

Attrition Rate of Airtel

Attrition \rightarrow Yes \Rightarrow left
 \rightarrow No \Rightarrow stayed

The company now has two options - ① Retain ② Recruit

What analysis can we do on this data?

- ① Probability of leaving of an employee - classification - Log. Reg.
- ② Factors' contribution towards attrition - Model's Interpretation

$$\vec{w} \cdot \vec{x} + w_0 = 0 \Rightarrow \underbrace{w_1 x_1} + \underbrace{w_2 x_2}_{\text{salary}} + \dots + \underbrace{w_n x_n} + w_0 = 0$$

if $w_i > w_j$ mean feature 'i' has higher impact on attrition than feature 'j'

Home work: standard procedure of creating an ML model

① Acquire the data - Data Ingestion pipeline

② Pre processing - (a) Clean

\hookrightarrow Duplicates

\hookrightarrow Missing values

(b) Encoding

(c) Feature scaling

\hookrightarrow standardize / Normalize

(d) Rebalancing data

(e) Treatment of outliers

⑥ Treatment of outliers

⑦ Feature Engineering

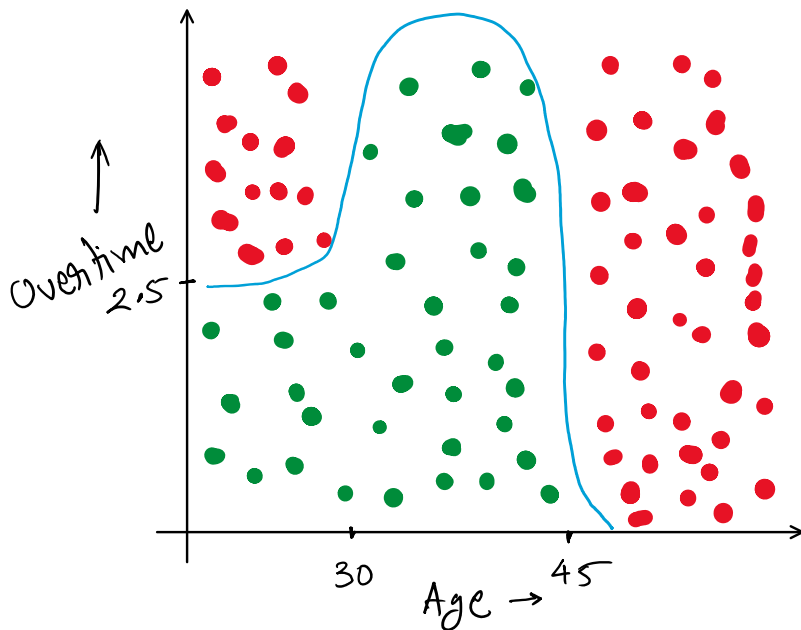
↳ Reduce the dimensionality

↳ add new features (more relevant)

⑧ EDA

③ ML model

★ How about solving this problem with a different approach.



→ This data is not linearly separable. \therefore LR won't work

→ Can we use polynomial Logistic Reg.?

↳ Complex

\therefore More chances to overfit

→ KNN?

↳ slow for big datasets

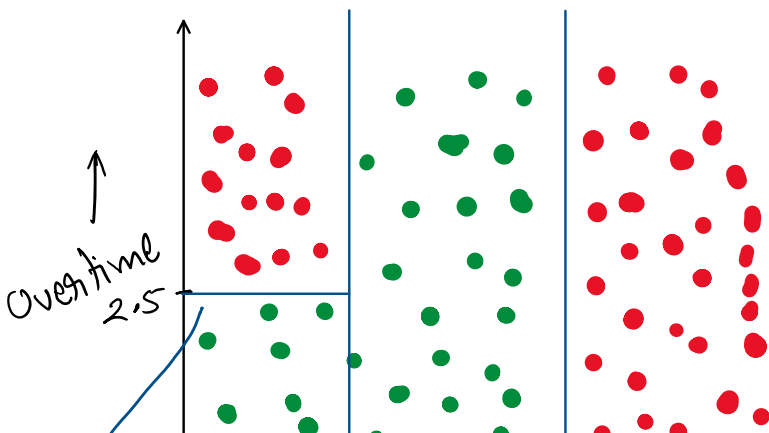
→ But Airtel has $\sim 87,000$ employees for which KNN might become slow.

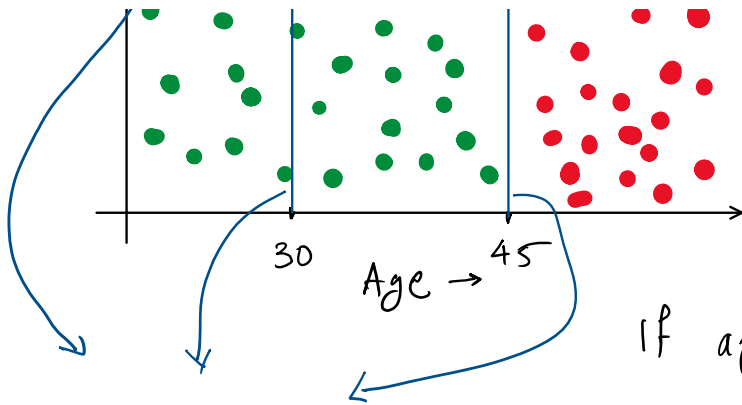
Let's ask a few questions to our data:

$\text{age} \geq 45 \Rightarrow \text{Leave}$

$30 \leq \text{age} < 45 \Rightarrow \text{stay}$

$\text{age} < 30 \Rightarrow \text{OT} > 2.5 \Rightarrow \text{Leave}$





$\text{age} < 30 \Rightarrow \text{OT} > 2.5 \Rightarrow \text{Leave}$

How can we implement this logic?

if $\text{age} \geq 45$: leave

else: if $30 < \text{age} < 45$: stay

else:

if $\text{OT} > 2.5$: Leave

else: stay

if $\text{OT} > 2.5$:

if $\text{Age} < 30$: Leave

else:

if $\text{Age} \geq 45$: Leave

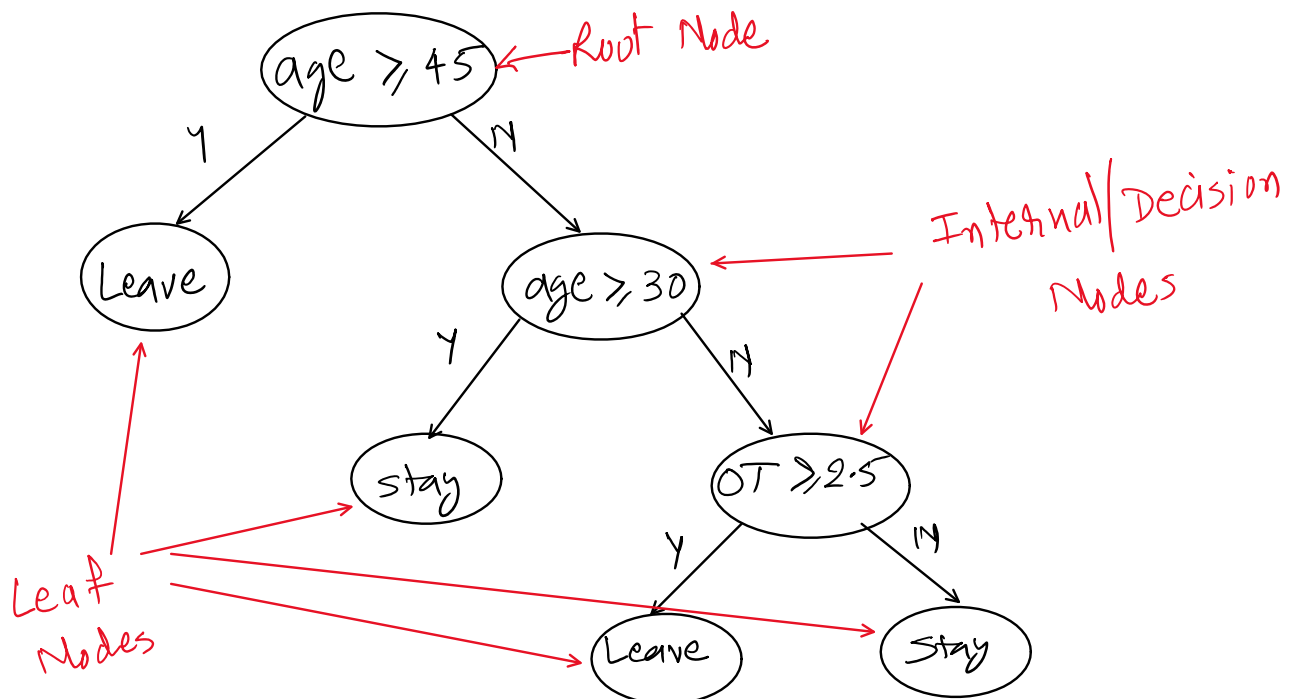
else: stay

else: if $\text{Age} \geq 45$: Leave

else: if $\text{Age} < 30$: stay

else: stay

Can we write this logic in a different way as below?



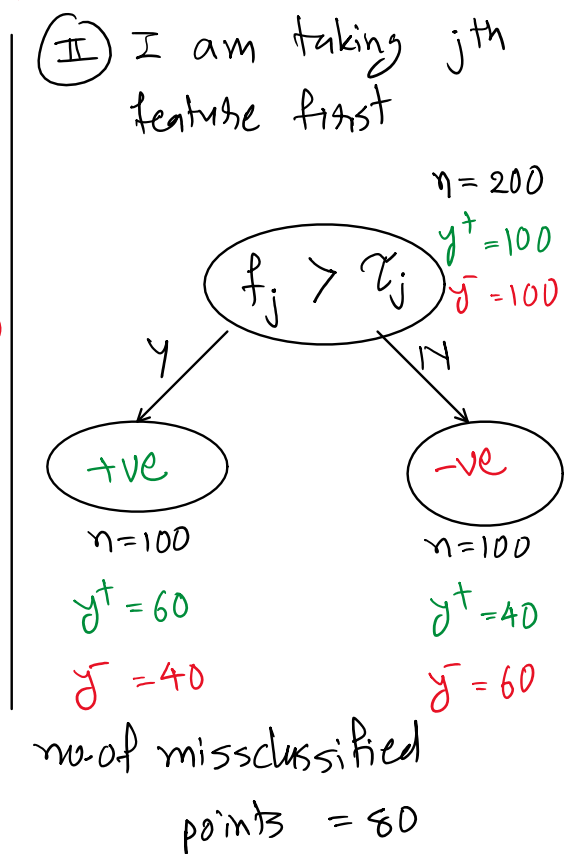
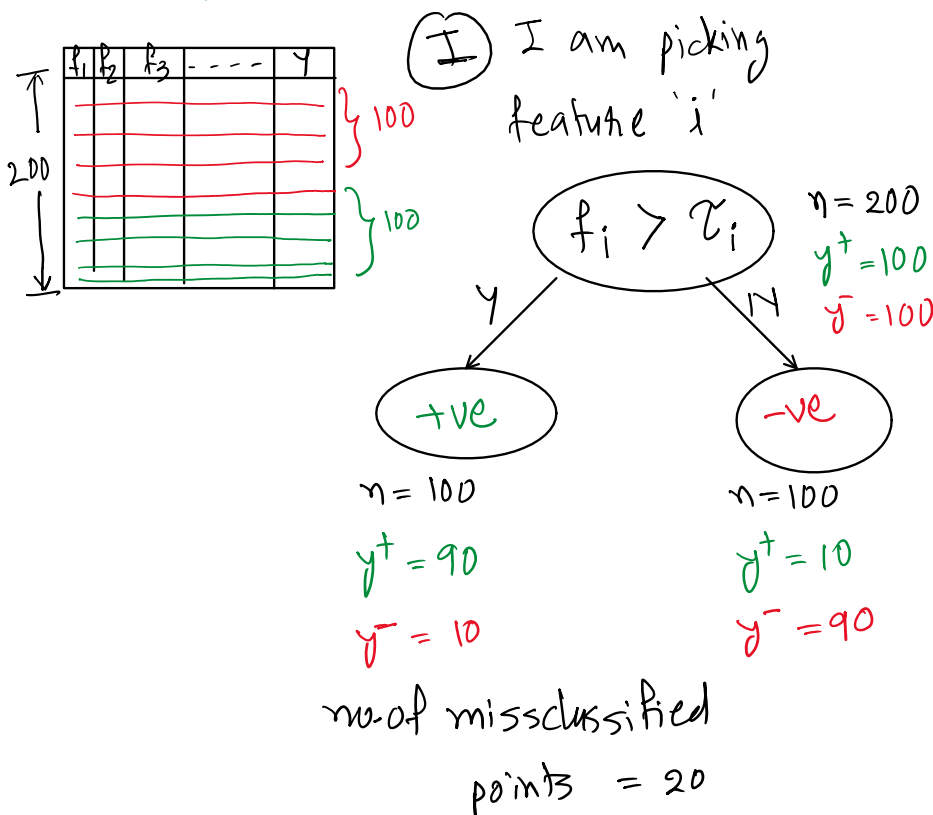
★ Which questions should we start with | we ask to our data?

→ This is a v. imp point because the questions we decide will be asked to each & every datapoint and hence can become computationally very expensive if chosen in wrong sequence.

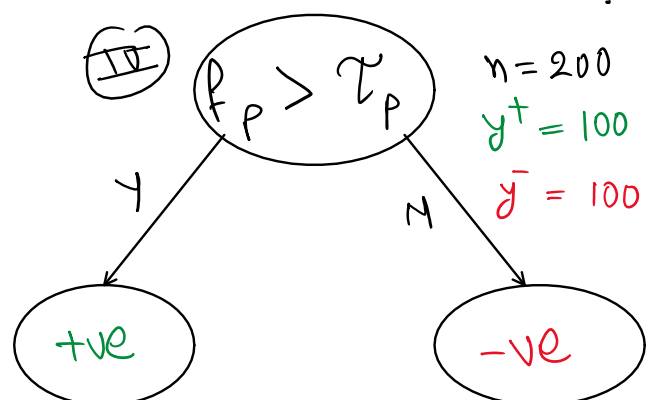
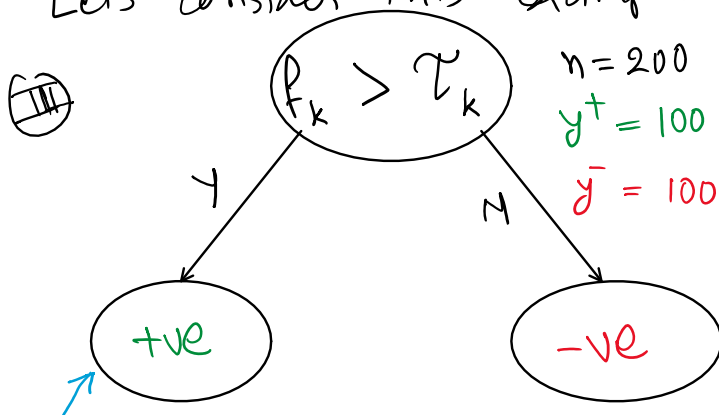
Let's understand this concept by an example.

→ Suppose we have 200 datapoints. with two classes

$y^+ : 100$ datapoints $y^- : 100$ datapoints.



Let's consider this example:



Pure Homogenous Region		Slightly less homogenous	
(+ve)	(-ve)	(+ve)	(-ve)
$n = 80$	$n = 120$	$n = 90$	$n = 110$
$y^+ = 80$	$y^+ = 20$	$y^+ = 85$	$y^+ = 15$
$y^- = 0$	$y^- = 100$	$y^- = 5$	$y^- = 95$
no. of misclassified points = 20			
Pure Homogenous Node			

* We need to quantify "homogeneity" of a region/node

Ans - Entropy - measure of impurity/Heterogeneity

Entropy high = high Heterogeneity = Low Homogeneity = Less Purity

Entropy of a node 'Y' is denoted by $H(Y)$ & is given by:

$$H(Y) = - \sum_{i=1}^m p(y_i) \cdot \log_2 p(y_i)$$

In our example, our labels are: {+ve, -ve}

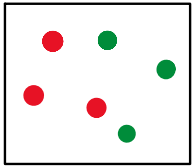
$$\therefore p(-ve) = 1 - p(+ve)$$

$$H(Y) = - [p(y^+) \cdot \log_2 p(y^+) + p(y^-) \cdot \log_2 p(y^-)]$$

$$H(Y) = - [p(y^+) \cdot \log_2 p(y^+) + (1 - p(y^+)) \cdot \log_2 (1 - p(y^+))]$$

↳ Recall Log loss?

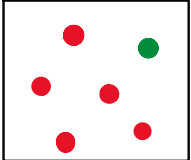
Example-



$$P(-ve) = \frac{1}{2}$$

$$H(Y) = 1$$

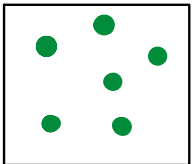
$$P(+ve) = \frac{1}{2}$$



$$P(-ve) = \frac{5}{6}$$

$$H(Y) = 0.65$$

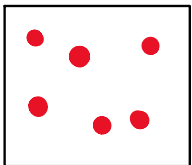
$$P(+ve) = \frac{1}{6}$$



$$P(-ve) = 0$$

$$H(Y) = 0 \rightarrow \text{Purest Node}$$

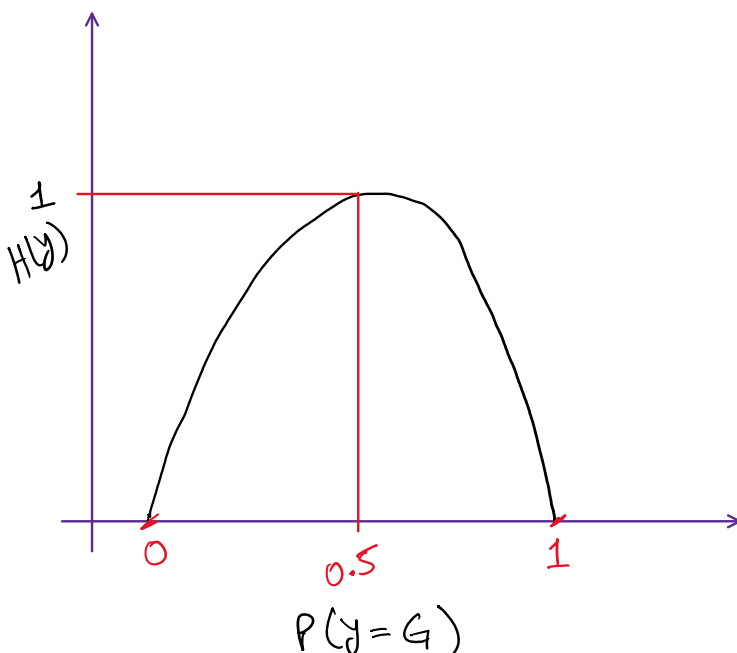
$$P(+ve) = 1$$



$$P(-ve) = 1$$

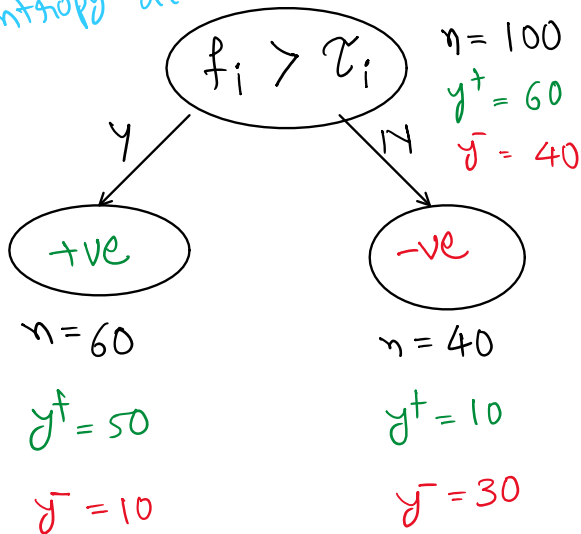
$$H(Y) = 0 \rightarrow \text{Purest Node}$$

$$P(+ve) = 0$$



★ Coming back to our question - Which feature should I consider first? / which question should I ask first

Entropy at Patient level = H_p



Entropy at children level = H_c

Drop in Entropy = $H_p - H_c$

Entropy at children level?

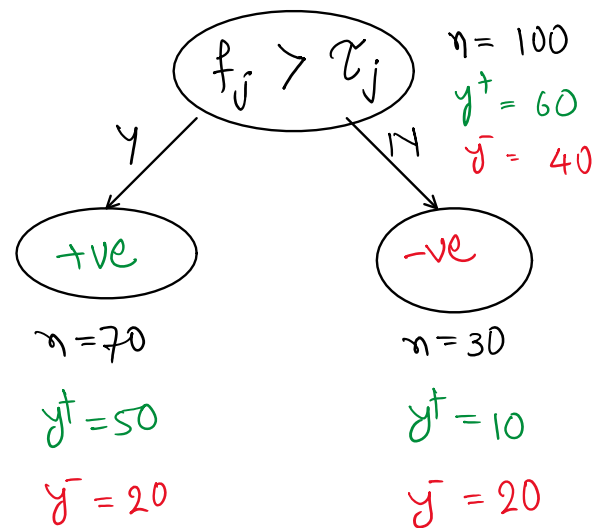
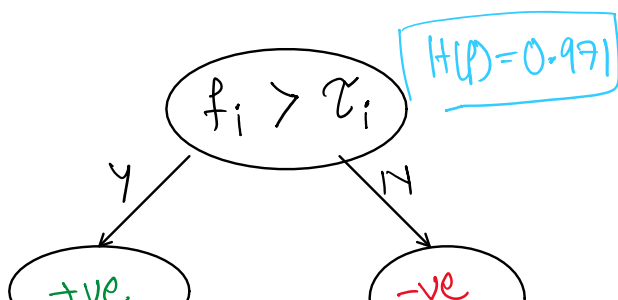
Left Question (Feature)

Left child : $H(y) \Rightarrow P_g = 5/6$ & $P_n = 1/6$

$\therefore H(y) = 0.65$

Right child : $H(y) \Rightarrow P_g = 1/4$ & $P_n = 3/4$

$H(y) = 0.81$



① Entropy at the patient level:

$PCG = 6/10$ $PCR = 4/10$

$H(p) = 0.971$

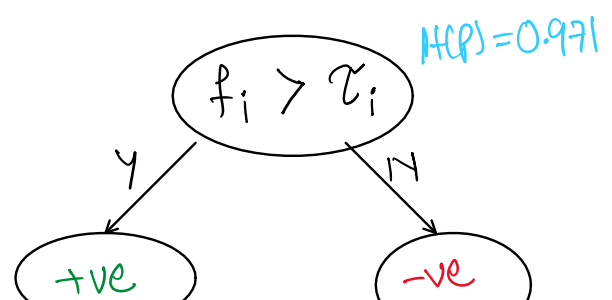
Right Question (Feature)

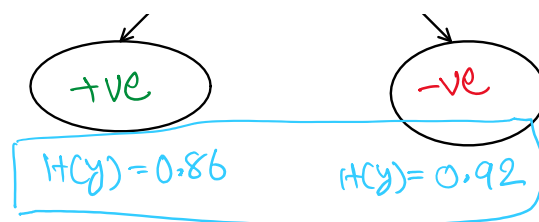
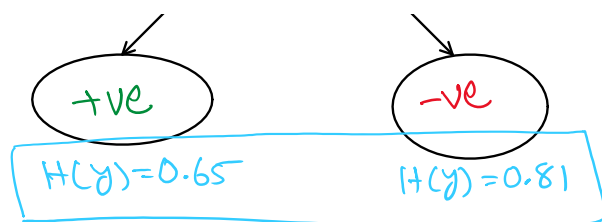
Left child : $H(y) \Rightarrow P_g = 5/7$ & $P_n = 2/7$

$\therefore H(y) = 0.86$

Right child : $H(y) \Rightarrow P_g = 1/3$ & $P_n = 2/3$

$\therefore H(y) = 0.92$





↑ Need of combining these values

★ Overall Entropy at the children level:

$$= \frac{n_1}{n} \cdot H_{C_1} + \frac{n_2}{n} \cdot H_{C_2}$$

$$H_{C_i} = \frac{60}{100} \times 0.65 + \frac{40}{100} \times 0.8$$

$$H_{C_i} = 0.71$$

Entropy drop with feature-i

$$= 0.971 - 0.71$$

$$= 0.261$$

$$H_{C_j} = \frac{70}{100} \times 0.86 + \frac{30}{100} \times 0.92$$

$$H_{C_j} = 0.88$$

Entropy drop with jth

$$\text{feature} = 0.971 - 0.88$$

$$= 0.091$$

This drop in Entropy is also known as
Information Gain