# Predicting American Salary

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## Background

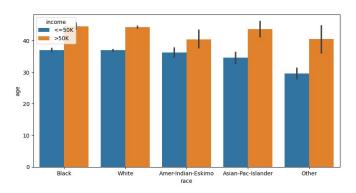
Stakeholder: Business targeting people above 50k/needing to see distribution of people making more than \$50k

Business Target: people with salary > \$50k

#### **Data Information**

- Variables and prediction
  - Age: Older age increases likelihood of making more than \$50k
  - Educational years: More school years increase likelihood of making more than \$50k
  - Race: Certain race has higher likelihood of making more than \$50k
  - Gender: Certain sex has higher likelihood of making more than \$50k
  - Hours per week: More hours increase likelihood of making more than \$50k
- Result
  - Income: Greater or less than \$50k

# Figure 1

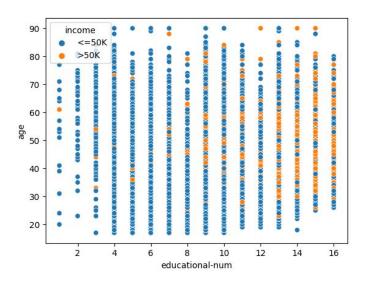


Interesting trends to notice

Average age is higher for ones who make more than \$50k

For every race, there are more people who make more than \$50k than those who don't

# Figure 2



Interesting trends to notice

People with longer education have higher tendency to make more than \$50k

There is no clear trend on age

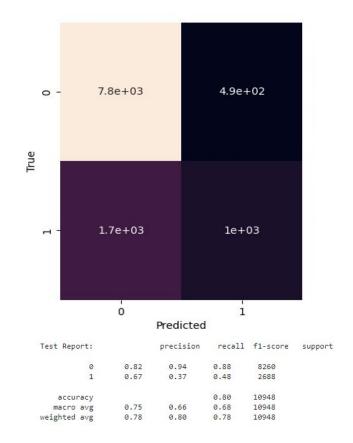
#### Models

Final: Decision Tree w/ GridSearchCV

False positive: top right, predict \$50k, but subject does not

False negative: bottom left, predict sub \$50k, but subject makes more than \$50k

Impact? Depends



### Recommendation

The model works, but it can definitely improve

#### Improvements

- More variables
- Numerical data for income

