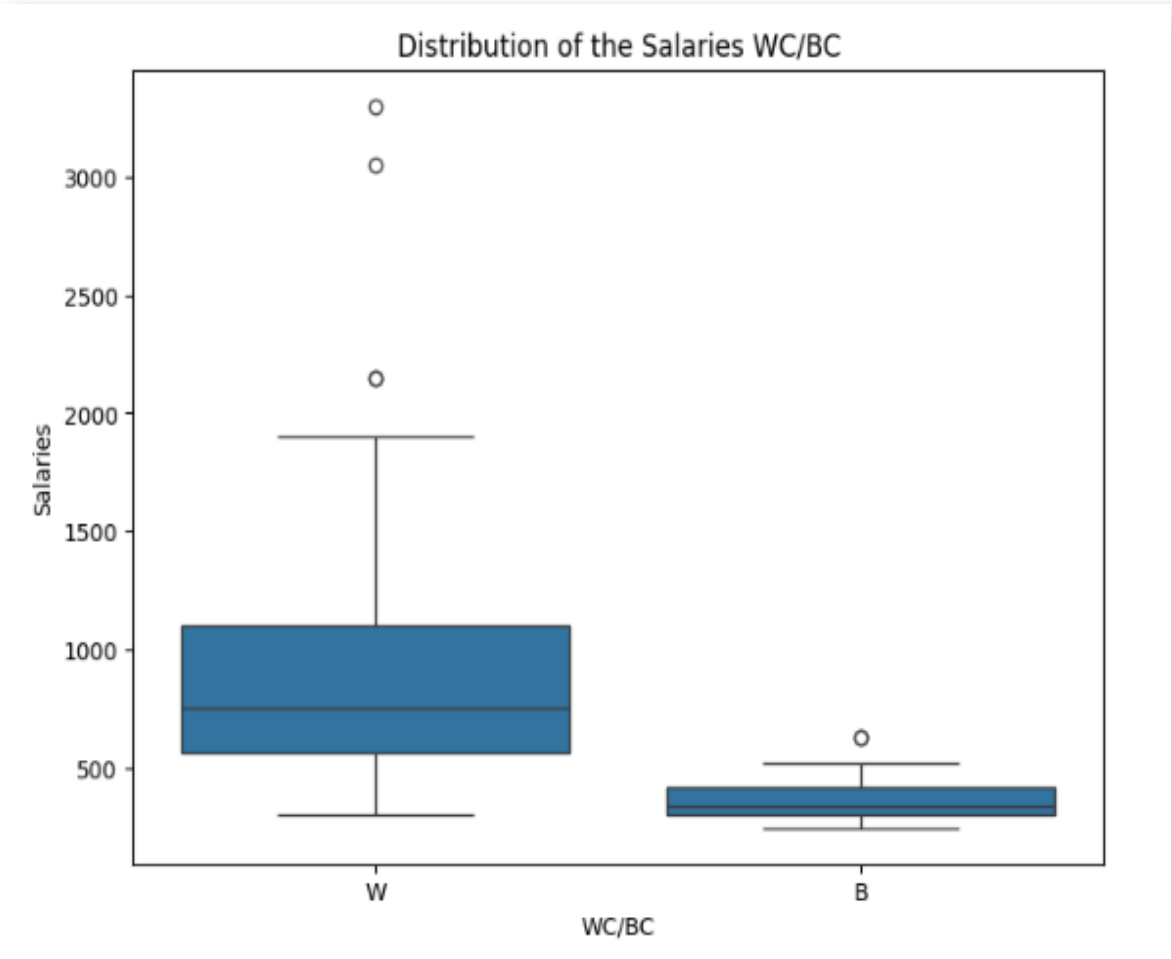


Descriptive and Correlation Analysis of the Salaries

January, 2025

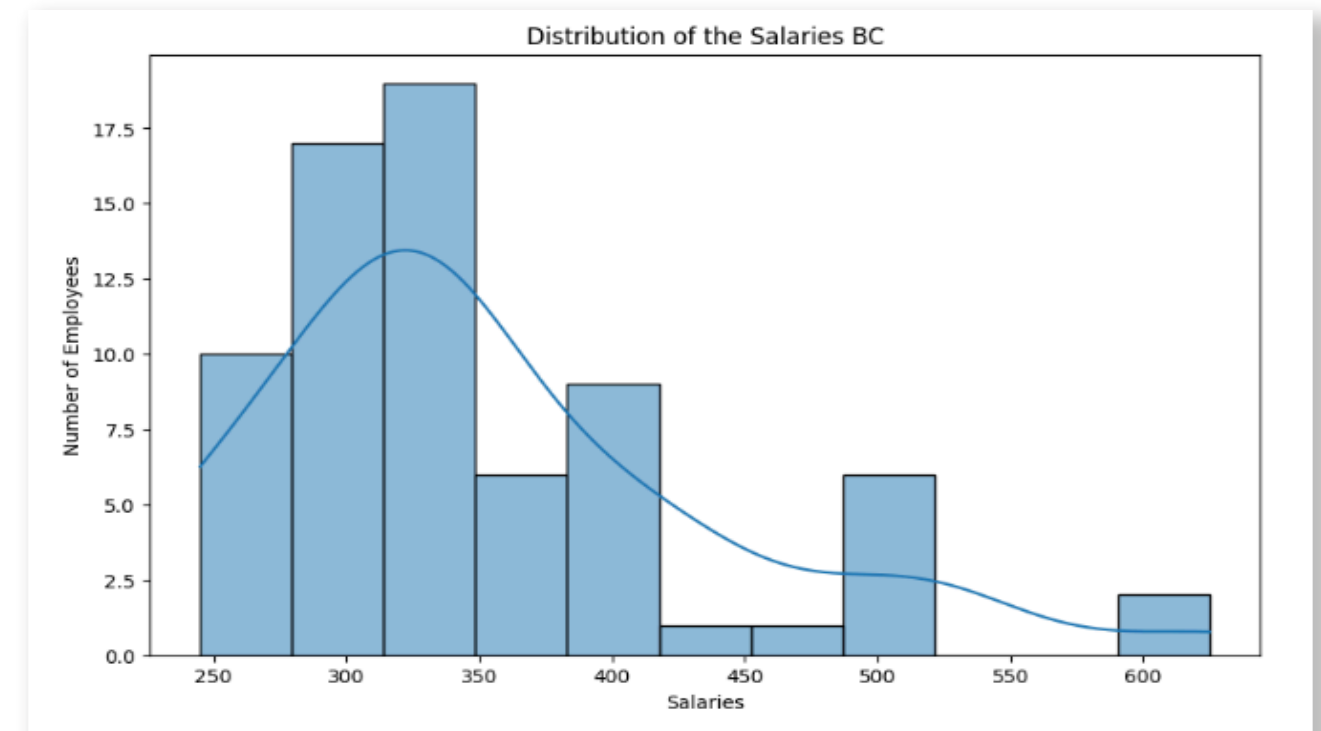
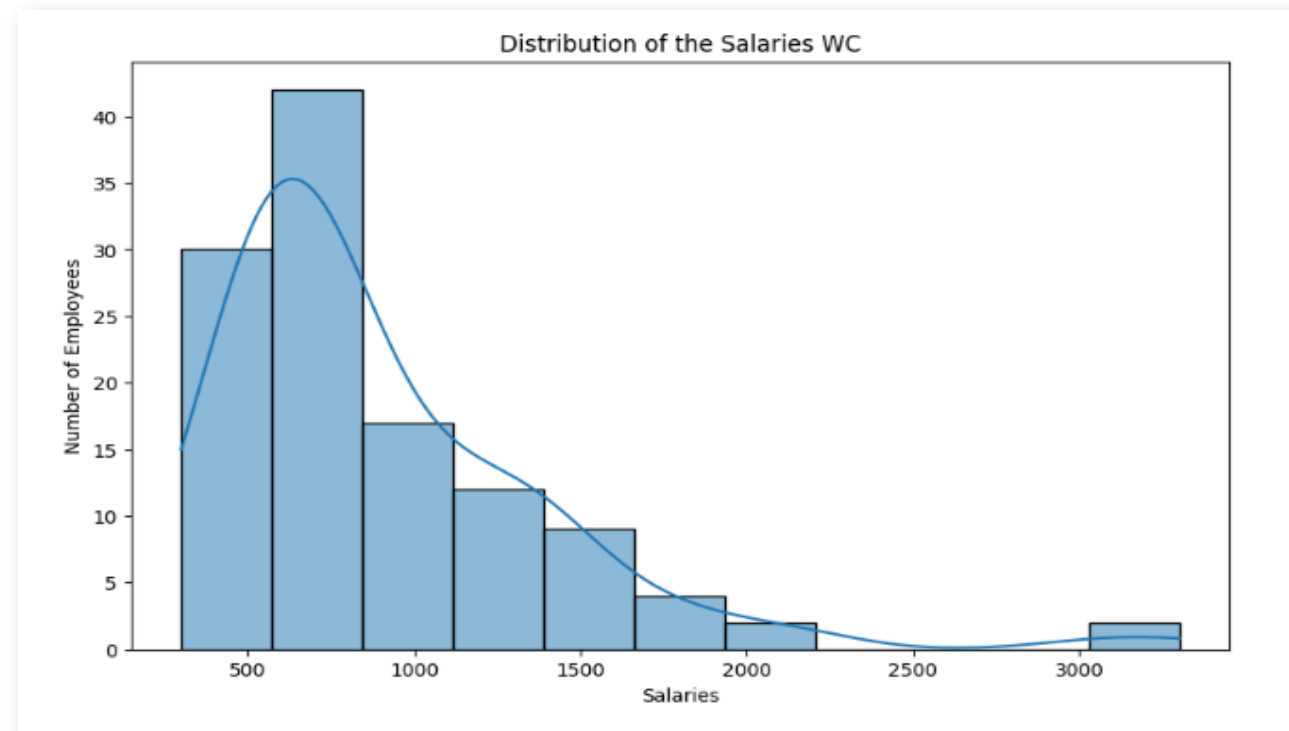
DESCRIPTIVE ANALYSIS OF SALARIES (WC/BC)

▲	Index	Statistical Category	WC	BC
	1	mean	898.90 €	353.94 €
	2	std	501.80 €	87.83 €
	3	min	300.00 €	245.00 €
	4	25%	562.50 €	300.00 €
	5	50%	750.00 €	340.00 €
	6	75%	1,100.00 €	415.00 €
	7	max	3,300.00 €	625.00 €



🔍 KEY INSIGHTS:

- 1. Significant difference in average salary
WC mean: 898.90
BC mean: 353.94
White collar employees earn on average 2.5 times more than blue collar employees.
- 2. Greater variability among white collar employees
Standard deviation (WC): 501.80
Standard deviation (BC): 87.83
Salaries of white collar employees vary significantly, while salaries of blue collar employees are relatively uniform.

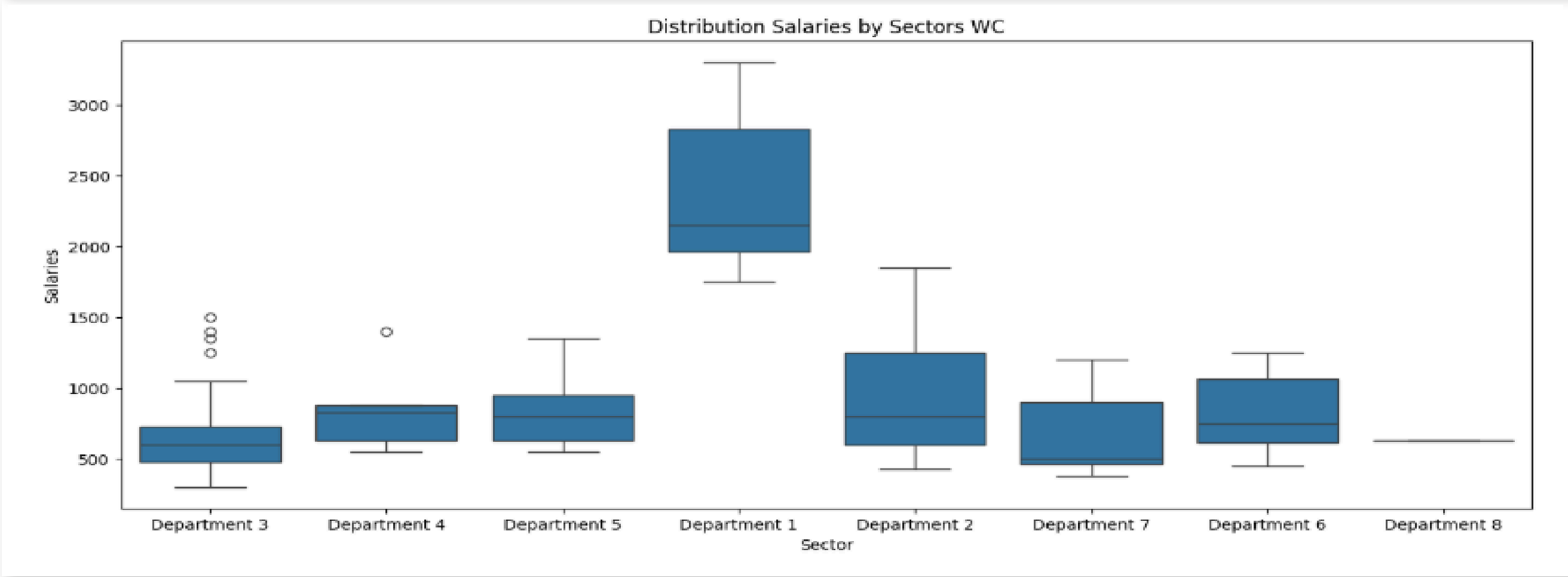


KEY INSIGHTS:

1. The salary distribution for WC (white collar) is right-skewed, meaning that most employees have lower salaries, while a small number earn very high salaries that pull the average upward.
2. The salary distribution for BC (blue collar) is more compact and narrow, with most employees earning similar salaries (300–350), indicating uniformity and a limited salary range.
3. The WC segment shows significantly greater diversity and inequality in salaries, while the BC segment is noticeably more consistent and linear.

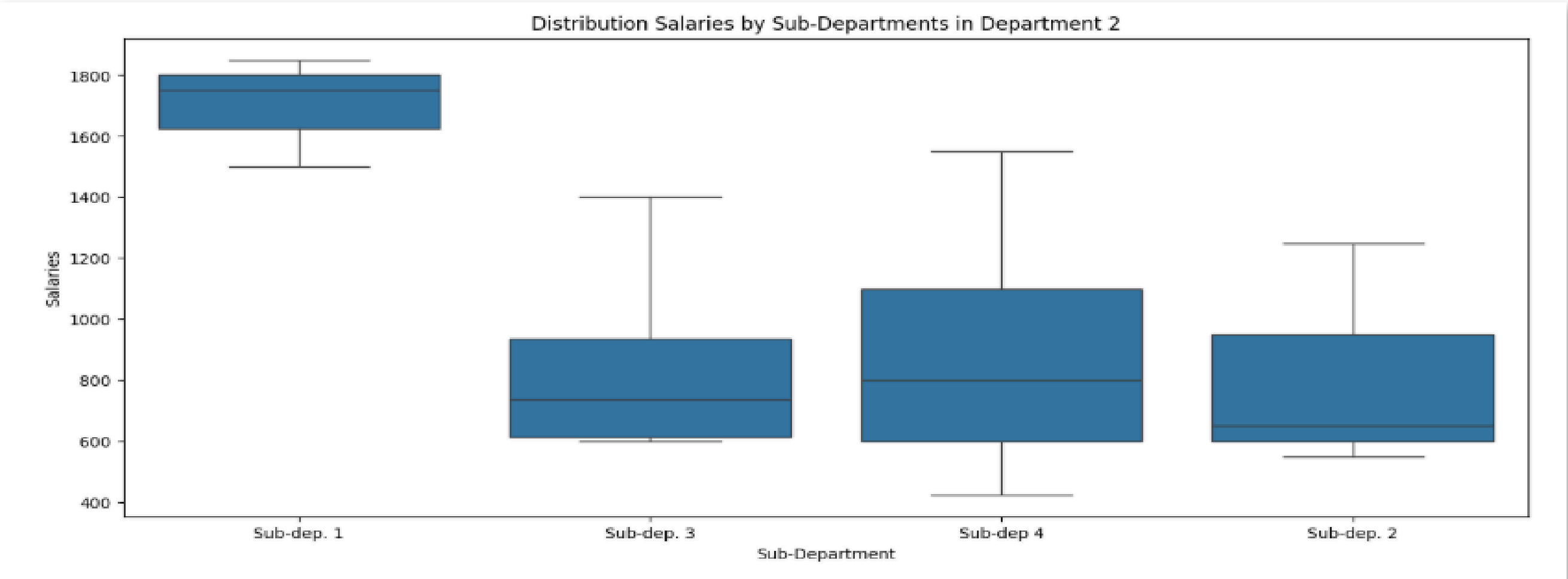
DESCRIPTIVE ANALYSIS OF SALARIES (BY SECTOR)

Index	Statistical Category	Department 1	Department 2 (WC)	Department 2(BC)	Department 3 (WC)	Department 3(BC)	Department 4	Department 5	Department 6	Department 7	Department 8
1	mean	2,383.33 €	906.63 €	353.33 €	687.32 €	354.00 €	€ 855.00	850.00 €	825.00 €	685.71 €	625 €
2	std	636.92 €	375.34 €	109.85 €	331.90 €	86.58 €	€ 333.26	297.21 €	284.84 €	314.86 €	
3	min	1,750.00 €	425.00 €	245.00 €	300.00 €	245.00 €	€ 550.00	550.00 €	450.00 €	375.00 €	625 €
4	25%	1,962.50 €	600.00 €	268.75 €	478.75 €	300.00 €	€ 625.00	625.00 €	612.50 €	462.50 €	625 €
5	50%	2,150.00 €	800.00 €	325.00 €	600.00 €	340.00 €	€ 825.00	800.00 €	750.00 €	500.00 €	625 €
6	75%	2,825.00 €	1,250.00 €	437.50 €	725.00 €	415.00 €	€ 875.00	950.00 €	1,062.50 €	900.00 €	625 €
7	max	3,300.00 €	1,850.00 €	500.00 €	1,500.00 €	625.00 €	€ 1,400.00	1,350.00 €	1,250.00 €	1,200.00 €	625 €



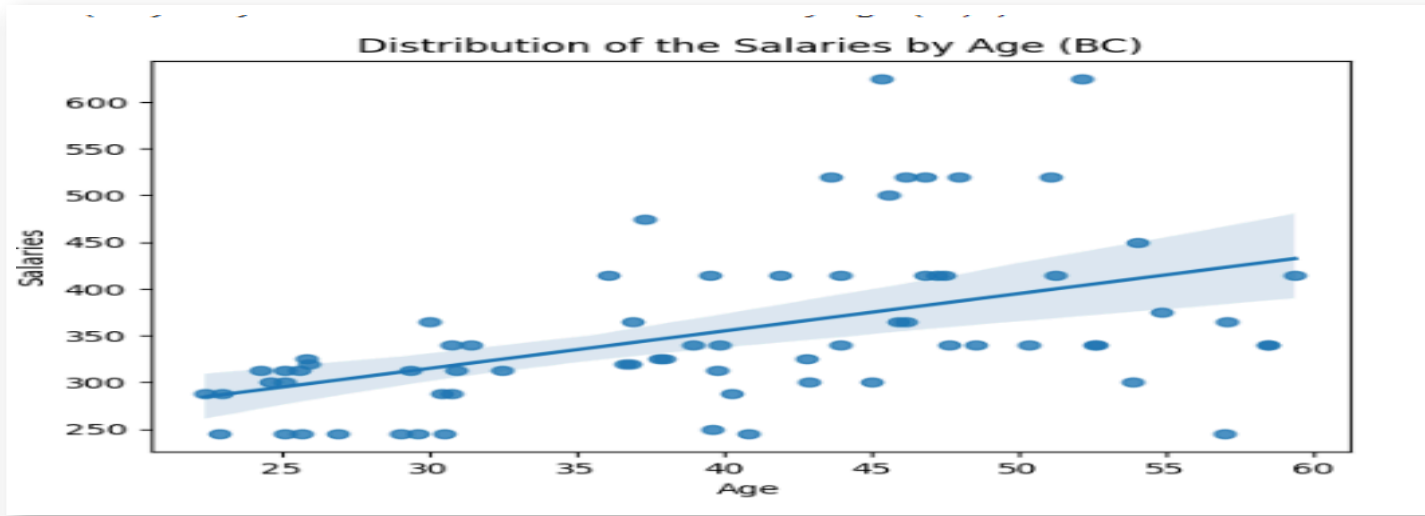
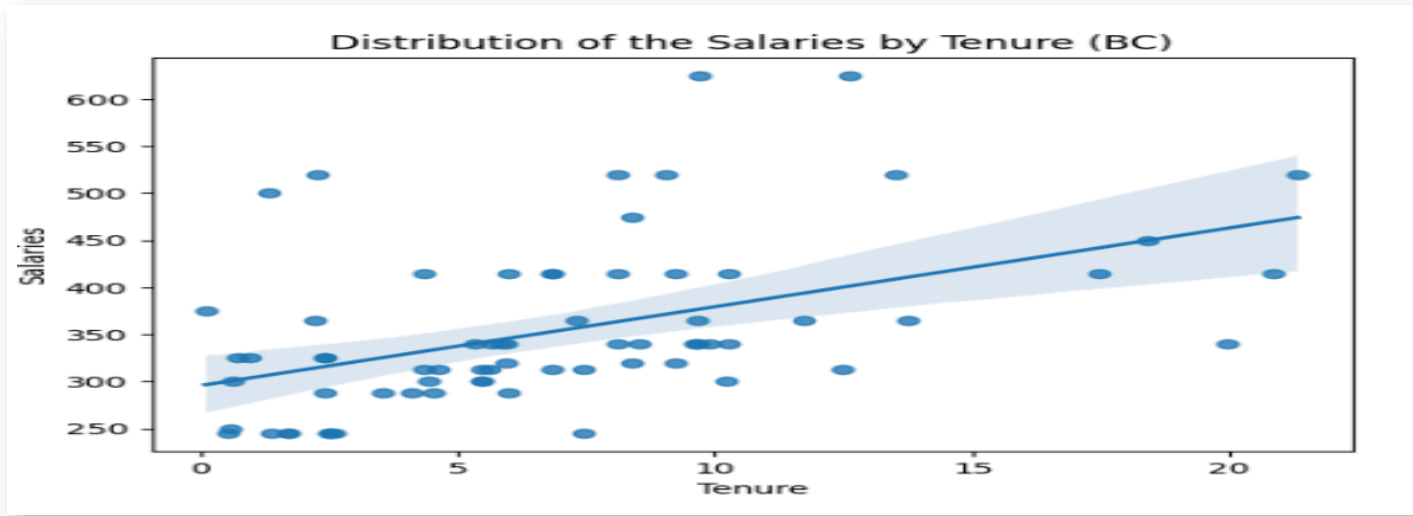
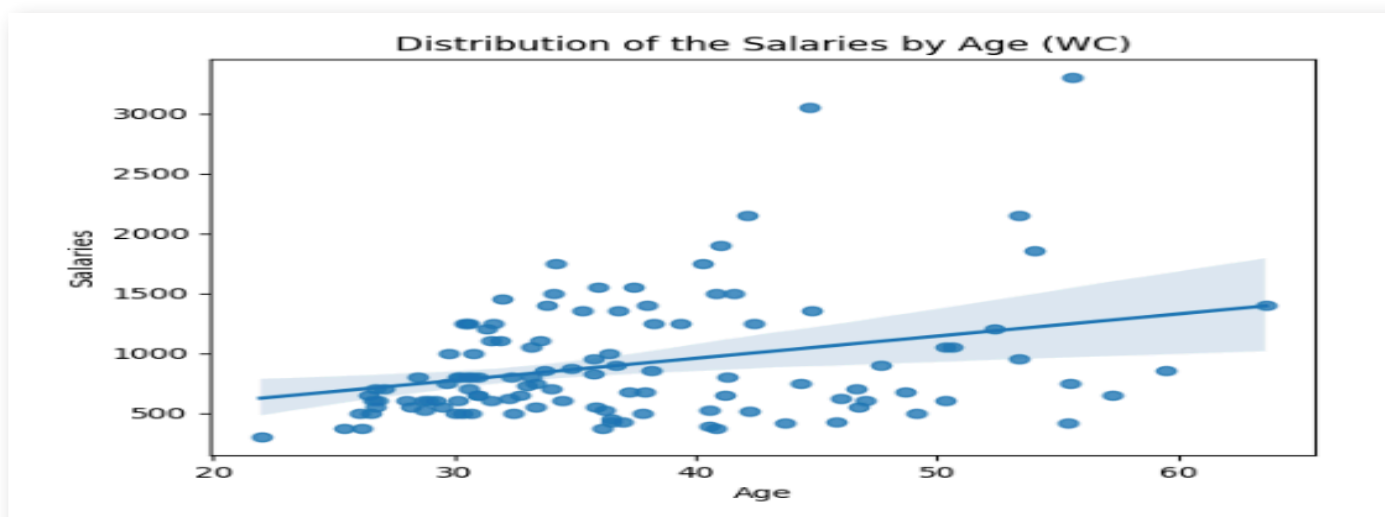
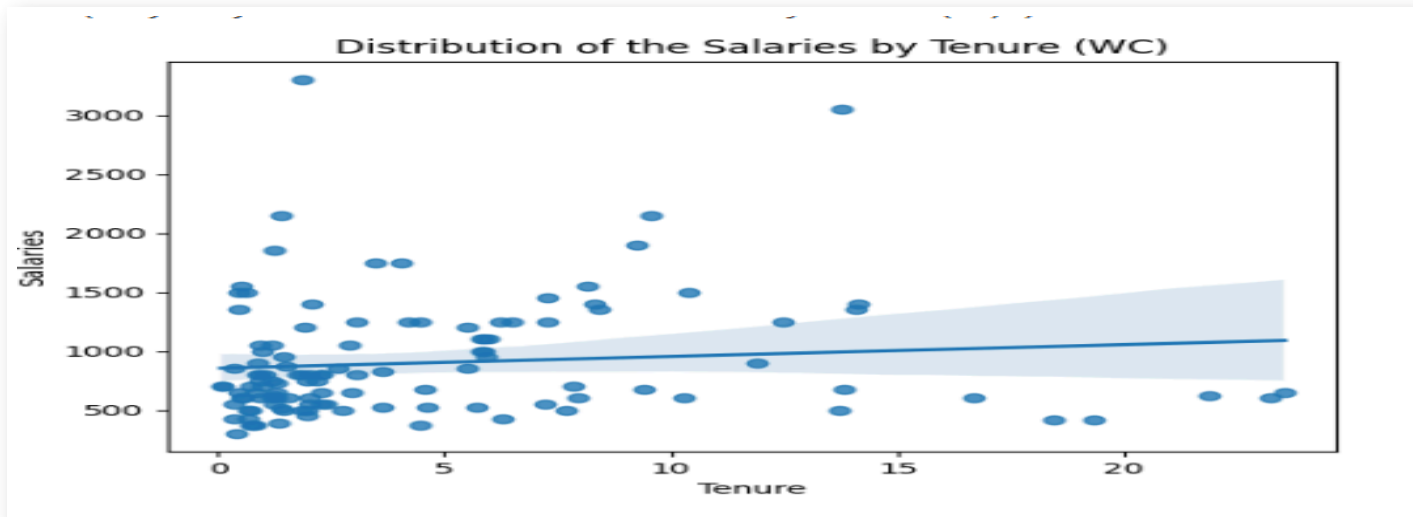
DESCRIPTIVE ANALYSIS OF SALARIES (DEPARTMENT 2(WC))

▼ Sub-departments	mean	std	min	0,25	0,5	0,75	max
Sub-dep. 3	832.50 €	287.72 €	600 €	612 €	738 €	938 €	1,400 €
Sub-dep. 2	816.67 €	378.59 €	550 €	600 €	650 €	950 €	1,250 €
Sub-dep. 1	1,700.00 €	180.28 €	1,500 €	1,625 €	1,750 €	1,800 €	1,850 €
Sub-dep 4	865.15 €	337.32 €	425 €	600 €	800 €	1,100 €	1,550 €



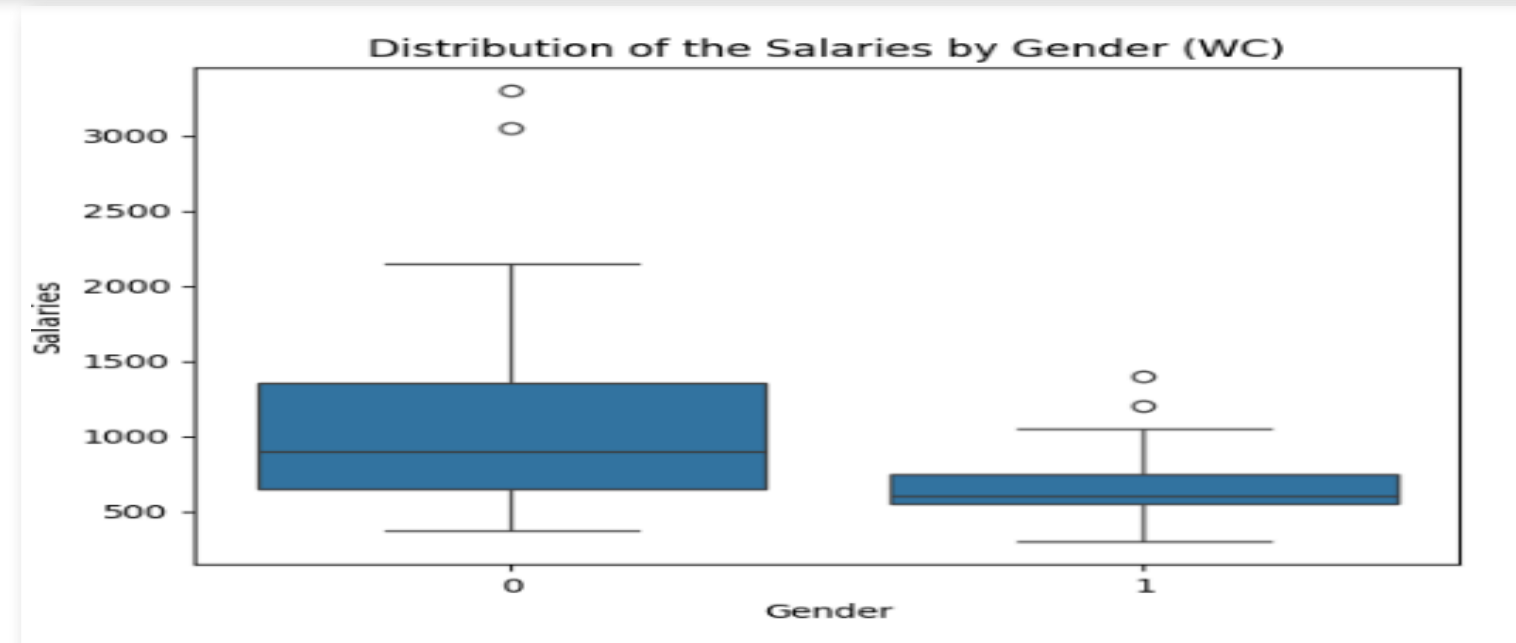
CORRELATION ANALYSIS OF SALARIES WITH AGE AND TENURE

Variable	Correlation Coefficient	Interpretation od Correalation Coefficient
Tenure WC	0.20	Weak positive correlation
Age WC	0.28	Weak positive correlation
Tenure BC	0.53	High positive correlation
Age BC	0.59	High positive correlation



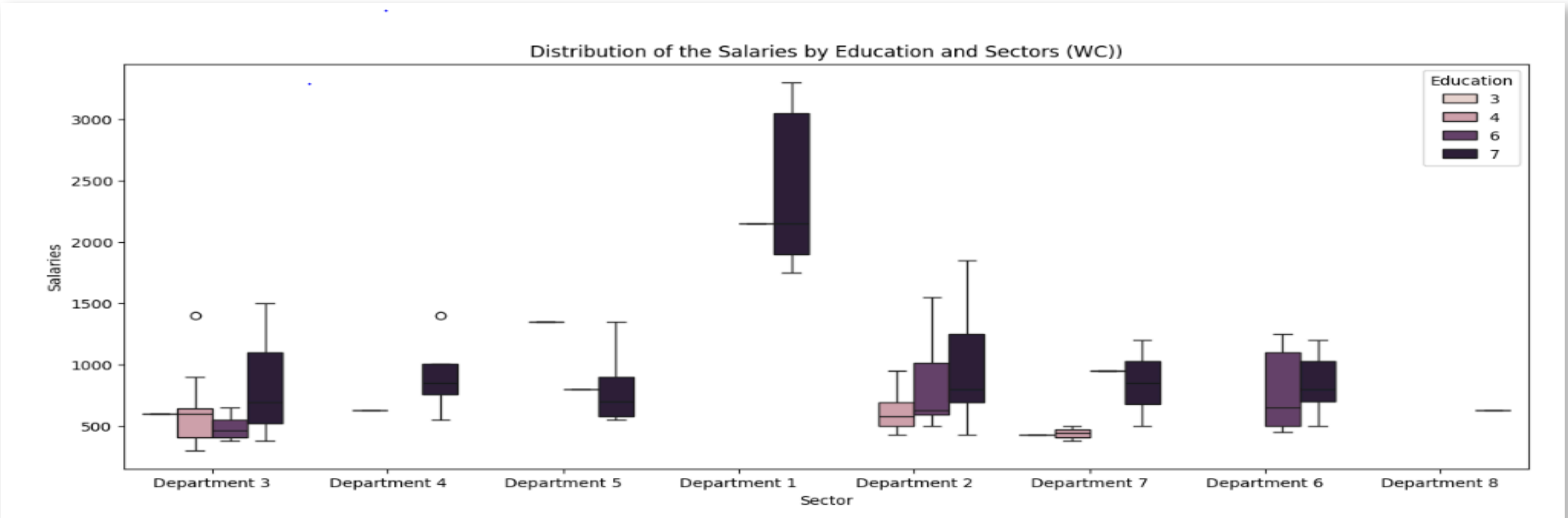
CORRELATION ANALYSIS OF SALARIES WITH GENDER

Variable	Correlation Coefficient	Interpretation of Coefficient Correlation
Gender WC	-0.37	Negative moderate correlation
Gender Department 2 WC	-0.50	Negative high correlation



CORRELATION ANALYSIS OF SALARIES WITH EDUCATIONAL LEVEL, WORK LOCATION AND SECTOR (WC)

Variable	Correlation Coefficient	Interpretation of Correlation Coefficient
Sector WC	0.71	High positive correlation
Education Level WC	0.39	Moderate positive correlation
Work location WC	0.25	Weak positive correlation



CORRELATION ANALYSIS SUMMARY

Variable	Correlation Coefficient/R2	Interpretation of Correlation Coefficient/R2
Sector WC	0.71	Very strong influence
Education Level WC	0.39	Moderate positive correlation
Age WC	0.28	Weak positive correlation
Work location WC	0.25	Weak positive correlation
Tenure WC	0.20	Weak positive correlation
Gender WC	-0.37	Moderate negative correlation
Gender Department 2 WC	-0.50	High negative correlation

Variable	Correlation Coefficient	Interpretation of Correlation Coefficient
Age BC	0.59	High positive correlation
Tenure BC	0.53	High positive correlation

Key Insights from Correlation Analysis

White Collar Employees (WC):

1. **Sector** explains a **large proportion of salary variation** ($R^2 = 0.71$), suggesting that the type of sector is a strong determinant of pay levels.
2. **Education level** shows a **moderate positive correlation** with salary ($r = 0.39$) – higher education tends to be associated with higher salaries.
3. **Age, work location, and tenure** each have a **weak positive correlation** (r between 0.20 and 0.28), suggesting they have a limited but positive impact on salary.
4. **Gender** ($r = -0.37$) indicates a **moderate negative correlation**, meaning that one gender tends to earn less on average.
5. In **Department 2**, gender shows a **strong negative correlation** ($r = -0.50$) with salary, highlighting a potential pay gap that warrants further investigation.

Blue Collar Employees (BC):

- Both **age** ($r = 0.59$) and **tenure** ($r = 0.53$) have a **strong positive correlation** with salary, indicating that experience and time in the company are key drivers of pay for blue-collar roles.

Recommendations

1. Conduct a deeper analysis of the salary structure between and within departments

- The average salary in some departments significantly deviates from others.
 - In certain departments, the salary range is wide, while the distribution is highly uneven.
 - The correlation coefficient between tenure and salary is low among white-collar employees.
 - Recommendation: Verify whether the differences are justified by the complexity of the roles. If not, adjust accordingly and eliminate anomalies as part of the upcoming annual salary review process.
-

2. Examine gender pay disparities

- There is a negative and moderate correlation between gender and salary.
 - Recommendation: Perform a gender pay equity analysis, especially in departments where the discrepancy is more pronounced.
-

3. Introduce a transparent salary growth policy based on tenure for blue-collar employees

- Among blue-collar employees, there is a strong correlation between tenure and salary.
- Recommendation: Include clear and transparent criteria for salary progression based on years of service in the Compensation & Benefits policy for this employee group.