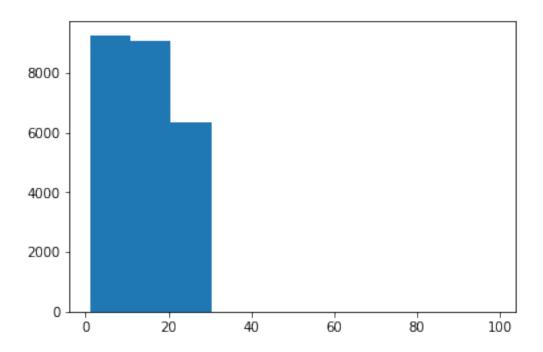
Rebecca_Moran_data_challenge_1

February 20, 2019

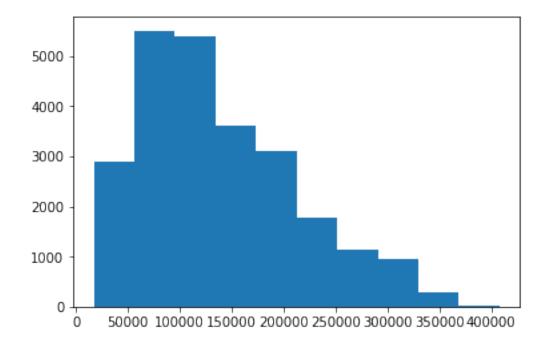
Importing what I may use and reading the data

```
In [423]: import pandas as pd
          import numpy as np
          import sklearn as skl
          import matplotlib.pyplot as plt
          from sklearn.model_selection import train_test_split
          from sklearn.linear_model import LogisticRegression
          from sklearn import svm
          from sklearn.ensemble import RandomForestClassifier
          from sklearn.linear_model import LogisticRegressionCV
          from sklearn import tree
          from math import log
          import datetime
In [424]: df = pd.read_csv('employee_retention_data.csv')
   Let's take a look at the features
In [425]: list(df)
Out[425]: ['employee_id',
           'company_id',
           'dept',
           'seniority',
           'salary',
           'join_date',
           'quit_date']
   And now let's do some EDA
In [426]: df.shape
Out [426]: (24702, 7)
In [427]: plt.hist(df.seniority)
Out[427]: (array([9.272e+03, 9.092e+03, 6.336e+03, 0.000e+00, 0.000e+00, 0.000e+00,
                  0.000e+00, 0.000e+00, 0.000e+00, 2.000e+00]),
           array([ 1. , 10.8, 20.6, 30.4, 40.2, 50. , 59.8, 69.6, 79.4, 89.2, 99. ]),
           <a list of 10 Patch objects>)
```



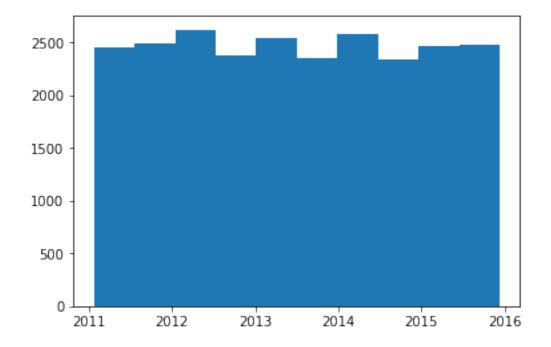
290700., 329800., 368900., 408000.]),

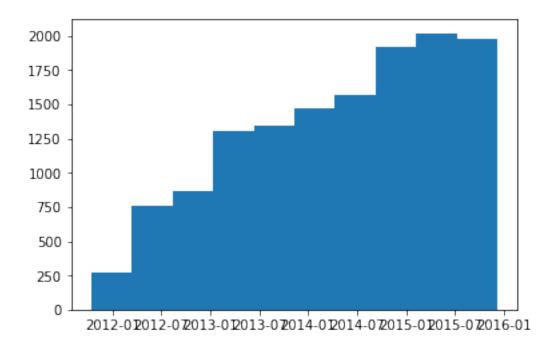
<a list of 10 Patch objects>)



```
In [429]: df.groupby('dept')['employee_id'].count()
Out[429]: dept
          customer_service
                               9180
          data_science
                               3190
          design
                               1380
          engineer
                               4613
          marketing
                               3167
          sales
                               3172
          Name: employee_id, dtype: int64
In [430]: df.groupby('company_id')['employee_id'].count()
Out [430]: company_id
                8486
          2
                4222
          3
                2749
                2062
          4
          5
                1755
                1291
          7
                1224
          8
                1047
          9
                 961
          10
                 865
          11
                  16
                  24
          12
          Name: employee_id, dtype: int64
   Want to know how many people quit
In [431]: df.quit_date.isna().sum()
Out[431]: 11192
   So the percent of people who were hired and quit is
In [432]: 1 - df.quit_date.isna().sum()/df.employee_id.count()
Out [432]: 0.5469192777912719
   Since every row has an employee id (see below)
In [351]: df.employee_id.isna().sum()
Out[351]: 0
```

The classes of quit vs. not quit are pretty balanced if 45% have quit and 55% have not Converting the dates to datetime format





Want to know how long they had the job before they quit

```
In [357]: df['job_length'] = df.quit_date - df.join_date
```

Now converting this to just how many days it is.

Out[359]: 1726.0

I decided that, in order to understand employee churn, I should try to predict IF someone will quit and what features are the most important for that classification. Ultimately, I would like to predict WHEN that would be. Perhaps after deciding someone would quit using a classification algorithm I could try to predict when it would be using a regressor? This may need to wait.

Dealing with the data a little more:

I noticed the seniority was very skewed, so let's look at the max values

```
In [360]: sorted(df.seniority)[-10:]
Out[360]: [29, 29, 29, 29, 29, 29, 29, 98, 99]
```

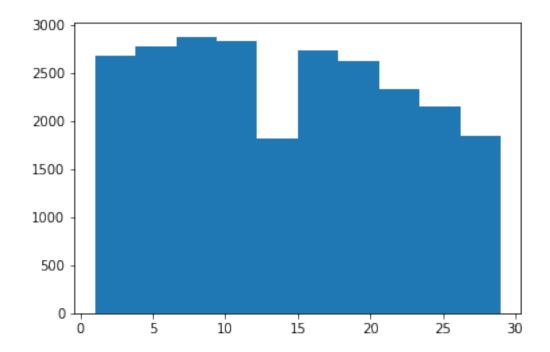
Values of 98 or 99 don't make sense, so let's remove them

```
In [361]: df = df[df.seniority < 50]
```

In [362]: df.shape

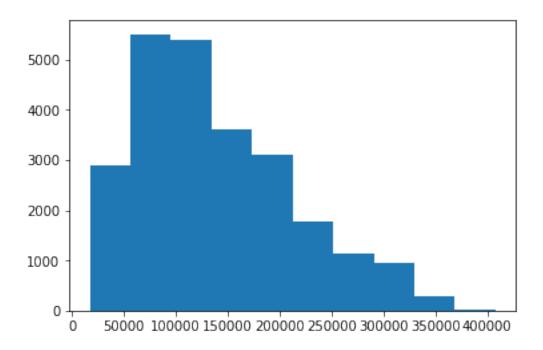
Out[362]: (24700, 8)

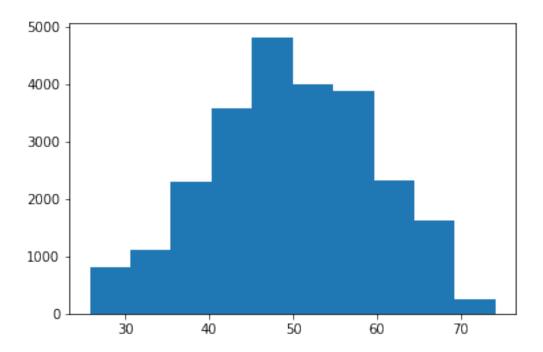
In [363]: plt.hist(df.seniority)



That looks a lot better! I would also like it if the salary were more normal

```
In [364]: plt.hist(df.salary)
```





That's a little better. Let's make it official:

```
Now let's scale salary and seniority

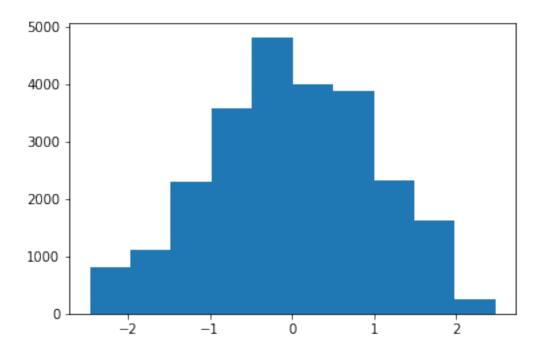
In [367]: sal_mean = df.salary.mean()
    sal_std = df.salary.std()
    sen_mean = df.seniority.mean()
```

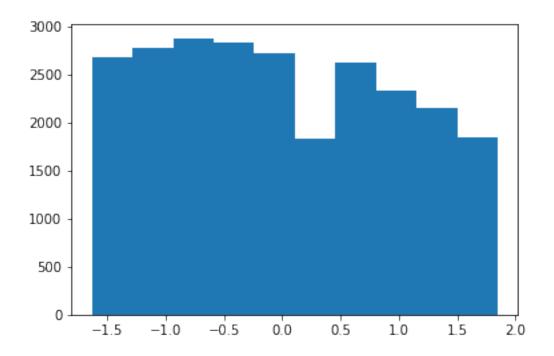
In [366]: df.salary = df.salary**(1/3)

sar_std = dr.sarary.std()
sen_mean = df.seniority.mean()
sen_std = df.seniority.std()

In [368]: print('sal_mean: {}, sal_std: {}, sen_mean: {}, sen_std: {}'.format(sal_mean, sal_std, sal_mean: 49.851674699458314, sal_std: 9.801621996433013, sen_mean: 14.120971659919029, sen_std:

Let's scale these values and then plot/look at





Alright, those are in a comparable range now!

Let's start applying some machine learning algorithms.

I will look at the F1 score. I am interested in the recall, because I want to make sure the people who quit are identified. However, I do not want to predict that everyone will quit, so I will use F1. Adding the T/F quit feature

```
In [373]: df['quit_job'] = ~df.quit_date.isna()
In [374]: bigdf = df #in case I want this later
In [375]: list(df)
Out[375]: ['employee_id',
           'company_id',
           'dept',
           'seniority',
           'salary',
           'join_date',
           'quit_date',
           'job_length',
           'quit_job']
In [376]: df = df.drop(columns = ['employee_id', 'join_date',
           'quit_date',
           'job_length'])
In [377]: list(df)
```

```
Out[377]: ['company_id', 'dept', 'seniority', 'salary', 'quit_job']
   The first time I did this, I did not get dummies for the company id. I am doing that now!
In [378]: type(df.company_id.iloc[12])
Out [378]: numpy.int64
In [379]: df.company_id = df.company_id.map(str)
In [380]: type(df.company_id.iloc[12])
Out[380]: str
In [381]: df = pd.get_dummies(df, drop_first = True)
In [382]: list(df)
Out[382]: ['seniority',
           'salary',
           'quit_job',
           'company_id_10',
           'company_id_11',
           'company_id_12',
           'company_id_2',
           'company_id_3',
           'company_id_4',
           'company_id_5',
           'company_id_6',
           'company_id_7',
           'company_id_8',
           'company_id_9',
           'dept_data_science',
           'dept_design',
           'dept_engineer',
           'dept_marketing',
           'dept_sales']
In [383]: X_train, X_test, y_train, y_test = train_test_split(df.drop(columns = ['quit_job']), d
   First, Logistic Regression
In [384]: best_F1 = 0
          best_solver = ''
          best_LogReg = ''
          best_pen = ''
          for s in ['newton-cg', 'lbfgs', 'sag']:
              clf = skl.linear_model.LogisticRegression(penalty = '12', solver = s).fit(X_train,
              F1 = skl.metrics.f1_score(y_test, clf.predict(X_test))
              print('F1 score of {} for solver {} with penalty {}'.format(F1, s, '12'))
```

```
if F1 > best_F1:
                  best_F1 = F1
                  best_solver = s
                  best_pen = '12'
                  best_LogReg = clf
          for s in ['liblinear', 'saga']:
              clf = skl.linear_model.LogisticRegression(penalty = 'l1', solver = s).fit(X_train,
              F1 = skl.metrics.f1_score(y_test, clf.predict(X_test))
              print('F1 score of {} for solver {} with penalty {}'.format(F1, s, 'l1'))
              if F1 > best_F1:
                  best_F1 = F1
                  best_solver = s
                  best_pen = '11'
                  best_LogReg = clf
          print('The best logistic regression F1 score I found is {} for solver {} with penalty
F1 score of 0.7002164502164503 for solver newton-cg with penalty 12
F1 score of 0.7002164502164503 for solver lbfgs with penalty 12
F1 score of 0.7002164502164503 for solver sag with penalty 12
F1 score of 0.7010671349452925 for solver liblinear with penalty 11
F1 score of 0.7008916509051607 for solver saga with penalty 11
The best logistic regression F1 score I found is 0.7010671349452925 for solver liblinear with pe
   The F1 scores are all pretty comparable, but I will go with the largest (by a little)
   Need a way to consider the feature importance
   Let's consider another model. This time, random forest!
In [385]: RFC_10 = RandomForestClassifier(n_estimators = 10).fit(X_train, y_train)
          F1 = skl.metrics.f1_score(y_test, RFC_10.predict(X_test))
          print('For random forest with 10 trees I have an F1 score of {}'.format(F1))
          RFC_20 = RandomForestClassifier(n_estimators = 20).fit(X_train, y_train)
          F1 = skl.metrics.f1_score(y_test, RFC_20.predict(X_test))
          print('For random forest with 20 trees I have an F1 score of {}'.format(F1))
For random forest with 10 trees I have an F1 score of 0.5495529061102832
For random forest with 20 trees I have an F1 score of 0.5608058608058608
In [386]: RFC_50 = RandomForestClassifier(n_estimators = 50).fit(X_train, y_train)
          F1 = skl.metrics.f1_score(y_test, RFC_50.predict(X_test))
          print('For random forest with 50 trees I have an F1 score of {}'.format(F1))
For random forest with 50 trees I have an F1 score of 0.560757879395154
In [387]: RFC_100 = RandomForestClassifier(n_estimators = 100).fit(X_train, y_train)
          F1 = skl.metrics.f1_score(y_test, RFC_100.predict(X_test))
          print('For random forest with 100 trees I have an F1 score of {}'.format(F1))
```

For random forest with 100 trees I have an F1 score of 0.5555959302325582

So, RFC_100 is my best random forest, but it is not as good as my logistic regression. I could also have done more hyperparameter tuning.

Let's look at decision trees now. Should I have done trees before forests? Probably!

For the default decision tree, I have an F1 score of 0.5282071097372488

I guess it makes sense that the decision tree wouldn't be as good as a random forest. Let's look at one more classifier: SVM.

I'll play with a few parameters, but I'm not doing cross-validation (I know I should)

/Users/rebeccamoran/anaconda3/lib/python3.7/site-packages/sklearn/svm/base.py:196: FutureWarning "avoid this warning.", FutureWarning)

For the default SVM, I have an F1 score of 0.7027102154273802

```
In [390]: best_F1 = 0
    best_C = -1
    best_deg = -1
    for my_C in range(1,5):
        S = skl.svm.SVC(C = my_C, degree = deg, gamma = 'auto').fit(X_train, y_train)
        # gamma = 'auto' to prevent warning from printing
        F1 = skl.metrics.f1_score(y_test, S.predict(X_test))
        print('For SVC with C = {} and degree {}, I have an F1 score of {}'.format(my_if F1 < best_F1:
            best_F1 = F1
            best_C = my_C
            best_deg = deg
            best_SVC = S</pre>
```

```
For SVC with C=1 and degree 1, I have an F1 score of 0.7027102154273802 For SVC with C=1 and degree 2, I have an F1 score of 0.7027102154273802 For SVC with C=1 and degree 3, I have an F1 score of 0.7027102154273802 For SVC with C=1 and degree 4, I have an F1 score of 0.7027102154273802
```

```
For SVC with C = 2 and degree 1, I have an F1 score of 0.7027627377481603 For SVC with C = 2 and degree 2, I have an F1 score of 0.7027627377481603 For SVC with C = 2 and degree 3, I have an F1 score of 0.7027627377481603 For SVC with C = 2 and degree 4, I have an F1 score of 0.7027627377481603 For SVC with C = 3 and degree 1, I have an F1 score of 0.699665365309537 For SVC with C = 3 and degree 2, I have an F1 score of 0.699665365309537 For SVC with C = 3 and degree 3, I have an F1 score of 0.699665365309537 For SVC with C = 3 and degree 4, I have an F1 score of 0.699665365309537 For SVC with C = 4 and degree 1, I have an F1 score of 0.699665365309537 For SVC with C = 4 and degree 2, I have an F1 score of 0.697943082558467 For SVC with C = 4 and degree 3, I have an F1 score of 0.697943082558467 For SVC with C = 4 and degree 3, I have an F1 score of 0.697943082558467 For SVC with C = 4 and degree 4, I have an F1 score of 0.697943082558467
```

I guess changing the degree didn't change anything. Well I'm keeping it here to show I tried adjusting parameters.

So, I'm done playing with models. The best F1 score I got BEFORE making the company_id categorical was 0.7074 for logistic regression with solver saga and penalty l1. The best score I got AFTER doing that was the default SVC.

Now I want to figure out what is contributing most to this model. First, for the logistic regression...

```
In [391]: best_LogReg.coef_
Out[391]: array([[-2.90955482e-02, 4.90655779e-02, 1.07441931e-01,
                   2.49048128e-01, -2.79984854e-02, -9.02661939e-02,
                   7.73000159e-02, 9.72979247e-02, 1.06402242e-01,
                   4.42731212e-02, 1.14382830e-01, 6.76525258e-02,
                   3.30612871e-02, -1.71855573e-01, 1.20432197e-02,
                  -2.49704042e-01, -2.59351614e-02, -1.12696046e-04]])
In [392]: list(df)
Out [392]: ['seniority',
           'salary',
           'quit_job',
           'company_id_10',
           'company_id_11',
           'company_id_12',
           'company_id_2',
           'company_id_3',
           'company_id_4',
           'company_id_5',
           'company_id_6',
           'company_id_7',
           'company_id_8',
           'company_id_9',
           'dept_data_science',
           'dept_design',
```

```
'dept_engineer',
           'dept_marketing',
           'dept_sales']
In [393]: df.std()
Out[393]: seniority
                                1.000000
          salary
                                1.000000
          quit_job
                                0.497807
          company_id_10
                                0.183732
                                0.025444
          company_id_11
          company_id_12
                                0.031157
          company_id_2
                                0.376456
          company_id_3
                                0.314504
          company_id_4
                                0.276615
          company_id_5
                                0.256918
          company_id_6
                                0.222570
          company_id_7
                                0.217027
          company_id_8
                                0.201478
          company_id_9
                                0.193377
          dept_data_science
                                0.335372
          dept_design
                                0.229676
          dept_engineer
                                0.389695
          dept_marketing
                                0.334295
          dept_sales
                                0.334565
          dtype: float64
In [394]: best_LogReg.coef_[0]*df.drop(columns = ['quit_job']).std()
Out[394]: seniority
                               -0.029096
          salary
                                0.049066
          company_id_10
                                0.019741
          company_id_11
                                0.006337
          company_id_12
                               -0.000872
                               -0.033981
          company_id_2
          company_id_3
                                0.024311
                                0.026914
          company_id_4
                                0.027337
          company_id_5
          company_id_6
                                0.009854
          company_id_7
                                0.024824
          company_id_8
                                0.013631
                                0.006393
          company_id_9
          dept_data_science
                               -0.057636
          dept_design
                                0.002766
          dept_engineer
                               -0.097308
          dept_marketing
                               -0.008670
          dept_sales
                               -0.000038
          dtype: float64
```

The internet makes it sound like a coefficient times the std dev of the feature is related to feature importance. If so, it seems like the company has a big influence on quitting (if you sum the absolute values, as above), and working in DS or DE influences you not to quit. Salary also has an impact.

Questions/Answers BASED ON WORK SO FAR * What are the main factors that drive employee churn? Do they make sense? Explain your findings.

It appears the main factors that drive employee churn are where they work (company), their salary, and if they work in DS or DE (this seems to mean they don't quit). Since salary has a positive coefficient, does that mean an employee with a higher salary is more likely to quit?

• What might you be able to do for the company to address employee Churn, what would be follow-up actions?

There are different companies, aren't there? Are they sub-companies?

• If you could add to this data set just one variable that could help explain employee churn, what would that be?

I would like a variable of the reason an employee gives for leaving. This could be in the form of a survey, or we could use NLP. There may be something we are not considering

Other notes

I would have liked to: * Combine features * Hyperparameter tuning with cross validation * Regression. Is that actualy what this problem is about?

I don't think this model is actually good, by the way. Look at what it predicts for the test set:

```
In [399]: best_LogReg.predict(X_test).sum()
Out[399]: 4697
In [400]: X_test.shape
Out[400]: (4940, 18)
```

It predicts almost everyone as quitting!

NOTE TO FUTURE ME: I will need to read through everything and make sure what I wrote makes sense!

BUT WAIT, there's more! So, I heard someone say they didn't even use a model, so now I'm going to just do some more EDA and see how the quit/didn't quit populations differ

Going back to the original df before I scaled some features

```
In [406]: origdf = pd.read_csv('employee_retention_data.csv')
In [408]: origdf['quit_job'] = ~origdf.quit_date.isna()
In [448]: origdf = origdf[df.seniority < 50]</pre>
   More EDA time!
In [450]: origdf[origdf.quit_job == 1].salary.mean()
Out [450]: 135639.1027539236
In [451]: origdf[origdf.quit_job == 0].salary.mean()
Out [451]: 141238.47390993568
In [452]: origdf[origdf.quit_job == 1].salary.median()
Out[452]: 122000.0
In [453]: origdf[origdf.quit_job == 0].salary.median()
Out [453]: 123000.0
In [454]: origdf[origdf.quit_job == 1].seniority.mean()
Out [454]: 14.118966538347646
In [455]: origdf[origdf.quit_job == 0].seniority.mean()
Out [455]: 14.123391708363117
In [456]: origdf[origdf.quit_job == 1].seniority.median()
Out[456]: 14.0
In [457]: origdf[origdf.quit_job == 0].seniority.median()
Out[457]: 14.0
   Now, I would like to do hypothesis testing, but my first instinct is that these aren't very differ-
ent (definitely for seniority)
   Okay, let's try a hypothesis test in Python for comparing the salaries...
In [459]: np.std(origdf[origdf.quit_job == 0].salary)
Out [459]: 81174.56552847162
In [460]: np.std(origdf[origdf.quit_job == 1].salary)
Out [460]: 71436.42619012341
```

```
In [461]: from scipy import stats
In [462]: t, p = stats.ttest_ind(origdf[origdf.quit_job == 1].salary, origdf[origdf.quit_job == In [463]: print(t)
-5.695229621683827
In [464]: print(p)
1.2474275862013815e-08
```

Okay, that's a small p-value! So it seems we can reject the null hypothesis that the two populations (quit and not quit) have identical mean salaries.

So, it looks like the people who quit had lower salaries, so I'm thinking that's a contributor to why they quit. Using statistics but not machine learning.

Now let's look at the salary divided by seniority (dollars per year of experience). Order: mean (quit, not quit), median (quit, not quit), std dev (quit, not quit)

```
In [470]: (origdf[origdf.quit_job == 1].salary/origdf[origdf.quit_job == 1].seniority).mean()
Out[470]: 12731.507250500646
In [471]: (origdf[origdf.quit_job == 0].salary/origdf[origdf.quit_job == 0].seniority).mean()
Out[471]: 13064.427990716422
In [472]: (origdf[origdf.quit_job == 1].salary/origdf[origdf.quit_job == 1].seniority).median()
Out[472]: 10133.33333333334
In [473]: (origdf[origdf.quit_job == 0].salary/origdf[origdf.quit_job == 0].seniority).median()
Out[473]: 10609.903381642513
In [474]: (origdf[origdf.quit_job == 1].salary/origdf[origdf.quit_job == 1].seniority).std()
Out[474]: 9646.356682369775
In [475]: (origdf[origdf.quit_job == 0].salary/origdf[origdf.quit_job == 0].seniority).std()
Out[475]: 9833.27173421983
In [466]: t, p = stats.ttest_ind(origdf[origdf.quit_job == 1].salary/origdf[origdf.quit_job == 1]
In [466]: print(p)
```

0.0

```
In [476]: t, p = stats.ttest_ind(origdf[origdf.quit_job == 1].salary/origdf[origdf.quit_job == 1
In [478]: print(p)
0.0
```

Okay, so whether or not the standard deviations are the same, we get a small p-value, so the population means are different.

That is, on average, the people who quit had a lower salary per year of experience than the people who didn't quit.

Below is what percent of employees from each company quit

```
In [482]: origdf[origdf.quit_job == 1].groupby('company_id').employee_id.count()/origdf.groupby(
Out[482]: company_id
          1
                0.544490
          2
                0.522501
          3
                0.556930
          4
                0.559166
          5
                0.560114
                0.551510
          7
                0.565359
                0.553009
          9
                0.550468
          10
                0.554398
          11
                0.750000
          12
                0.500000
          Name: employee_id, dtype: float64
```

It looks like a lot of employees in company 11 are quitting, but it's not a large company (it only has 16 employees):

```
In [485]: origdf[origdf.company_id == 11].employee_id.count()
Out[485]: 16
```

Below is the percent that quit by department

```
In [486]: origdf[origdf.quit_job == 1].groupby('dept').employee_id.count()/origdf.groupby('dept')
Out[486]: dept
          customer_service 0.554902
         data_science
                            0.527273
         design
                            0.563768
          engineer
                            0.511925
         marketing
                             0.562855
                             0.570933
          sales
          Name: employee_id, dtype: float64
```

Now I should look into this more, but I've already written a lot and I need to stop soon.

Questions/Answers UPDATED * What are the main factors that drive employee churn? Do they make sense? Explain your findings.

Employees who quit have lower salaries and a lower salary per year of experience than those who did not quit. This makes sense. If someone feels undervalued at a company, they may feel encouraged to quit and find a new job.

• What might you be able to do for the company to address employee Churn, what would be follow-up actions?

Make the salaries more standardized.

• If you could add to this data set just one variable that could help explain employee churn, what would that be?

Same as before: I would like a variable of the reason an employee gives for leaving. This could be in the form of a survey, or we could use NLP. There may be something we are not considering

In []: