EMPLOYEE ATTRITION PREDICTION AND HR ANALYTICS

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CERTIFIED SPECIALIST

IN

DATA SCIENCE & ANALYTICS

submitted by

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List of Abbreviations

AI	Artificial Intelligence	
CSS	Cascading Style Sheets	
HR	Human Resource	
HTML	Hyman Tayt Markun Languaga	
TITIVIL	Hyper Text Markup Language	
KNN	K Nearest Neighbours	
K-FOLD K number of Folds		

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Abstract

Employee attrition, the voluntary departure of employees from an organization, poses significant challenges for businesses, impacting productivity, continuity, and overall performance. In this project, we aim to develop a system that can accurately predict employee attrition within an organization or a team and utilize data-driven decision-making processes to identify employees at risk of leaving their positions. To achieve this, we explore the application of HR analytics using a dataset of 1400 rows and 29 columns, encompassing various employeerelated attributes such as age, job role, job satisfaction, work-life balance, and performance rating. Our main goal is to build and validate a predictive model capable of identifying potential attrition risks within the workforce. Leveraging machine learning algorithms, including logistic regression, decision trees, random forests, and gradient boosting, we conduct data preprocessing, feature engineering, model training, and performance evaluation. The project's outcomes offer valuable insights empowering HR professionals to proactively identify employees at higher attrition risk, enabling the implementation of targeted retention strategies, such as personalized development plans and improved work-life balance initiatives. The integration of employee attrition prediction and HR analytics holds immense potential in enhancing workforce management, fostering organizational growth, and ensuring overall success.

1. Problem Definition

1.1 Overview

The HR attrition prediction and analytics project aims to address the challenge of employee turnover within an organization. By leveraging data-driven approaches, the project seeks to analyze various factors, such as employee demographics, job satisfaction, work-life balance, and performance ratings, to identify patterns and trends associated with attrition. The goal is to develop a predictive model that can anticipate the likelihood of employees leaving the company, enabling proactive HR strategies. This project holds the potential to provide valuable insights into the key drivers of attrition, enabling the organization to implement targeted retention initiatives, improve workforce planning, and enhance overall employee satisfaction and engagement.

1.2 Problem Statement

The HR attrition prediction and analytics project addresses a critical concern faced by organizations worldwide: the high cost and disruption caused by employee turnover. The project aims to harness the power of data analytics to understand the underlying factors leading to attrition. By examining a comprehensive dataset including variables such as age, job level, job roles, job satisfaction, and work-life balance, the project seeks to uncover patterns, correlations, and predictive indicators of attrition. The primary goal is to develop an accurate and robust predictive model that can forecast the likelihood of an employee leaving the company. This model could become an invaluable tool for HR departments, enabling them to proactively identify at-risk employees, implement targeted retention strategies, and ultimately reduce attrition rates. The insights gained from this project have the potential to revolutionize HR practices, leading to a more stable and motivated workforce.

2. Introduction

Employee attrition, the process of employees voluntarily leaving an organization, has significant implications for businesses, leading to productivity loss, increased recruitment costs, and potential disruptions to company operations. Consequently, the ability to predict employee attrition can be a valuable asset for Human Resources (HR) departments in proactively addressing turnover challenges. In recent years, the advent of HR analytics has enabled organizations to leverage data-driven approaches to predict attrition and make informed decisions in managing their workforce. In this project, we explore the application of HR analytics to predict employee attrition using a dataset consisting of 1400 rows and 29 columns. The dataset contains various employee-related attributes such as age, business travel, department, distance from home, education, education field, gender, job level, job role, marital status, monthly income, number of companies worked, age limit, percent salary hike, standard hours, stock option level, total working years, training times last year, years at the company, years since the last promotion, years with current manager, environment satisfaction, job satisfaction, work-life balance, job involvement, and performance rating.

Our project aims to build and validate a predictive model that can identify potential attrition risks within the workforce. To achieve this, we will employ various machine learning algorithms, such as logistic regression, decision trees, random forests, and gradient boosting, to analyze the dataset. The analysis will involve data preprocessing, feature engineering, model training, and performance evaluation using appropriate metrics.

The outcomes of this study can offer valuable insights to HR professionals, enabling them to proactively identify employees at a higher risk of attrition. With this predictive knowledge, HR departments can implement targeted retention strategies, such as personalized development plans, competitive benefits, and improved work-life balance initiatives, to increase employee satisfaction and reduce attrition rates. Ultimately, the integration of employee attrition prediction and HR analytics can contribute to a more stable and productive workforce, fostering organizational growth and success

3. Literature Survey

[1] IBM HR Analytics Employee Attrition & Performance

The HR attrition prediction and HR analytics project is a comprehensive effort aimed at addressing the critical issue of employee attrition within the organization. High turnover rates not only disrupt operational continuity but also lead to significant financial and knowledge loss. The project seeks to utilize advanced data analysis techniques to uncover underlying factors contributing to employee attrition. By examining a wide range of variables such as age, job role, career development, compensation, and job satisfaction, the project aims to identify correlations and trends that can shed light on why employees leave. The project's primary objective is to develop a robust predictive model that can accurately forecast the likelihood of an employee leaving the company. This model will empower HR professionals and management to take proactive measures to mitigate attrition by designing targeted retention strategies and addressing potential pain points identified in the analysis.

Furthermore, the project will provide insights into the most critical features influencing attrition. Are certain departments experiencing higher attrition? Are there specific job roles with elevated turnover rates? Do employees at certain career levels face more attrition risk? These questions and more will be explored to gain a nuanced understanding of the dynamics behind attrition. Ultimately, the project's outcome will not only enable the organization to retain valuable talent but also enhance workforce planning, improve employee satisfaction, optimize talent acquisition, and bolster overall organizational performance.

4. Exploratory Data Analysis

1. COLUMNS WITH NULL VALUES

- NumCompaniesWorked
- EnviornmentSatisfaction
- JobSatisfaction
- WorkLifeBalance

2. GRAPHS

Histograms of Numerical Columns

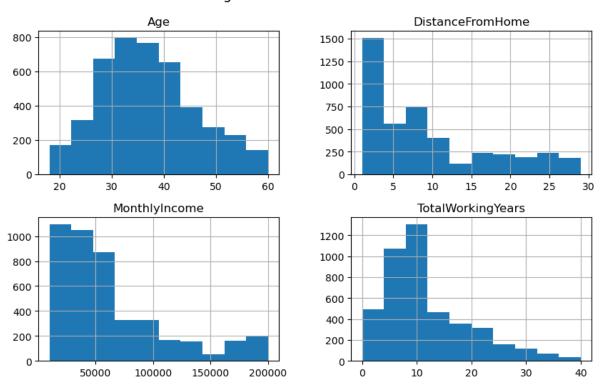


Figure 1: Histograms

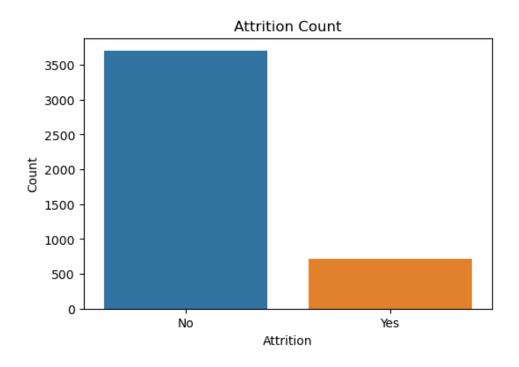


Figure 2: Bar plot for Attrition

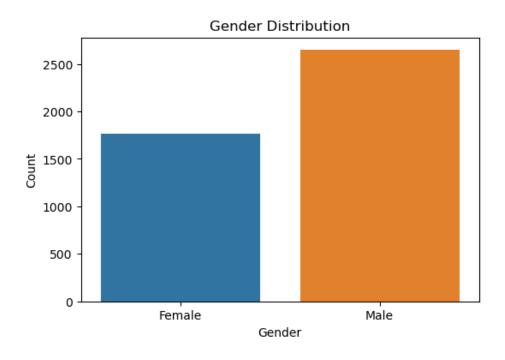


Figure 3: Bar plot for gender

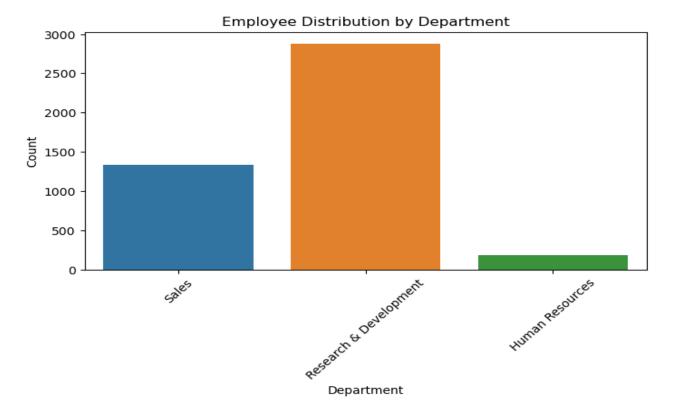


Figure 4: Bar Plots of department

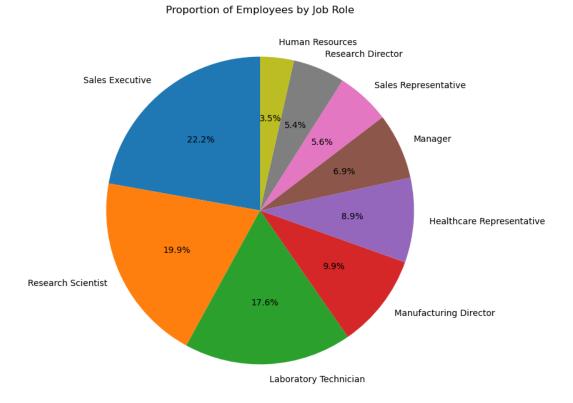


Figure 5: Proportion of employees by job role

Outier detection

```
In [50]:
         def detect_outliers_zscore(df):
             z_scores = np.abs((df - df.mean()) / df.std())
             return z_scores > 3 # Adjust the threshold (e.g., 3) based on your dataset and r
         outliers_zscore = df.apply(detect_outliers_zscore)
         print(outliers_zscore)
               Unnamed: 0
                           Age Attrition BusinessTravel Department \
         0
                    False False
                                      False
                                                     False
                                                                  False
                    False False
                                      False
         1
                                                      False
                                                                  False
         2
                    False False
                                      False
                                                      False
                                                                  False
         3
                    False
                           False
                                      False
                                                      False
                                                                  False
         4
                    False
                           False
                                      False
                                                      False
                                                                  False
                      . . .
                             . . .
                                       . . .
                                                        . . .
         4405
                    False
                           False
                                      False
                                                      False
                                                                  False
         4406
                    False
                           False
                                      False
                                                      False
                                                                  False
         4497
                    False
                           False
                                      False
                                                      False
                                                                  False
         4408
                    False
                           False
                                      False
                                                      False
                                                                  False
         4409
                    False False
                                      False
                                                      False
                                                                  False
               DistanceFromHome Education EducationField EmployeeCount Gender \dots \
         0
                          False
                                     False
                                                                            False ...
                                                     False
                                                                    False
                                                                            False ...
         1
                          False
                                     False
                                                     False
                                                                    False
                          False
                                     False
         2
                                                     False
                                                                    False
                                                                            False ...
         3
                          False
                                     False
                                                     False
                                                                    False
                                                                            False ...
         4
                          False
                                     False
                                                     False
                                                                    False
                                                                            False ...
```

Figure 6: Outlier Detection

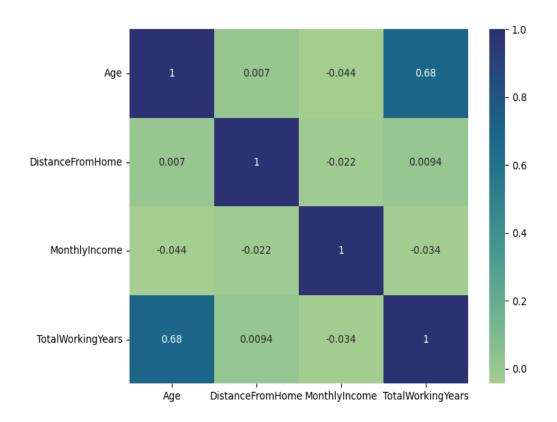


Figure 7: Correlation Heatmap

3. BOX PLOTS

A box plot, also known as a box-and-whisker plot, is a graphical representation of the distribution of a dataset. It provides a visual summary of key statistical measures, such as the median, quartiles, and potential outliers, in a concise and informative manner. Box plots are commonly used to display the spread and central tendency of a dataset, making it easier to understand its overall characteristics.

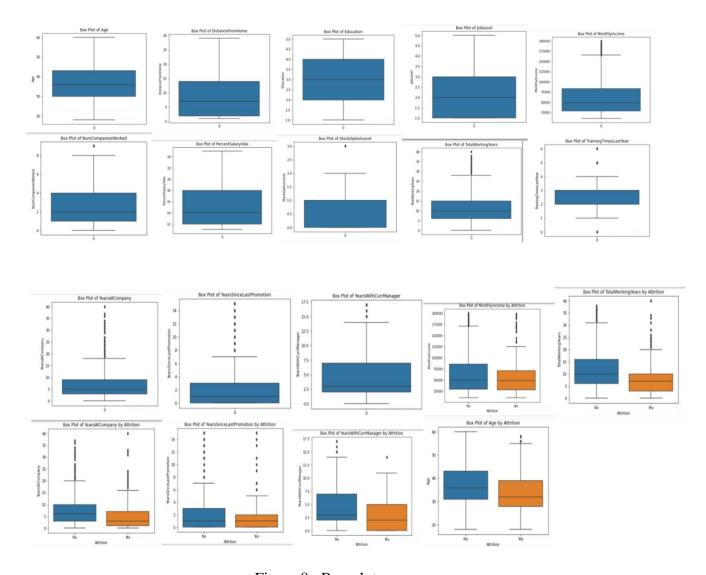


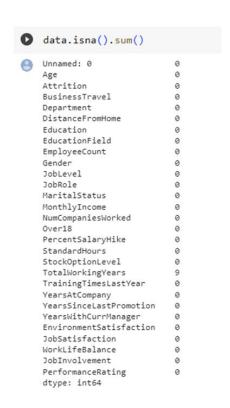
Figure 8 : Box plots

5. Data Preprocessing

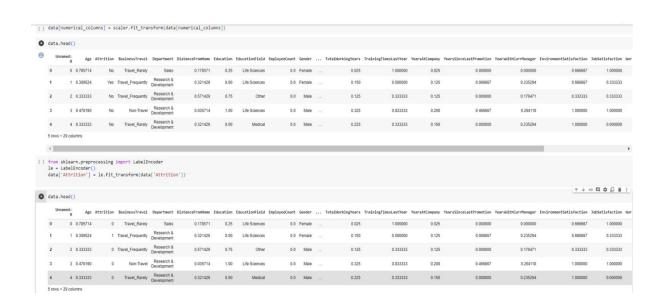
1. FILLING MSSING VALUES

- Identify the numerical columns in the DataFrame data that have missing values, based on the list of column names or indices provided in num_col_with_missing_values.
- Calculate the mean value for each of these numerical columns.
- Replace the missing values in these columns with their respective mean values.





2. SCALING AND NORMALIZATION



```
[] data.dtypes
                               int64
    Unnamed: 0
                              float64
    Age
                               int64
    Attrition
    BusinessTravel
                              object
    Department
                              object
    DistanceFromHome
                              float64
    Education
                              float64
    EducationField
                              object
    EmployeeCount
                              float64
                              object
    Gender
    JobLevel
                             float64
    JobRole
                              object
    MaritalStatus
                             object
    MonthlyIncome
                             float64
    NumCompaniesWorked
                             float64
    Over18
                              object
    PercentSalaryHike
                             float64
    StandardHours
                             float64
    StockOptionLevel
                              float64
    TotalWorkingYears
                             float64
    TrainingTimesLastYear
                             float64
    YearsAtCompany
                              float64
    YearsSinceLastPromotion
                            float64
    YearsWithCurrManager
                              float64
    EnvironmentSatisfaction float64
    JobSatisfaction
                              float64
    WorkLifeBalance
                             float64
    JobInvolvement
                             float64
    PerformanceRating
                             float64
    dtype: object
```

3. FEATURE SELECTION

```
[ ] data['Age'].max()
Since ages are of the range 30 to 55 we are assuming that no one retiers in ths dataset, we are removing the age column
[ ] data = data.drop('Age', axis=1)
[ ] data['BusinessTravel'].unique()
    array(['Travel_Rarely', 'Travel_Frequently', 'Non-Travel'], dtype=object)
[ ] data['Department'].unique()
    array(['Sales', 'Research & Development', 'Human Resources'], dtype=object)
data['JobRole'].unique()
[ ] data['MaritalStatus'].unique()
    array(['Married', 'Single', 'Divorced'], dtype=object)
[ ] data['Over18'].unique()
    array(['Y'], dtype=object)
[ ] data['MaritalStatus'].unique()
    array(['Married', 'Single', 'Divorced'], dtype=object)
[ ] cat=['Gender','JobRole','MaritalStatus','Over18','BusinessTravel','Department']
    for i in cat:
    data[i]=le.fit_transform(data[i])
```

6. Machine Learning Models & Flask App

1. **KNN**

```
[] from sklearn.model_selection import train_test_split
from sklearn.preprocessing import MinMaxScaler
from sklearn.neighbors import KNeighborsClassifier
from sklearn.metrics import accuracy_score
[] # Handle missing values using imputation
from sklearn.impute import SimpleImputer
imputer = SimpleImputer(strategy='mean')
       data = pd.DataFrame(imputer.fit_transform(data), columns=data.columns)
[] # Select features and target
   X = data.drop('Attrition', axis=1) # Features
   y = data['Attrition'] # Target
[] # Split the dataset into training and testing sets
X_train, X_test, y_train, y_test = train_test_split(X, y, test_size=0.2, random_state=42)
 # Initialize the MinMaxScaler
scaler = MinMaxScaler()
[] # Apply Min-Max scaling to features
   X_train_scaled = scaler.fit_transform(X_train)
   X_test_scaled = scaler.transform(X_test)
[ ] # Initialize the KNN classifier
knn_classifier = KNeighborsClassifier(n_neighbors=5)
[] # Train the KNN classifier knn_classifier.fit(X_train_scaled, y_train)
       ▼ KNeighborsClassifier
       KNeighborsClassifier()
[] # Predictions on the test set
 y_pred = knn_classifier.predict(X_test_scaled)
[] # Calculate accuracy
       accuracy = accuracy_score(y_test, y_pred)
[ ] print("Accuracy:", accuracy)
        Accuracy: 0.854875283446712
```

We got the accuracy of 0.85 in KNN Classifier

2. LOGISTIC REGRESSION

We got the accuracy of 0.84 in Logistic Regression

3. DESCISION TREE

Importing the required modules

```
[ ] from sklearn.tree import DecisionTreeClassifier
    from sklearn.metrics import accuracy_score

Create a Decision Tree classifier with a specific random state
[ ] decision_tree = DecisionTreeClassifier(random_state=21)

Fit the classifier to your training data

② decision_tree.fit(X_train, y_train)

③ DecisionTreeClassifier
DecisionTreeclassifier(random_state=21)

Make the predictions

[ ] y_pred = decision_tree.predict(X_test)

Calculate and print the accuracy of the model
[ ] accuracy = accuracy_score(y_test, y_pred)
    print("Accuracy:", accuracy)

Accuracy: 0.9841269841269841
```

Descision tree accuracy = 0.98

4. RANDOM FOREST

```
[ ] from sklearn.ensemble import RandomForestClassifier
    from sklearn.metrics import accuracy_score

• random_forest = RandomForestClassifier(random_state=21)
    random_forest.fit(X_train, y_train)

• RandomForestClassifier
RandomForestClassifier(random_state=21)

[ ] y_pred = random_forest.predict(X_test)
    accuracy = accuracy_score(y_test, y_pred)

Accuracy: 0.99

• accuracy
    0.9875283446712018
```

We got the accuracy of 0.9875 in Random Forest

Hyperparameter Tuning

A. Using Manual Hyperparameter Tuning

```
[] hyp_classifier = RandomForestClassifier(n_estimators = 300,criterion = 'entropy' | max_features = 'sqrt',min_samples_leaf=10,random_state=100).fit(X_train,y_train)

[] y_pred_2 = hyp_classifier.predict(X_test)
    print('Accuracy:',accuracy_score(y_test,y_pred_2))

Accuracy: 0.8594104308390023
```

We got the accuracy of 0.85

B. Using RandomizedSearchCV

```
[ ] from sklearn.model_selection import RandomizedSearchCV
 [] np.linspace(start=100,stop=500,num=30)
        array([100. , 113.79310345, 127.5862069 , 141.37931034, 155.17241379, 168.96551724, 182.75862069 , 196.55172414, 210.34482759, 224.13793103, 237.93103448, 251.72413793, 265.51724138, 279.31034488, 293.1034488, 266.8965512, 320.68965517, 334.48275862, 348.27586207, 362.06896552, 375.86206097, 389.65517241, 403.448275866, 472.4137931, 431.03448275, 448.2758621, 458.62068966, 472.4137931 , 486.20689655, 500. ])
'min_samples_leaf':min_samples_leaf,
'criterion' : ['entropy','gini','log_loss']}
 [ ] rf = RandomForestClassifier()
 [ ] rf_randomCV = RandomizedSearchCV(estimator=rf,param_distributions=random_grid,n_iter=100,cv=3,verbose=2,random_state=100,n_jobs=-1)
[] #fit the randomized model rf_randomCV.fit(X_train,y_train)
       Fitting 3 folds for each of 100 candidates, totalling 300 fits
                    RandomizedSearchCV
        ⊳estimator: RandomForestClassifier
              ▶ RandomForestClassifier
[ ] rf_randomCV.best_params_
       {'n_estimators': 1400,
'min_samples_split': 2,
'min_samples_leaf': 1,
'max_features': 'sqrt',
'max_depth': 120,
'criterion': 'entropy'}

● rf_randomCV.best_estimator_
                                             RandomForestClassifier
       RandomForestClassifier(criterion='entropy', max_depth=120, n_estimators=1400)
[ ] best_random = rf_randomCV.best_estimator_
[ ] y_pred_3 = best_random.predict(X_test)
print('Accuracy:',accuracy_score(y_pred_3,y_pred_3))
```

We got the accuracy of 0.99

5. PERFORMING K-FOLD CROSS VALIDATION (Random Forest)

```
from sklearn.model_selection import KFold
from sklearn.metrics import accuracy_score

kf = KFold(n_splits=5, shuffle=True, random_state=42)
accuracy_scores = []
for fold_num, (train_index, test_index) in enumerate(kf.split(X), start=1):
    X_train, X_test = X.iloc[train_index], X.iloc[test_index]
    y_train, y_test = y.iloc[train_index], y.iloc[test_index]

# Fit the hyperparameter-tuned model on the training data
best_random_forest.fit(X_train, y_train)

# Predict on the test data
y_pred = best_random_forest.predict(X_test)

# Calculate accuracy and store it
accuracy = accuracy_score(y_test, y_pred)
accuracy_scores.append(accuracy)

print(f"Fold {fold_num} - Accuracy: {accuracy}")
```

Fold 1 - Accuracy: 0.9920634920634921 Fold 2 - Accuracy: 0.9954648526077098 Fold 3 - Accuracy: 0.9931972789115646 Fold 4 - Accuracy: 0.9920634920634921 Fold 5 - Accuracy: 0.9931972789115646

6. DEPLOYING FLASK APP

```
from flask import Flask, render_template, request
  import pickle
  import numpy as np
 # Load the trained model
{\color{blue} \textbf{with open(r'C:} USers \ USER\ Desktop\ DSA \ course \ HR \ AV \ hacakthon \ Web \ app\ best\_random\_forest\_model1.pkl'}}
     model = pickle.load(model_file)
@app.route('/')
     return render_template('index_main.html')
@app.route('/predict', methods=['POST'])
      features = [
       input_data = [request.form[feature] for feature in features]
input_data = np.array(input_data, dtype=float).reshape(1, -1)
      prediction = model.predict(input_data)
      if prediction[0] == 0:
    result = "No"
      return render_template('result.html', prediction_text=f"Predicted Attrition: {result}")
v if __name__ == '__main__':
      app.run(debug=True)
```

Here we export the Random Forest Classifier which gives 0.99 accuracy as a pickle file and loads that into the flask app

7. HTML & CSS

```
// style>
// style
```

A Snippet of HTML code for index page

```
</style>
<bddy>
<bddy>
<br/>
<h1>Prediction Result</h1>
<br/>
{{ prediction_text }}
<br/>
<h1>
<br/>
<br/>
<br/>
<br/>
<br/>
<br/>
<br/>
</h1>
<br/>
</h1>
<br/>
</h2

<br/>
<br/>
- Adinanda TK <br/>
- Adinanda TK <br/>
- Arshad Arif <br/>
- Prasanth KV <br/>
- Prasanth KV <br/>
- Sreeradha M <br/>
<br/>
<br/>
<h2>
<br/>
- Project made as a part of the CERTIFIED SPECIALIST IN DATA SCIENCE & ANALYTICS COURSE <br/>
<h3>
<br/>
<br/>
<br/>
<h3>
<br/>
Project made as a part of the CERTIFIED SPECIALIST IN DATA SCIENCE & ANALYTICS COURSE <br/>
<h3>
<br/>
<br/>
<h4>
<br/>
The model is trained on Random Forest Classification and has an overall accuracy of 0.9920634920634921 <br/>
</h4>
```

A snippet of HTML code for the result page

7. Result

Predict Attrition	
Business Travel [2=Rarely ,1=Frequently ,0=No travel]	
Department [2=Sales, 1=R&D, 0=HR]	
DistanceFromHome [in Km's]	
Education [1,2,3,4,5]	
EducationField [Life Sciences': 1, 'Other': 2, 'Medical': 3, 'Marketing': 4, 'Technical Degree': 5, 'Human Resources': 6]	
Gender [Female : 0, Male 1]	
JobLevel [1,2,3,4,5]	
JobRole ['Healthcare Representative': 1, 'R&D Scientist': 2, 'Sales Executive': 3, 'Human Resources': 4, 'Research Director': 5, 'Laboratory Technician': 6, 'Manufacturing Director': 7, 'Sales Representative': 8, 'Manager': 9]	
EmployeeCount [1 or 1+]	
<	>

Fig 9: Index.html 1



Fig 10: Index.html 2

Prediction Result

Predicted Attrition: No

Project Team - Adinanda TK

- Arshad Arif
- Prasanth KV
- Sreeradha M

Project made as a part of the CERTIFIED SPECIALIST IN DATA SCIENCE & ANALYTICS COURSE

The model is trained on Random Forest Classification and has an overall accuracy of 0.9920634920634921

Fig 11: Result page

Published website: https://hrattritionteam3.pythonanywhere.com/

Test Cases	Expected output	Output that the model predicted
Test case 1	No	No
Test case 2	Yes	No
Test case 3	No	No
Test case 4	Yes	No
Test case 5	No	No
Test case 6	No	No
Test case 7	No	No
Test case 8	No	No
Test case 9	Yes	No
Test case 10	No	No

Table 1: Predictions on External Data

Test cases from the dataset	Expected output	Output that the model predicted
Test case 1	Yes	Yes
Test case 2	No	No
Test case 3	No	No
Test case 4	Yes	Yes
Test case 5	No	No
Test case 6	Yes	Yes
Test case 7	No	No
Test case 8	No	No
Test case 9	Yes	Yes
Test case 10	Yes	Yes

Table 2: Predictions on Internal data

The model is specifically trained on a company specific dataset hence the values like *JobSatisfaction*, *WorkLifeBalance* etc are company specific, hence we conclude that the model gives very good accuracy on internal data inputs and does not work as intended and has a bias towards 'NO' when tested with external data.

8. Conclusion

The developed system for predicting employee attrition and employing data-driven decision-making offers valuable insights and proactive measures to tackle retention challenges within the organization or team.

By leveraging historical employee data, the system enables the implementation of targeted strategies that can reduce attrition rates and improve overall workforce management, leading to a more stable and productive work environment.

References

- $[1] \qquad \underline{https://www.geeksforgeeks.org/ibm-hr-analytics-employee-attrition-performance-using-knn/}$
- [2] https://ieee-dataport.org/documents/ibm-hr-analytics-employee-attrition-performance