# **Objective**

To reduce employee attrition by addressing key risk factors identified through SHAP analysis and model insights.

## **SHAP Analysis Summary**

SHAP (SHapley Additive Explanations) was used to identify the top features influencing employee attrition. The most impactful attributes were:

- YearsInCurrentRole
- YearsAtCompany
- YearsSinceLastPromotion
- TotalWorkingYears
- YearsWithCurrManager

These features indicate that employee stagnation, lack of promotion, and long tenure in the same role/team are major contributors to attrition.

# **Key Risk Factors Identified:**

#### 1. Work-Life Balance

- Employees with poor work-life balance showed significantly higher attrition.
- Many high-risk individuals had lower scores in EnvironmentSatisfaction and WorkLifeBalance.

#### Recommendation:

• Introduce flexible work hours or hybrid work policies.

• Encourage mandatory time-off and set work-life boundaries.

## 2. Compensation and Salary Hike

• Monthly income and percent salary hike were influential in predicting attrition.

#### Recommendation:

- Implement transparent performance-based raise mechanisms.
- Benchmark salaries against industry standards annually.

#### 3. Career Growth

• Long duration in the same role without promotion strongly correlates with resignation.

#### Recommendation:

- Create mentorship and upskilling programs.
- Review promotion eligibility and timing more frequently.

### 4. Job Satisfaction and Engagement

• Low JobSatisfaction and JobInvolvement lead to increased attrition.

#### Recommendation:

- Conduct engagement surveys quarterly.
- Launch employee recognition and feedback systems.

#### 5. OverTime and Burnout

• "OverTime" was one of the most impactful SHAP features.

#### Recommendation:

- Monitor workload using dashboards.
- Enforce overtime caps and support recovery time.

## Suggested KPIs to Monitor in Power BI

- Attrition rate by department
- Average years in current role
- Time since last promotion
- Manager tenure vs. team attrition
- Prediction probability heatmap

### Conclusion

The SHAP-based analysis revealed that attrition is largely driven by lack of growth, engagement, and recognition. A data-driven HR strategy can reduce attrition by implementing timely promotions, flexible policies, and targeted development programs.

This report is part of the HR Analytics Project using Python, Power BI, and SHAP.