Project Description:

A ride sharing business is trying to retain its drivers as the churn rate among drivers is high and new driver acquisition is more expensive than retaining drivers. I am provided with the monthly information for a segment of drivers for 2018, 2019 and 2020 and tasked to predict whether a driver will be leaving the company or not based on their attributes like

- Demographics (city, age, gender etc.)
- Tenure information (joining date, Last Date)
- Historical data regarding the performance of the driver (Quarterly rating, Monthly business acquired, grade, Income)

I will be looking at the potential reasons for driver attrition among the variables provided in the data mentioned below:

- MMMM-YY: Reporting Date (Monthly)
- Driver_ID : Unique id for drivers
- Age : Age of the driver
- Gender: Gender of the driver Male: 0, Female: 1
- City: City Code of the driver
- Education_Level: Education level 0 for 10+,1 for 12+,2 for graduate
- Income: Monthly average Income of the driver
- Date Of Joining : Joining date for the driver
- LastWorkingDate: Last date of working for the driver
- Joining Designation : Designation of the driver at the time of joining
- Grade: Grade of the driver at the time of reporting
- Total Business Value: The total business value acquired by the driver in a month (negative business indicates

cancellation/refund or car EMI adjustments)

• Quarterly Rating : Quarterly rating of the driver: 1,2,3,4,5 (higher is better)

There is no churn data column present above, so I will looking at the LastWorkingDate column to find whether a driver left or not.

```
In [1]: # useful imports
import numpy as np, seaborn as sns, pandas as pd, matplotlib.pyplot as plt
df = pd.read_csv('driver.csv')
df.head(10)
```

| Out[1]: | | Unnamed: 0 | MMM- YY | Driver_ID | Age | Gender | City | Education_Level | Income | Dateofjoining | LastWorkingDate |
|---------|-----|---------------|------------|-----------|------|--------|------|-----------------|--------|---------------|------------------------|
| | 0 | 0 | 01/01/19 | 1 | 28.0 | 0.0 | C23 | 2 | 57387 | 24/12/18 | NaN |
| | 1 | 1 | 02/01/19 | 1 | 28.0 | 0.0 | C23 | 2 | 57387 | 24/12/18 | NaN |
| | 2 | 2 | 03/01/19 | 1 | 28.0 | 0.0 | C23 | 2 | 57387 | 24/12/18 | 03/11/19 |
| | 3 | 3 | 11/01/20 | 2 | 31.0 | 0.0 | C7 | 2 | 67016 | 11/06/20 | NaN |
| | 4 | 4 | 12/01/20 | 2 | 31.0 | 0.0 | C7 | 2 | 67016 | 11/06/20 | NaN |
| | 5 | 5 | 12/01/19 | 4 | 43.0 | 0.0 | C13 | 2 | 65603 | 12/07/19 | NaN |
| | 6 | 6 | 01/01/20 | 4 | 43.0 | 0.0 | C13 | 2 | 65603 | 12/07/19 | NaN |
| | 7 | 7 | 02/01/20 | 4 | 43.0 | 0.0 | C13 | 2 | 65603 | 12/07/19 | NaN |
| | 8 | 8 | 03/01/20 | 4 | 43.0 | 0.0 | C13 | 2 | 65603 | 12/07/19 | NaN |
| | 9 | 9 | 04/01/20 | 4 | 43.0 | 0.0 | C13 | 2 | 65603 | 12/07/19 | 27/04/20 |
| 4 | | | | | | | | | | | • |
| In [2]: | df | shape | | | | | | | | | |
| Out[2]: | (19 | 9104, 14) | | | | | | | | | |

Since we can see that there are multiple rows for each Driver_ID, we would need to aggregate those rows later on in order to analyze each driver's data at once.

```
In [3]: df.drop(['Unnamed: 0'],axis=1,inplace=True)
```

```
In [4]: df.info() # some missing values are seen
```

<class 'pandas.core.frame.DataFrame'>
RangeIndex: 19104 entries, 0 to 19103
Data columns (total 13 columns):

```
Column
                         Non-Null Count Dtype
   -----
                         -----
   MMM-YY
0
                        19104 non-null object
    Driver_ID
                        19104 non-null int64
1
2
                        19043 non-null float64
    Age
 3
    Gender
                        19052 non-null float64
    City
                        19104 non-null object
    Education_Level
                       19104 non-null int64
                        19104 non-null int64
6
    Income
7
    Dateofjoining
                        19104 non-null object
    LastWorkingDate
                       1616 non-null
                                        object
9
    Joining Designation 19104 non-null int64
10 Grade
                         19104 non-null int64
 11 Total Business Value 19104 non-null int64
 12 Quarterly Rating
                         19104 non-null int64
dtypes: float64(2), int64(7), object(4)
memory usage: 1.9+ MB
```

```
In [5]: ##Converting all date features to datetime type

df['MMM-YY'] = pd.to_datetime(df['MMM-YY'])

df['Dateofjoining'] = pd.to_datetime(df['Dateofjoining'])

df['LastWorkingDate'] = pd.to_datetime(df['LastWorkingDate'])
```

checking for null values

There are many missing values in Age, Gender, LastWorkingDate. Since they are less than 10% of the total entries in Age and Gender, we can impute them rather than removing the columns. But LastWorkingDate column has more than 90% missing entries. We would be checking it again after we aggregate the data for each driver.

```
In [8]:
         df.isna().sum()*100/len(df)
Out[8]: MMM-YY
                                   0.000000
         Driver_ID
                                  0.000000
                                  0.319305
         Age
         Gender
                                  0.272194
         City
                                  0.000000
         Education_Level
                                  0.000000
         Income
                                  0.000000
         Dateofjoining
                                  0.000000
         LastWorkingDate
                                 91.541039
         Joining Designation
                                  0.000000
         Grade
                                  0.000000
         Total Business Value
                                  0.000000
         Quarterly Rating
                                  0.000000
         dtype: float64
```

checking for duplicated values

There are no duplicate entries.

```
In [9]: df.duplicated().sum()
Out[9]: 0
```

Handling null values

```
In [10]: nums = df.select_dtypes(np.number)
    nums.head()
```

```
Out[10]:
                                                                      Joining
                                                                                       Total Business
                                                                                                         Quarterly
                                                                              Grade
             Driver_ID Age Gender Education_Level Income
                                                                  Designation
                                                                                               Value
                                                                                                            Rating
          0
                    1
                       28.0
                                 0.0
                                                  2
                                                      57387
                                                                           1
                                                                                  1
                                                                                            2381060
                                                                                                                2
          1
                       28.0
                                 0.0
                                                  2
                                                      57387
                                                                                  1
                                                                                             -665480
                                                                                                                2
          2
                       28.0
                                 0.0
                                                  2
                                                      57387
                                                                           1
                                                                                  1
                                                                                                  0
                                                                                                                 2
          3
                       31.0
                                 0.0
                                                  2
                                                      67016
                                                                           2
                                                                                  2
                                                                                                  0
                                                                                                                 1
                                                                           2
                                                                                  2
          4
                    2 31.0
                                                  2
                                                                                                  0
                                                                                                                 1
                                 0.0
                                                      67016
          nums.drop('Driver_ID',axis=1,inplace=True)
In [11]:
          columns=nums.columns
          from sklearn.impute import KNNImputer
In [12]:
          imputer = KNNImputer(missing_values=np.nan, n_neighbors=5, weights='uniform', metric='nan_euclide
          imputer = imputer.fit(nums)
          cont = imputer.transform(nums)
          cont[:5]
Out[12]: array([[ 2.80000e+01,
                                    0.00000e+00,
                                                   2.00000e+00,
                                                                   5.73870e+04,
                    1.00000e+00,
                                    1.00000e+00,
                                                   2.38106e+06,
                                                                   2.00000e+00],
                  [ 2.80000e+01,
                                    0.00000e+00,
                                                   2.00000e+00,
                                                                   5.73870e+04,
                    1.00000e+00,
                                    1.00000e+00, -6.65480e+05,
                                                                   2.00000e+00],
                  [ 2.80000e+01,
                                    0.00000e+00,
                                                   2.00000e+00,
                                                                   5.73870e+04,
                    1.00000e+00,
                                                                   2.00000e+00],
                                    1.00000e+00,
                                                   0.00000e+00,
                  [ 3.10000e+01,
                                    0.00000e+00,
                                                   2.00000e+00,
                                                                   6.70160e+04,
                    2.00000e+00,
                                    2.00000e+00,
                                                   0.00000e+00,
                                                                   1.00000e+00],
                                    0.00000e+00,
                                                                   6.70160e+04,
                  [ 3.10000e+01,
                                                   2.00000e+00,
                                                   0.00000e+00,
                                                                   1.00000e+00]])
                    2.00000e+00,
                                    2.00000e+00,
In [13]:
          df new=pd.DataFrame(cont)
          df_new.columns=columns
          remaining_columns=list(set(df.columns).difference(set(columns)))
In [14]:
          data=pd.concat([df_new, df[remaining_columns]],axis=1)
In [15]:
          data.head()
                                                                           Total
Out[15]:
                                                       Joining
                                                                                 Quarterly
                                                                                                          MMM-
                                                                        Business
                                                                                           Dateofjoining
             Age Gender Education Level Income
                                                                Grade
                                                                                                                 Driv€
                                                                                    Rating
                                                   Designation
                                                                                                             YY
                                                                           Value
                                                                                                           2019-
                                                                                              2018-12-24
             28.0
                      0.0
                                           57387.0
                                                           1.0
                                                                   1.0
                                                                      2381060.0
                                                                                       2.0
                                                                                                           01-01
                                                                                                           2019-
             28.0
                      0.0
                                                                                       2.0
                                                                                              2018-12-24
                                       2.0 57387.0
                                                           1.0
                                                                  1.0
                                                                       -665480.0
                                                                                                           02-01
                                                                                                           2019-
             28.0
                      0.0
                                           57387.0
                                                           1.0
                                                                  1.0
                                                                             0.0
                                                                                       2.0
                                                                                              2018-12-24
                                                                                                           03-01
                                                                                                           2020-
             31.0
                      0.0
                                                                  2.0
                                                                             0.0
                                                                                       1.0
                                                                                              2020-11-06
          3
                                       2.0
                                           67016.0
                                                           2.0
                                                                                                           11-01
```

In [16]: data.isnull().sum()

2.0

2.0

0.0

1.0

31.0

0.0

2.0

67016.0

2020-

12-01

2020-11-06

```
Out[16]: Age
                                       0
         Gender
         Education_Level
                                       0
         Income
         Joining Designation
                                       0
         Grade
                                       0
         Total Business Value
                                       0
         Quarterly Rating
                                       0
         Dateofjoining
                                       0
         MMM-YY
                                       0
         Driver ID
                                       0
                                       0
         City
                                  17488
         LastWorkingDate
         dtype: int64
```

Data aggregation

Out[17]:

| | Driver_ID | MMM- YY | Age | Gender | City | Education_Level | | | Income | Dateofjoining | LastWorking | gD |
|---|-----------|----------------|------|--------|------------|-----------------|---------|---------|---------|---------------|----------------|----|
| | | last | last | first | first | first | first | last | mean | first | last | i |
| 0 | 1 | 2019- 03-01 | 28.0 | 0.0 | C23 | 2.0 | 57387.0 | 57387.0 | 57387.0 | 2018-12-24 | 2019-03- 11 | Т |
| 1 | 2 | 2020- 12-01 | 31.0 | 0.0 | C 7 | 2.0 | 67016.0 | 67016.0 | 67016.0 | 2020-11-06 | NaT | Fä |
| 2 | 4 | 2020- 04-01 | 43.0 | 0.0 | C13 | 2.0 | 65603.0 | 65603.0 | 65603.0 | 2019-12-07 | 2020-04- 27 | T |
| 3 | 5 | 2019- 03-01 | 29.0 | 0.0 | C9 | 0.0 | 46368.0 | 46368.0 | 46368.0 | 2019-01-09 | 2019-03- 07 | T |
| 4 | 6 | 2020- 12-01 | 31.0 | 1.0 | C11 | 1.0 | 78728.0 | 78728.0 | 78728.0 | 2020-07-31 | NaT | Fi |

```
Out[20]: (2381, 18)
```

Aggregation reduced the number of rows from 19104 to 2381.

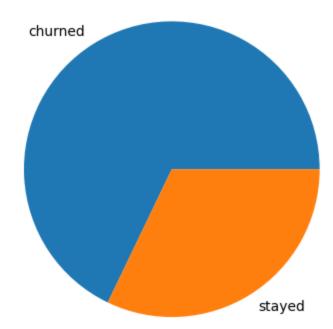
How many drivers do we have?

2381 drivers.

```
df2['LastWorkingDate_any']
Out[21]: 0
                  True
                 False
         1
         2
                  True
         3
                  True
                 False
         2376
                 False
                  True
         2377
         2378
                  True
         2379
                  True
         2380
                 False
         Name: LastWorkingDate_any, Length: 2381, dtype: bool
In [22]: df2['Churn'] = df2['LastWorkingDate_any']
         df2['Churn'] = df2['Churn'].astype('int')
         df2['Age_last'] = df2['Age_last'].astype('int')
         df2['Gender_first'] = df2['Gender_first'].astype('int')
In [23]: df2['Churn'].value_counts()/len(df2)*100
Out[23]: 1
              67.870643
              32.129357
         Name: Churn, dtype: float64
         df2['Churn'].value_counts()
In [24]:
Out[24]: 1
              1616
               765
         Name: Churn, dtype: int64
```

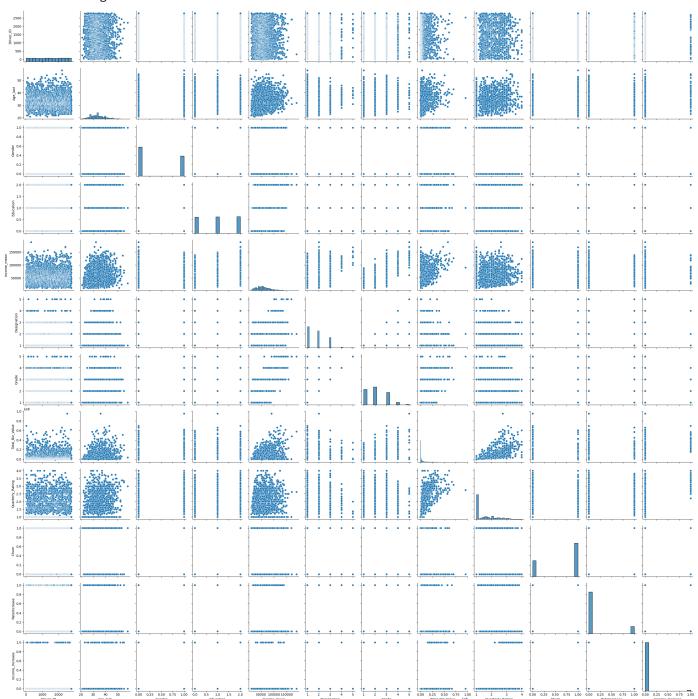
67.87% (n=1616) drivers churned, whereas 32.1% (n=765) drivers stayed.

```
In [25]: fig = plt.plot(figsize=(3,3))
   plt.pie(df2['Churn'].value_counts(),labels=['churned','stayed'])
   plt.show()
```



There are more drivers that churned than those who stayed.

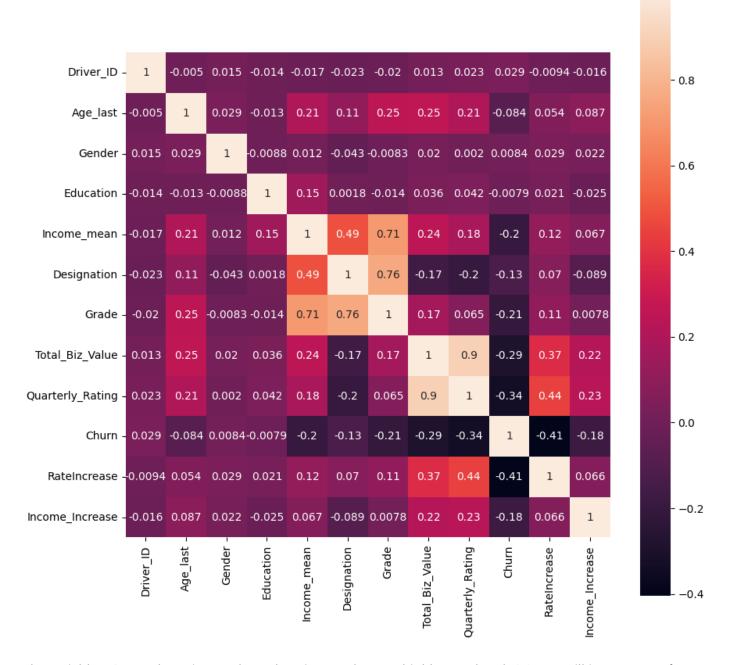
```
df2['RateIncrease'] = np.where((df2['Quarterly Rating_last'] > df2['Quarterly Rating_first']),1
In [26]:
         df2['Income_Increase'] = np.where((df2['Income_last'] > df2['Income_first']),1,0)
In [27]:
In [28]:
         df2['LastDate'] = np.where(df2['LastWorkingDate_last'].notnull(),
                                df2['LastWorkingDate_last'].dt.strftime('%Y-%m-%d'),
                                df2['MMM-YY_last'].dt.strftime('%Y-%m-%d'))
         # replacing NaT values in last Working date column with Last reporting date 'MMM-YY'
In [29]: | df2[['MMM-YY_last','LastWorkingDate_last','LastDate']].head()
Out[29]:
            MMM-YY_last LastWorkingDate_last
                                              LastDate
         0
               2019-03-01
                                  2019-03-11 2019-03-11
               2020-12-01
                                        NaT 2020-12-01
               2020-04-01
         2
                                  2020-04-27 2020-04-27
               2019-03-01
                                  2019-03-07 2019-03-07
         3
         4
               2020-12-01
                                        NaT 2020-12-01
In [30]: df2['tenure'] = pd.to_datetime(df2['LastDate']) - df2['Dateofjoining_first']
In [31]: | df2 = df2.drop(['Income_first','Income_last','Quarterly Rating_first','Quarterly Rating_last','L
                   ,'LastWorkingDate_any','MMM-YY_last','Dateofjoining_first'],axis=1)
In [32]: df2.rename(columns = {'Driver_ID_':'Driver_ID','Age_first':'Age','Gender_first':'Gender','City_f
                                'Education_Level_first':'Education','Joining Designation_first':'Designation
                                'Total Business Value_sum':'Total_Biz_Value','Quarterly Rating_mean':'Quar
                               }, inplace=True)
In [33]: sns.pairplot(df2)
```



In [34]: # Spearman's Rank Correlation Coefficient
plt.figure(figsize=(10,10))
sns.heatmap(df2.corr(method='spearman'), square=True,annot=True)

C:\Users\Admin\AppData\Local\Temp\ipykernel_248\2516434410.py:3: FutureWarning: The default valu
e of numeric_only in DataFrame.corr is deprecated. In a future version, it will default to Fals
e. Select only valid columns or specify the value of numeric_only to silence this warning.
sns.heatmap(df2.corr(method='spearman'), square=True,annot=True)

Out[34]: <AxesSubplot: >



- 1.0

The variables 'Quarterly Rating' and 'Total Business Value' are highly correlated (0.9), we will ignore one of them - Quarterly rating as we are also considering it in RateIncrease variable.

Churn is negatively correlated with all variables, except for gender (0-males, 1-females) so females had more churn rate.

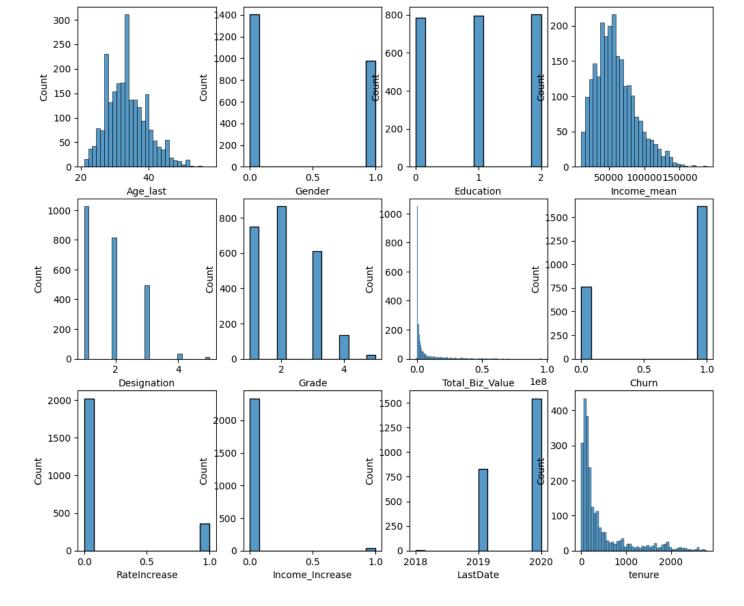
In [35]: df2.corr(method='spearman')['Churn']

C:\Users\Admin\AppData\Local\Temp\ipykernel_248\118079.py:1: FutureWarning: The default value of numeric_only in DataFrame.corr is deprecated. In a future version, it will default to False. Sel ect only valid columns or specify the value of numeric_only to silence this warning.

df2.corr(method='spearman')['Churn']

```
Out[35]: Driver_ID
                                0.029218
          Age_last
                               -0.083739
          Gender
                                0.008380
          Education
                               -0.007874
          Income_mean
                               -0.200731
          Designation
                               -0.129816
          Grade
                               -0.208645
          Total_Biz_Value
                               -0.292862
          Quarterly_Rating
                               -0.339183
          Churn
                                1.000000
          RateIncrease
                               -0.405072
          Income_Increase
                               -0.176845
          Name: Churn, dtype: float64
          df2.drop(['Quarterly_Rating','Driver_ID'],axis=1,inplace=True) # driver ID is not related to chul
In [36]:
          df2['LastDate'] = pd.to_datetime(df2['LastDate']).dt.year
In [37]:
In [38]:
          df2.describe() # numerical features
Out[38]:
                    Age_last
                                 Gender
                                          Education
                                                     Income_mean Designation
                                                                                    Grade Total_Biz_Value
                                                                                                                Churr
          count 2381.000000 2381.000000 2381.00000
                                                                   2381.000000 2381.000000
                                                                                             2.381000e+03 2381.000000
                                                       2381.000000
          mean
                   33.673247
                                0.409912
                                             1.00756
                                                      59232.460484
                                                                      1.820244
                                                                                  2.078538
                                                                                             4.586742e+06
                                                                                                              0.678706
                    5.973534
                                0.491920
                                            0.81629
                                                      28298.214012
                                                                      0.841433
                                                                                  0.931321
                                                                                             9.127115e+06
                                                                                                              0.46707
            std
            min
                   21.000000
                                0.000000
                                            0.00000
                                                      10747.000000
                                                                      1.000000
                                                                                  1.000000
                                                                                            -1.385530e+06
                                                                                                              0.000000
                   29.000000
           25%
                                0.000000
                                            0.00000
                                                      39104.000000
                                                                      1.000000
                                                                                  1.000000
                                                                                             0.000000e+00
                                                                                                              0.000000
            50%
                   33.000000
                                0.000000
                                             1.00000
                                                      55285.000000
                                                                      2.000000
                                                                                  2.000000
                                                                                             8.176800e+05
                                                                                                              1.000000
                   37.000000
                                                                                             4.173650e+06
           75%
                                1.000000
                                            2.00000
                                                      75835.000000
                                                                      2.000000
                                                                                  3.000000
                                                                                                              1.000000
                   58.000000
                                1.000000
                                                     188418.000000
                                                                      5.000000
                                                                                  5.000000
                                                                                             9.533106e+07
                                                                                                              1.000000
            max
                                            2.00000
          df2['tenure'] = df2['tenure'].dt.days
In [39]:
          df2['tenure'].describe()
                    2381.000000
Out[39]: count
          mean
                     424.540109
                     564.404943
          std
          min
                     -27.000000
          25%
                      91.000000
          50%
                     180.000000
          75%
                     467.000000
          max
                    2801.000000
          Name: tenure, dtype: float64
In [40]:
          df2['tenure'] = df2['tenure'].clip(lower=0) # remove all negative values for tenure period.
          df2['tenure'].describe()
```

```
Out[40]: count
                  2381.000000
                   424.852163
         mean
         std
                   564.165833
                     0.000000
         min
         25%
                    91.000000
         50%
                   180.000000
         75%
                   467.000000
         max
                   2801.000000
         Name: tenure, dtype: float64
In [41]: df2['City'].describe()
Out[41]: count
                    2381
         unique
                     29
                    C20
         top
         freq
                    152
         Name: City, dtype: object
         City has 29 unique city codes, more common being C20.
         continuous_cols = df2.columns[(df2.dtypes == 'int64')|(df2.dtypes == 'float64')|(df2.dtypes == '
In [42]:
         continuous_cols
Out[42]: Index(['Age_last', 'Gender', 'Education', 'Income_mean', 'Designation',
                 'Grade', 'Total_Biz_Value', 'Churn', 'RateIncrease', 'Income_Increase',
                 'LastDate', 'tenure'],
               dtype='object')
In [43]: f = plt.figure()
         f.set_figwidth(12)
         f.set_figheight(14)
         n = len(continuous_cols)
         for i in range(n):
             plt.subplot(4,(n//4)+1,i+1)
             sns.histplot(data=df2, x=continuous_cols[i])
         plt.show()
```



The continuous variables look right skewed because of presence of outliers. If we remove the outliers, then we can get bell shaped curves. For the categorical variables:

There are more male drivers (0) than females drivers (1).

Education variable has uniform distribution across all 3 levels.

Most drivers join at the designation levels - 1,2 and 3. Very few join as 4 or 5.

Most drivers churn that means most drivers leave their jobs.

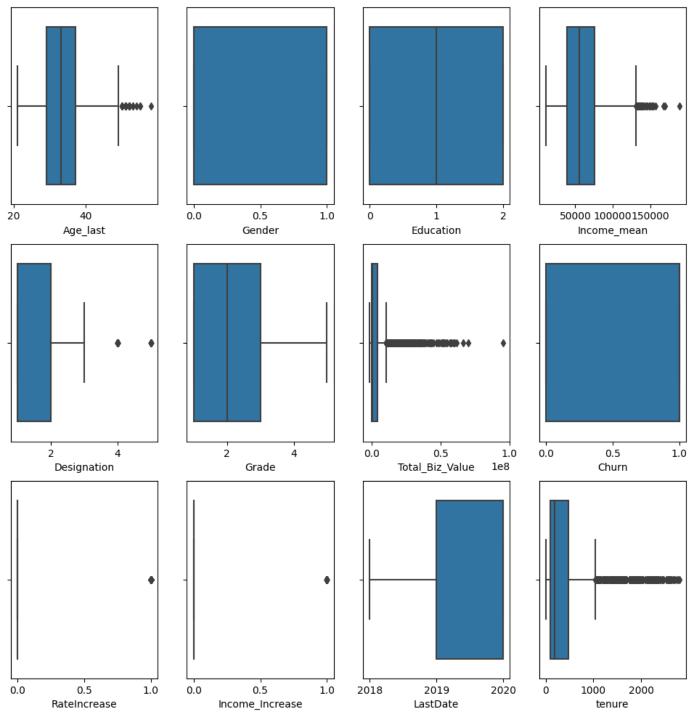
A few drivers had an increase in their quarterly ratings.

Very small number of drivers had an increase in their monthly income compared to when they started.

Most drivers left their jobs in the year 2020 maybe due to the pandemic. Some left in 2019, and very few in 2018.

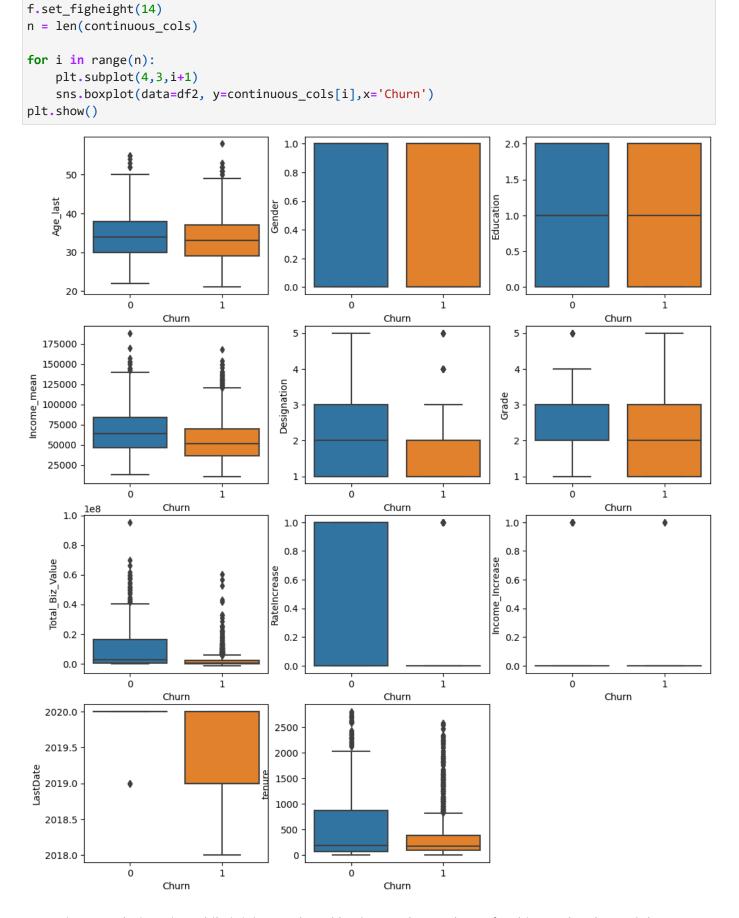
```
In [44]: f = plt.figure()
f.set_figwidth(12)
f.set_figheight(12)
n = len(continuous_cols)
for i in range(n):
```

```
plt.subplot(3,4,i+1)
sns.boxplot(data=df2, x=continuous_cols[i])
plt.show()
```



There are many outliers but bagging and boosting algorithms do not assume normality.

Now that we have checked the individual features, let's look at their relationship with each other.

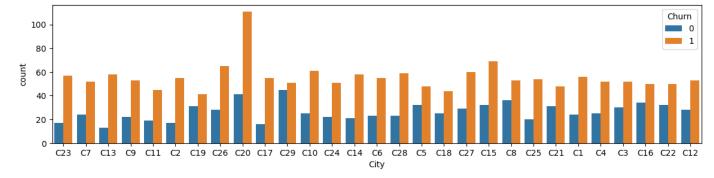


Mean income, designation while joining, and total business value are lower for drivers who churned than those who stayed.

There was no increase in quarterly ratings for those drivers who left, so they might have left due to lower customer evaluation and rating on their skills.

Tenure for those who churned also is lesser than those who stayed.

```
In [47]: f = plt.figure()
f.set_figwidth(14)
f.set_figheight(3)
sns.countplot(data=df2, x='City',hue='Churn')
plt.show()
```



The most number of churns were from city C20. Maybe other cities can be targeted for marketing and calling more drivers to work for their business with enticing ads on job perks. In every city, there were more drivers who churned than those who stayed.

Encoding categorical variables

```
In [48]: X = df2.drop(['Churn'],axis=1)
           Y = np.array(df2['Churn']).reshape(-1,1)
           print(X.shape, Y.shape)
           (2381, 12) (2381, 1)
In [49]: X['City'] = X['City'].apply(lambda x:x[1:])
           X.head()
              Age_last
                               City
Out[49]:
                                      Education
                                                                Designation
                                                                            Grade
                                                                                    Total Biz Value
                                                                                                    RateIncrease Income In-
                       Gender
                                                 Income mean
           0
                   28
                             0
                                  23
                                             2.0
                                                       57387.0
                                                                        1.0
                                                                                1.0
                                                                                          1715580.0
                                                                                                               0
                    31
                             0
                                   7
                                             2.0
                                                       67016.0
                                                                        2.0
                                                                                2.0
                                                                                                0.0
                                                                                                               0
           2
                   43
                             0
                                  13
                                             2.0
                                                       65603.0
                                                                        2.0
                                                                                2.0
                                                                                          350000.0
                                                                                                               0
           3
                    29
                             0
                                   9
                                             0.0
                                                       46368.0
                                                                        1.0
                                                                                1.0
                                                                                          120360.0
                                                                                                               0
                                                       78728.0
                    31
                             1
                                  11
                                             1.0
                                                                        3.0
                                                                                3.0
                                                                                          1265000.0
                                                                                                               1
In [50]:
           X. shape
```

Splitting data into training and testing dataset

Out[50]: (2381, 12)

```
In [51]: from sklearn.model_selection import train_test_split
    # Create training and test split
    X_train, X_test, y_train, y_test = train_test_split(X, Y, test_size=0.2, random_state=4) #20% te.
In [52]: X_train.shape, X_test.shape
```

```
Out[52]: ((1904, 12), (477, 12))
```

Out[57]: (2564, 12)

Class imbalance treatment

```
In [53]: from imblearn.over_sampling import SMOTE
          from collections import Counter
          smt = SMOTE()
          X_sm, y_sm = smt.fit_resample(X_train, y_train)
          print('Resampled dataset shape {}'.format(Counter(y_sm)))
          Resampled dataset shape Counter({1: 1282, 0: 1282})
In [54]:
          X_sm.shape
Out[54]: (2564, 12)
          np.unique(y_sm, return_counts=True)
Out[55]: (array([0, 1]), array([1282, 1282], dtype=int64))
          Now, classes are balanced.
          Column Standarization
In [56]:
          # Mean centering and Variance scaling (Standard Scaling as typical minimum and maximum values are
          from sklearn.preprocessing import StandardScaler
          X_{columns} = X_{sm.columns}
          scaler = StandardScaler()
          X_sm = scaler.fit_transform(X_sm)
          X_test = scaler.transform(X_test)
          X_sm = pd.DataFrame(X_sm, columns=X_columns)
          X_sm.head()
                                                                                 Grade Total_Biz_Value RateIncrease
Out[56]:
              Age_last
                         Gender
                                     City
                                          Education Income_mean Designation
          0 0.409643
                        1.360903
                                1.590541
                                          -1.311044
                                                        -1.262940
                                                                    -1.042906
                                                                              -1.251032
                                                                                             -0.537958
                                                                                                          -0.449514
              1.632374 -0.734806
                               1.214452
                                          -0.032662
                                                         0.106367
                                                                     1.382545
                                                                               0.925438
                                                                                             -0.537958
                                                                                                          -0.449514
                                                                    -1.042906 -0.162797
          2 -0.463736
                       1.360903 1.715904
                                          -0.032662
                                                        -0.499422
                                                                                              1.424727
                                                                                                          -0.449514
                                                                    -1.042906 -1.251032
                                                                                                          -0.449514
          3 -1.162439
                       1.360903
                               1.590541
                                           1.245720
                                                        -0.444996
                                                                                              1.975497
          4 -0.289060
                       1.360903 1.715904
                                          -0.032662
                                                        -0.804609
                                                                    -1.042906 -1.251032
                                                                                             -0.147241
                                                                                                          2.224625
          X_sm.shape
```

There are 12 features and 2564 samples, out of which equal number samples are present in each class, so it is a balanced dataset.

Decision tree

Before trying out bagging and boosting, if I only use 1 Decision tree for simplicity, the results are shown below.

```
In [58]:
         from sklearn.tree import DecisionTreeClassifier
         tree clf = DecisionTreeClassifier(random state=7)
         # Train on training data
         print(tree_clf.fit(X_sm,y_sm))
         # predict on test data
          print(tree_clf.score(X_test,y_test))
         from sklearn.model_selection import KFold, cross_validate
          kfold = KFold(n splits=10) # 10-fold CV
         cv_acc_results = cross_validate(tree_clf, X_sm, y_sm, cv = kfold, scoring = 'accuracy', return_t
          print(f"K-Fold Accuracy Mean: Train: {cv_acc_results['train_score'].mean()*100} Validation: {cv_
         print(f"K-Fold Accuracy Std: Train: {cv_acc_results['train_score'].std()*100} Validation: {cv_acc_results['train_score'].std()*100}
         DecisionTreeClassifier(random state=7)
         0.8092243186582809
         K-Fold Accuracy Mean: Train: 100.0 Validation: 82.22124270428014
         K-Fold Accuracy Std: Train: 0.0 Validation: 4.538447833733086
         C:\Users\Admin\AppData\Local\Programs\Python\Python311\Lib\site-packages\sklearn\base.py:450: Us
         erWarning: X does not have valid feature names, but DecisionTreeClassifier was fitted with featu
         re names
           warnings.warn(
```

Since the training accuracy was perfect 100% and validation was lower, the model overfitted the training data.

Since the train and validation results are closer at max depth 15, let's see smaller depths.

```
K-Fold for depth: 5 Accuracy Mean: Train: 81.6172052655658 Validation: 74.60572714007782
K-Fold for depth: 5 Accuracy Std: Train: 0.4753251771676112 Validation: 4.236441417812281
K-Fold for depth:6 Accuracy Mean: Train: 84.00069789856657 Validation: 80.30155642023345
K-Fold for depth: 6 Accuracy Std: Train: 0.24312375467661326 Validation: 3.9268029083206613
*******
K-Fold for depth: 7 Accuracy Mean: Train: 84.92803343602733 Validation: 80.8877979085603
K-Fold for depth: 7 Accuracy Std: Train: 0.42249269688606633 Validation: 2.2479153714512345
K-Fold for depth:8 Accuracy Mean: Train: 86.6224657980872 Validation: 82.75854207198444
K-Fold for depth: 8 Accuracy Std: Train: 0.32773770972764105 Validation: 2.4218155189378296
K-Fold for depth: 9 Accuracy Mean: Train: 87.79255584878814 Validation: 81.98230787937743
K-Fold for depth: 9 Accuracy Std: Train: 0.5676716235437315 Validation: 2.373134653468027
K-Fold for depth:10 Accuracy Mean: Train: 88.79795235508838 Validation: 83.81535749027236
K-Fold for depth: 10 Accuracy Std: Train: 0.554704046684717 Validation: 3.0082884953981317
K-Fold for depth:11 Accuracy Mean: Train: 89.44361745843223 Validation: 84.08894698443578
K-Fold for depth: 11 Accuracy Std: Train: 0.508993954730167 Validation: 3.29725025990451
******
K-Fold for depth:12 Accuracy Mean: Train: 89.78163625286314 Validation: 83.65986746108949
K-Fold for depth: 12 Accuracy Std: Train: 0.46723740577664885 Validation: 3.0163617789310546
K-Fold for depth:13 Accuracy Mean: Train: 89.89863567966981 Validation: 83.85578793774317
K-Fold for depth: 13 Accuracy Std: Train: 0.4574784668704266 Validation: 3.1818820765324483
K-Fold for depth:14 Accuracy Mean: Train: 90.03296425091595 Validation: 84.01188594357976
K-Fold for depth: 14 Accuracy Std: Train: 0.37550396148426773 Validation: 3.2839502739742863
K-Fold for depth:15 Accuracy Mean: Train: 90.03729700654853 Validation: 84.01188594357976
K-Fold for depth: 15 Accuracy Std: Train: 0.3732420329355244 Validation: 3.2839502739742863
```

Max depth 8 is the best one.

Ensemble technique - Random Forest Bagging algorithm

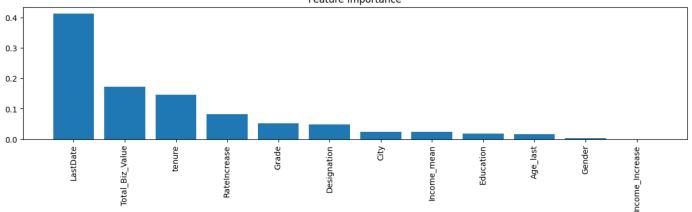
We need to use a non-parametric model like Decision Tree to fit a non-normal dataset. Bagging algorithms like Random Forest use an aggregation of decision trees with low bias and high variance, to reduce the variance and overfitting.

param_grid = params,
scoring = 'accuracy',

tuning_function = GridSearchCV(estimator = RandomForestClassifier(),

cv = 3.

```
n_{jobs=-1}
         # Now we will fit all combinations, this will take some time to run. (5-6 mins)
         tuning_function.fit(X_sm, y_sm)
         parameters = tuning_function.best_params_
         score = tuning_function.best_score_
         print(parameters)
         print(score)
         {'bootstrap': True, 'criterion': 'gini', 'max_depth': 8, 'max_features': 7, 'min_samples_leaf':
         10, 'n_estimators': 20}
         0.8650601914622622
In [63]: from sklearn.model_selection import KFold, cross_validate
         tree clf = RandomForestClassifier(random state=7, max depth=8, max features=6, n estimators=300,
         kfold = KFold(n_splits=3)
         cv_acc_results = cross_validate(tree_clf, X_sm, y_sm, cv = kfold, scoring = 'accuracy', return_ti
         print(f"K-Fold Accuracy Mean: Train: {cv_acc_results['train_score'].mean()*100} Validation: {cv_
         print(f"K-Fold Accuracy Std: Train: {cv_acc_results['train_score'].std()*100} Validation: {cv_acc_results['train_score'].std()*100}
         K-Fold Accuracy Mean: Train: 90.67905606940437 Validation: 79.32673213087362
         K-Fold Accuracy Std: Train: 1.564261557782673 Validation: 4.451334855260576
In [64]: # Feature importance
         tree_clf = RandomForestClassifier(random_state=7, max_depth=8, max_features=6, n_estimators=300,
         tree_clf.fit(X_sm, y_sm)
         importances = tree_clf.feature_importances_
         indices = np.argsort(importances)[::-1] # Sort feature importances in descending order
         names = [X_sm.columns[i] for i in indices] # Rearrange feature names so they match the sorted feature
         plt.figure(figsize=(15, 3)) # Create plot
         plt.title("Feature Importance") # Create plot title
          plt.bar(range(X_sm.shape[1]), importances[indices]) # Add bars
         plt.xticks(range(X_sm.shape[1]), names, rotation=90) # Add feature names as x-axis labels
         plt.show() # Show plot
                                                      Feature Importance
          0.4
          0.3
```



According to the RF bagging algorithm, the churn outcome was most affected by the Last working date, and then the other important features were Total Business value, tenure duration, increase in quarterly ratings, starting designation, grade, mean income, city, age, education, and gender.

As per Spearman's rank correlation coefficients looked at earlier, the churn is negatively correlated with all variables, except for gender (0-males, 1-females) so females had more churn rate. Otherwise churn increased when rest all variables decreased in value.

```
• Age -0.056165

    Gender 0.009552

 Education -0.007874
```

- Income_mean -0.200731
- Designation -0.129816
- Grade -0.208645
- Total_Biz_Value -0.292862
- Quarterly_Rating -0.339183
- Churn 1.000000
- RateIncrease -0.405072
- Income Increase -0.176845

```
In [65]: y_pred = tree_clf.predict(X_test)
         C:\Users\Admin\AppData\Local\Programs\Python\Python311\Lib\site-packages\sklearn\base.py:450: Us
         erWarning: X does not have valid feature names, but RandomForestClassifier was fitted with featu
         re names
           warnings.warn(
In [66]: len(X_test)
Out[66]: 477
In [67]: from sklearn.metrics import confusion_matrix, precision_score, recall_score, plot_confusion_matrix
         testscore = accuracy_score(y_test,y_pred)
         print('Test accuracy: ',testscore)
         cm = confusion_matrix(y_test, y_pred)
         cm_df = pd.DataFrame(cm,index = np.unique(y_test), columns = np.unique(y_test) )
         cm_df.head()
         Test accuracy: 0.8846960167714885
Out[67]:
              0
                  1
         0 124
                 19
```

```
In [68]:
         print(classification_report(y_test,y_pred))
```

36 298

```
precision
                          recall f1-score
                                               support
           0
                   0.78
                             0.87
                                        0.82
                                                   143
           1
                   0.94
                             0.89
                                        0.92
                                                   334
                                        0.88
                                                   477
    accuracy
                   0.86
                                        0.87
                                                   477
   macro avg
                             0.88
weighted avg
                   0.89
                             0.88
                                        0.89
                                                   477
```

```
In [69]: #Plotting the confusion matrix
         plt.figure(figsize=(1,1))
         plot_confusion_matrix(tree_clf,X_test,y_test)
         plt.title('Confusion Matrix')
         plt.ylabel('Actual Values')
```

```
plt.xlabel('Predicted Values')
plt.show()
```

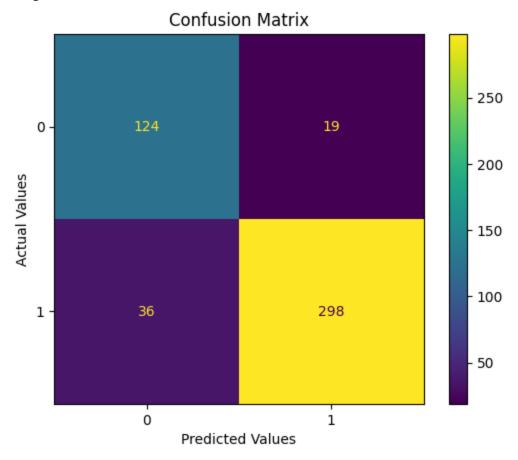
C:\Users\Admin\AppData\Local\Programs\Python\Python311\Lib\site-packages\sklearn\utils\deprecati on.py:87: FutureWarning: Function plot_confusion_matrix is deprecated; Function `plot_confusion_ matrix` is deprecated in 1.0 and will be removed in 1.2. Use one of the class methods: Confusion MatrixDisplay.from_predictions or ConfusionMatrixDisplay.from_estimator.

warnings.warn(msg, category=FutureWarning)

C:\Users\Admin\AppData\Local\Programs\Python\Python311\Lib\site-packages\sklearn\base.py:450: Us erWarning: X does not have valid feature names, but RandomForestClassifier was fitted with feature names

warnings.warn(

<Figure size 100x100 with 0 Axes>



```
In [70]: from sklearn.metrics import f1_score
    print("Precision score is :",precision_score(y_test,y_pred))
    print("Recall score is :",recall_score(y_test,y_pred))
    print("F1 score is :",f1_score(y_test,y_pred))
```

Precision score is: 0.9400630914826499 Recall score is: 0.8922155688622755 F1 score is: 0.9155145929339478

Precision score was 0.94 and there were very few false positives, drivers who stayed but were predicted to churn. They don't need much attention and can cause waste of resources but thankfully there were very few in number.

Recall score- 0.89 which means that there were few false negatives that caused financial losses as they churned but were predicted to stay, and this can be improved to decrease further losses.

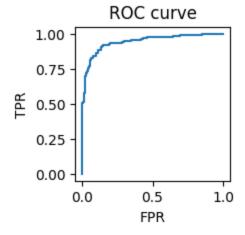
ROC (Receiver Operating Characteristic curve) and AUC (Area Under Curve)

```
In [71]: y_proba = tree_clf.predict_proba(X_test)
y_proba.shape, y_test.shape

C:\Users\Admin\AppData\Local\Programs\Python\Python311\Lib\site-packages\sklearn\base.py:450: Us
erWarning: X does not have valid feature names, but RandomForestClassifier was fitted with featu
re names
    warnings.warn(

Out[71]: ((477, 2), (477, 1))

In [72]: from sklearn.metrics import roc_curve, roc_auc_score
fpr, tpr, thr = roc_curve(y_test, y_proba[:,1])
plt.figure(figsize=(2,2))
plt.plot(fpr,tpr)
plt.title('ROC curve')
plt.xlabel('FPR')
plt.ylabel('TPR')
plt.show()
```



There are more true positives than False positives, hence the ROC curve has more area under curve than 0.5.

```
In [73]: roc_auc_score(y_test,y_proba[:,1])
```

Out[73]: 0.9433022067752607

0.94 is a good area under curve score.

Model lift

Out[75]: array([0, 1, 1, 1, 1])

```
In [74]: y_pred = tree_clf.predict(X_test)
    y_pred = np.array(y_pred).reshape(-1,1).flatten()
    yt = np.array(y_test).flatten()
    y_pred.shape, yt.shape

    C:\Users\Admin\AppData\Local\Programs\Python\Python311\Lib\site-packages\sklearn\base.py:450: Us
    erWarning: X does not have valid feature names, but RandomForestClassifier was fitted with featu
    re names
        warnings.warn(

Out[74]: ((477,), (477,))

In [75]: y_pred[:5]
```

```
In [76]: # Create a DataFrame to store predictions and actual labels
    df3 = pd.DataFrame({'Actual': yt, 'Predicted': y_pred})
    df3 = df3.sort_values(by='Predicted', ascending=False) # Sort the predicted probabilities in described total_positives = df3['Actual'].sum() # total number of positive cases

lift_percentage = 0.1 # Calculate the number of observations needed for a certain percentage required = int((lift_percentage * len(df3)) + 1)
    top_N = df3.head(required)

positives_in_top_N = top_N['Actual'].sum() # the number of positive cases in the top N

# Calculate the lift
    baseline_rate = total_positives / len(df3)
    lift = (positives_in_top_N / required) / baseline_rate

print(f"Model Lift for top decile: {lift:.2f}")
```

Model Lift for top decile: 1.34

Ensemble Boosting algorithm - XGBoost

Boosting uses a series of decision stumps that have high bias and low variance (underfitted models), to add their contribution in a way that each reduces the error residual of the previous model and reduces bias and underfitting.

```
[00:47:40] WARNING: C:/buildkite-agent/builds/buildkite-windows-cpu-autoscaling-group-i-0fc7796c
         793e6356f-1/xgboost/xgboost-ci-windows/src/learner.cc:767:
         Parameters: { "silent" } are not used.
         [00:47:41] WARNING: C:/buildkite-agent/builds/buildkite-windows-cpu-autoscaling-group-i-0fc7796c
         793e6356f-1/xgboost/xgboost-ci-windows/src/learner.cc:767:
         Parameters: { "silent" } are not used.
         [00:47:42] WARNING: C:/buildkite-agent/builds/buildkite-windows-cpu-autoscaling-group-i-0fc7796c
         793e6356f-1/xgboost/xgboost-ci-windows/src/learner.cc:767:
         Parameters: { "silent" } are not used.
         Fitting 5 folds for each of 10 candidates, totalling 50 fits
         [00:48:06] WARNING: C:/buildkite-agent/builds/buildkite-windows-cpu-autoscaling-group-i-0fc7796c
         793e6356f-1/xgboost/xgboost-ci-windows/src/learner.cc:767:
         Parameters: { "silent" } are not used.
              RandomizedSearchCV
Out[78]: |
          ▶ estimator: XGBClassifier
                ▶ XGBClassifier
         print('\n Best hyperparameters:')
In [79]:
         print(random_search.best_params_)
          Best hyperparameters:
         {'subsample': 1.0, 'max_depth': 4, 'learning_rate': 0.5, 'colsample_bytree': 0.8}
In [80]: best_xgb = XGBClassifier(n_estimators=100, objective='multi:softmax', num_class=20,
                                  subsample=1.0, max_depth=4, learning_rate=0.5, colsample_bytree=0.8)
         best_xgb.fit(X_sm, y_sm)
Out[80]:
                                             XGBClassifier
         XGBClassifier(base_score=None, booster=None, callbacks=None,
                        colsample_bylevel=None, colsample_bynode=None,
                        colsample_bytree=0.8, early_stopping_rounds=None,
                        enable_categorical=False, eval_metric=None, feature_types=None,
                        gamma=None, gpu_id=None, grow_policy=None, importance_type=None,
                        interaction_constraints=None, learning_rate=0.5, max_bin=None,
                        max_cat_threshold=None, max_cat_to_onehot=None,
                        max_delta_step=None, max_depth=4, max_leaves=None,
                        min_child_weight=None, missing=nan, monotone_constraints=None,
```

```
In [81]: y_pred = best_xgb.predict(X_test)
y_pred_train = best_xgb.predict(X_sm)

testscore = accuracy_score(y_test,y_pred)
trscore = accuracy_score(y_sm,y_pred_train)
print('Train accuracy: ',trscore)
print('Test accuracy: ',testscore)
cm = confusion_matrix(y_test, y_pred)

cm_df = pd.DataFrame(cm,index = np.unique(y_test), columns = np.unique(y_test) )

cm_df.head()
```

Train accuracy: 0.999609984399376
Test accuracy: 0.8805031446540881
Out[81]: **0 1**

0 10 117 261 31 303

True negatives - 117 (drivers who stayed as predicted)

False positives - 26 (drivers who stayed but were predicted to churn)

False negatives - 31 (drivers who churned but were predicted to stay) - need the most attention as can cause huge financial losses

True positives - 303 (drivers who churned as predicted)

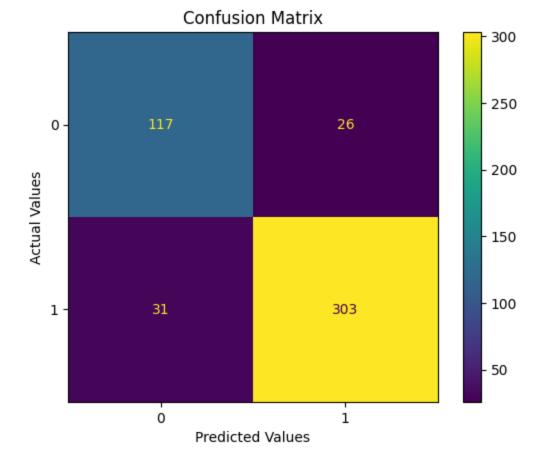
```
In [82]: print(classification_report(y_test,y_pred))
```

| | precision | recall | f1-score | support |
|--------------|-----------|--------|----------|---------|
| | | | | |
| 0 | 0.79 | 0.82 | 0.80 | 143 |
| 1 | 0.92 | 0.91 | 0.91 | 334 |
| | | | | |
| accuracy | | | 0.88 | 477 |
| macro avg | 0.86 | 0.86 | 0.86 | 477 |
| weighted avg | 0.88 | 0.88 | 0.88 | 477 |

```
In [83]: #Plotting the confusion matrix
    plt.figure(figsize=(1,1))
    plot_confusion_matrix(best_xgb,X_test,y_test)
    #sns.heatmap(cm_df, annot=True,cmap='coolwarm')
    plt.title('Confusion Matrix')
    plt.ylabel('Actual Values')
    plt.xlabel('Predicted Values')
    plt.show()
```

C:\Users\Admin\AppData\Local\Programs\Python\Python311\Lib\site-packages\sklearn\utils\deprecati
on.py:87: FutureWarning: Function plot_confusion_matrix is deprecated; Function `plot_confusion_
matrix` is deprecated in 1.0 and will be removed in 1.2. Use one of the class methods: Confusion
MatrixDisplay.from_predictions or ConfusionMatrixDisplay.from_estimator.
 warnings.warn(msg, category=FutureWarning)

<Figure size 100x100 with 0 Axes>



```
In [84]: from sklearn.metrics import f1_score
    print("Precision score is :",precision_score(y_test,y_pred))
    print("Recall score is :",recall_score(y_test,y_pred))
    print("F1 score is :",f1_score(y_test,y_pred))
```

Precision score is: 0.9209726443768997 Recall score is: 0.907185628742515 F1 score is: 0.9140271493212669

Precision is 0.92 which is good as the number of false positives (7) are low, the drivers who stayed but were predicted to churn.

Recall-score: 0.9. Recall is high because of low number of False negatives. This is good as we are not losing too many drivers (9) to churn who were predicted to stay. But we can still improve recall score by encouraging drivers to stay and provide enticing perks and reduce financial losses.

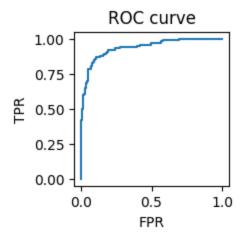
ROC (Receiver Operating Characteristic curve) and AUC (Area Under Curve)

```
In [85]: # from sklearn.linear_model import
    y_proba = best_xgb.predict_proba(X_test)
    y_proba.shape, y_test.shape

Out[85]: ((477, 20), (477, 1))

In [86]: from sklearn.metrics import roc_curve, roc_auc_score
    fpr, tpr, thr = roc_curve(y_test, y_proba[:,1])
    plt.figure(figsize=(2,2))
    plt.plot(fpr,tpr)
    plt.title('ROC curve')
    plt.xlabel('FPR')
```

```
plt.ylabel('TPR')
plt.show()
```



There are more true positives than False positives, hence the ROC curve has more area under curve than 0.5.

```
In [87]:
         roc_auc_score(y_test,y_proba[:,1])
Out[87]: 0.938026045810477
```

0.94 is a good area under curve.

Model lift

```
In [88]: y_pred = best_xgb.predict(X_test)
         y_pred = np.array(y_pred).reshape(-1,1).flatten()
         yt = np.array(y_test).flatten()
         y_pred.shape, yt.shape
Out[88]: ((477,), (477,))
In [89]: y_pred[:5]
Out[89]: array([1, 1, 1, 1, 1])
In [90]: # Create a DataFrame to store predictions and actual labels
         df3 = pd.DataFrame({'Actual': yt, 'Predicted': y_pred})
         df3 = df3.sort_values(by='Predicted', ascending=False) # Sort the predicted probabilities in desc
         total_positives = df3['Actual'].sum() # total number of positive cases
         lift_percentage = 0.1 # Calculate the number of observations needed for a certain percentage
         required = int((lift_percentage * len(df3)) + 1)
         top_N = df3.head(required)
         positives_in_top_N = top_N['Actual'].sum() # the number of positive cases in the top N
         # Calculate the lift
         baseline_rate = total_positives / len(df3)
         lift = (positives_in_top_N / required) / baseline_rate
         print(f"Model Lift for top decile: {lift:.2f}")
         Model Lift for top decile: 1.31
```

Business insights

There are more male drivers (0) than females drivers (1).

Education variable has uniform distribution across all 3 levels.

Most drivers join at the designation levels - 1,2 and 3. Very few join as 4 or 5.

Most drivers churn that means most drivers leave their jobs.

A few drivers had an increase in their quarterly ratings.

Very small number of drivers had an increase in their monthly income compared to when they started.

Most drivers left their jobs in the year 2020 maybe due to the pandemic. Some left in 2019, and very few in 2018.

Mean income, designation while joining, and total business value are lower for drivers who churned than those who stayed.

There was no increase in quarterly ratings for those drivers who left, so they might have left due to lower customer evaluation and rating on their skills.

Tenure for those who churned also is lesser than those who stayed.

Most common city for drivers to live or work at was C20. In every city, there were more drivers who churned than those who stayed.

According to XGBoost algorithm: test accuracy 87.2%. Precision is 0.92, Recall score 0.9, F1-score 0.91.

High Precision is good as the number of false positives (7) are low, the drivers who stayed but were predicted to churn. Recall-score: 0.9. Recall is high because of low number of False negatives. This is good as we are not losing too many drivers (9) to churn who were predicted to stay. But we can still improve recall score by encouraging drivers to stay and provide enticing perks and reduce financial losses.

According to the RF bagging algorithm, test accuracy: 88.8%. Precision score was 0.94, Recall score 0.89, F1-score 0.91.

Both did not do very well because of small dataset (2896 rows).

According to the RF bagging algorithm, the churn outcome was most affected by the Last working date, and then the other important features were Total Business value, tenure duration, mean income, city, age, increase in quarterly ratings, education, starting designation and gender.

As per Spearman's rank correlation coefficients looked at earlier, the churn is negatively correlated with all variables, except for gender (0-males, 1-females) so females had more churn rate. Otherwise churn increased when rest all variables decreased in value.

Recommendations

Since we only have data from 2018, 2019 and 2020, out of which 2020 was the time of pandemic and cannot be used for general analysis, we need to collect more data in order to improve our analysis and reduce errors.

Since there are more males than females, there is an opportunity for the business to increase the number of drivers by encouraging more female drivers to take up jobs.

Drivers who left were those who did not have any increase in their ratings so maybe they can be encouraged to improve their driving skills and ratings by being given tips on customer satisfaction, communication with customers and safe driving tips to increase their ratings and therefore increase their sense of job satisfaction.

Most common city for drivers to live or work at was C20. Maybe other cities can be targeted for marketing and calling more drivers to work for their business with enticing ads on job perks.

It is important to retain drivers by offering them more job perks- such as designated resting areas especially for female drivers, reducing total business value loss by discouraging cancellation of rides and improve quarterly ratings for drivers. A survey can be conducted among drivers to understand their needs.

In [78]:

Out[78]: '