

**Week 1 - Understanding Business Problem**

Intermediate Assignment

# HR Analytics



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## Case Overview

A large company named XYZ, employs, at any given point of time, around 4000 employees. However, every year, around 15% of its employees leave the company and need to be replaced with the talent pool available in the job market. The management believes that this level of attrition (employees leaving, either on their own or because they got fired) is bad for the company

Hence, the management has called you to understand what factors they should focus on, in order to reduce attrition. In other words, they want to know what changes they should make to their workplace, in order to get most of their employees to stay. Also, they want to know which of these variables is most important and needs to be addressed right away

# Framework

To understanding business problem



DARCI



PROBLEM  
STATEMENT

ROOT CAUSE  
(ISSUE TREE)

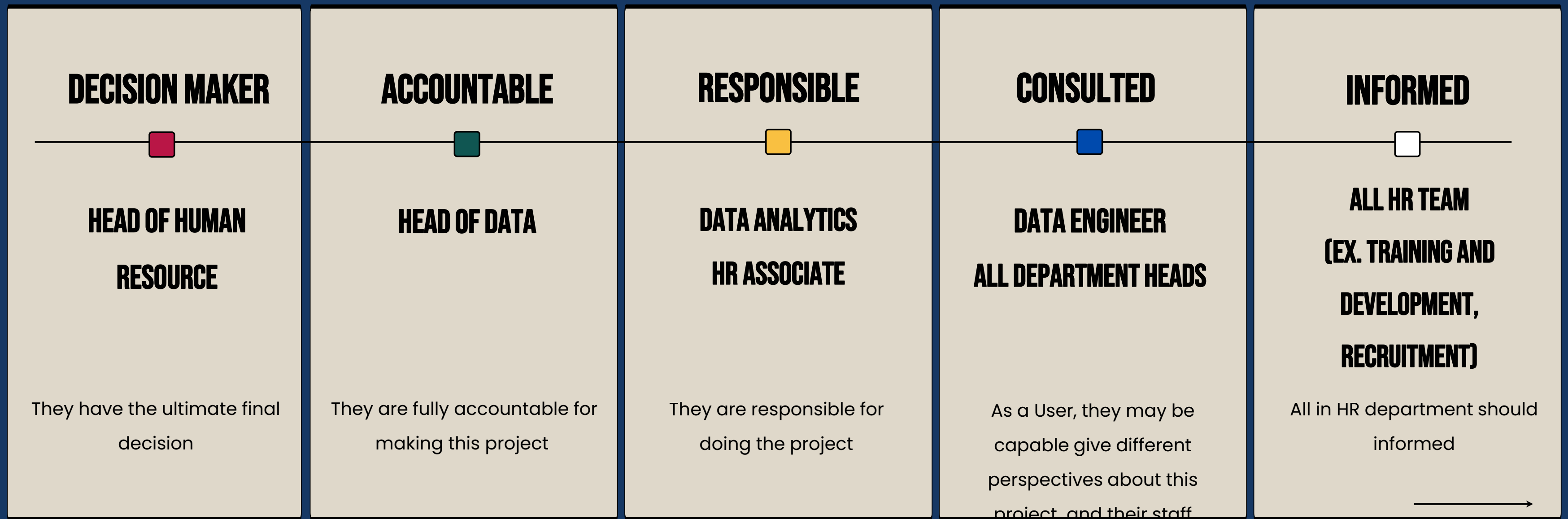
METRICS  
RECOMMENDATION

OBJECTIVE

HYPOTHESIS

# DARCI

DEFINE RIGHT EACH ROLE IN THE TEAM



## Problem


The attrition rate is high, up to 15%.

## Problem Statement


**How to reduce the attrition rate  
from 15% to 10 % within a year**



Specific



Measurable, Attainable &  
Realistic

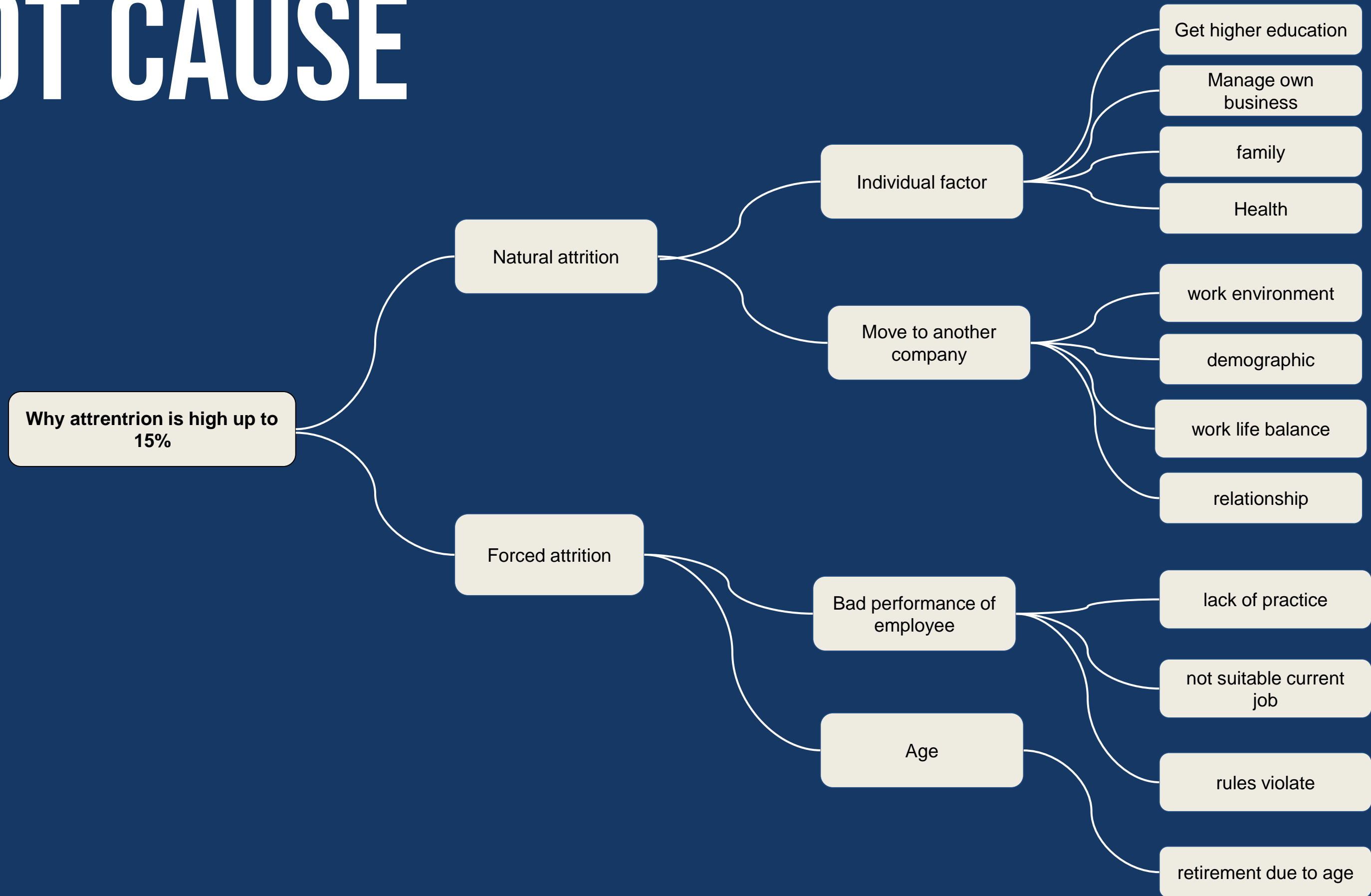


Attainable, Realistic &  
Time- Bound

# OBJECTIVE

- Give clear action to reduce attrition rate and make a report with defining the right metrics to make sure its improvement.
- Determine segment that most contribute to the attrition rate (Using Pareto Principle, we can target 80% of Most contributions to reduce attrition rate)

# ROOT CAUSE



# HYPOTHESIS

- Almost 80% attrition rate comes from environment satisfaction and job satisfaction of employees that 0 - 3rd year (under 40 years old).
- If we can improve the environment satisfied better of employee then we can reduce attrition rate 15 to 10%.
- If we can give better onboarding and better training for 0 - 3rd year (under 40 years old) employees, the job satisfaction will increase from medium to high and attrition rate can reduce from 15 % to 10 %



# METRICS RECOMMENDATION

## % Employee attrition rate

To monitor percentage how much employee leaves in company. [#Donut Chart](#)

## Attrition by years at company

To see distribution of years employee at company that attrition from company. [#Bar Chart](#)

## Attrition by Manager

To monitor number of attrition each manager. [#Bar Chart](#)

## Job satisfaction

To monitor value of job satisfaction each manager. [#Likert scale chart](#)

## Work environment satisfaction

To monitor value of environment satisfaction each manager. [#Likert scale Chart](#)

## % Attrition by performance employee

To monitor the percentage how many employees leave based on the performance in company. [#Pie Chart](#)