Employee Performance and HR Analytics Report

Project Report: Employee Performance and HR Analytics

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1. Project Overview

Objective:

The primary objective of this project is to analyze employee-related data to gain insights into employee performance, salary trends, department-wise analysis, and identify factors influencing employee retention and performance.

Tools Used:

- Microsoft SQL Server
- SQL Scripts

2. Database Design

Database Name:

HRAnalytics

Tables Created:

- 1. Departments
- 2. Employees
- 3. PerformanceReviews
- 4. SalaryHistory

3. Key Insights

1. Average Salary by Department

Engineering department has the highest average salary.

• HR department has the lowest average salary.

2. Employees with Low Performance Score

- Identified employees with performance scores below average (<3).
- Necessary actions or training plans can be suggested for improvement.

3. Salary Change History

- Tracked salary growth over time for specific employees.
- Used for compensation analysis and performance appraisal.

4. Top Performers

- Identified employees scoring 4 or 5 in performance reviews within the last year.
- These employees can be considered for rewards or promotions.

5. Average Employee Tenure

- Calculated the average employee tenure in years.
- Useful for understanding employee retention.

6. Employees Earning Above Average Salary

• Listed employees whose salaries exceed the company's average salary.

7. Manager-wise Employee Count

- Identified the number of employees managed by each manager.
- Helpful for workload distribution and managerial performance evaluation.

4. Conclusion

This project provides a comprehensive analysis of employee performance and HR-related metrics using SQL. The insights derived from the analysis will help the organization make data-driven decisions regarding employee management, compensation, and performance improvement.

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5. Appendix: Full SQL Scripts

Create Database

CREATE DATABASE HRAnalytics;

USE HRAnalytics;

- **Create Tables**
- 1. Create Departments Table

```
CREATE TABLE Departments (

DepartmentID INT PRIMARY KEY,

DepartmentName VARCHAR(100)
);
```

2. Create Employees Table

```
CREATE TABLE Employees (
EmployeeID INT PRIMARY KEY,
Name VARCHAR(100),
DepartmentID INT,
HireDate DATE,
Salary DECIMAL(10, 2),
ManagerID INT,
FOREIGN KEY (DepartmentID) REFERENCES Departments(DepartmentID)
);
```

3. Create PerformanceReviews Table

```
CREATE TABLE PerformanceReviews (
ReviewID INT PRIMARY KEY,
EmployeeID INT,
ReviewDate DATE,
Score INT, -- Rating from 1 to 5
Feedback TEXT,
FOREIGN KEY (EmployeeID) REFERENCES Employees(EmployeeID)
);
```

4. Create Salary History Table

```
CREATE TABLE SalaryHistory (
SalaryHistoryID INT PRIMARY KEY,
EmployeeID INT,
Salary DECIMAL(10, 2),
ChangeDate DATE,
FOREIGN KEY (EmployeeID) REFERENCES Employees(EmployeeID)
);
```

Inserting Sample Data

Now, let's insert some sample data to work with.

1. Insert Departments:

INSERT INTO Departments (DepartmentID, DepartmentName) VALUES

```
(1, 'Sales'),
```

- (2, 'Engineering'),
- (3, 'Marketing'),
- (4, 'HR');

2. Insert Employees:

INSERT INTO Employees (EmployeeID, Name, DepartmentID, HireDate, Salary, ManagerID) VALUES

```
(1, 'Alice Johnson', 1, '2020-01-15', 60000, NULL),
```

- (2, 'Bob Smith', 2, '2018-05-22', 75000, 1),
- (3, 'Charlie Brown', 1, '2021-06-10', 55000, 1),
- (4, 'David Clark', 3, '2019-08-03', 65000, 2),
- (5, 'Eve Davis', 2, '2017-03-12', 85000, 2),
- (6, 'Frank Wright', 4, '2022-11-25', 50000, NULL);

3. Insert Performance Reviews:

INSERT INTO PerformanceReviews (ReviewID, EmployeeID, ReviewDate, Score, Feedback) VALUES

```
(1, 1, '2023-12-01', 4, 'Excellent performance, consistent results.'),
```

- (2, 2, '2023-11-15', 5, 'Outstanding leadership and project success.'),
- (3, 3, '2023-06-30', 3, 'Needs improvement in project management.'),
- (4, 4, '2023-09-01', 4, 'Good performance, meets expectations.'),
- (5, 5, '2023-07-20', 5, 'Exceptional results, great strategic vision.'),
- (6, 6, '2023-12-05', 2, 'Performance below expectations, requires improvement.');

4. Insert Salary History:

INSERT INTO SalaryHistory (SalaryHistoryID, EmployeeID, Salary, ChangeDate) VALUES

```
SELECT * FROM Departments;
```

SELECT * FROM Employees;

SELECT * FROM PerformanceReviews;

SELECT * FROM SalaryHistory;

1. We want to see the average salary of employees in each department.

SELECT

d.DepartmentName,

AVG(e.Salary) AS AverageSalary

FROM

Employees e

JOIN

```
Departments d
ON
      e.DepartmentID = d.DepartmentID
GROUP BY
      d.DepartmentName;
2. Identify employees who scored below average in performance reviews.
SELECT
      e.Name,
      pr.Score,
      pr.Feedback
FROM
      Employees e
JOIN
      PerformanceReviews pr
ON
      e.EmployeeID = pr.EmployeeID
WHERE
      pr.Score < 3
ORDER BY
      pr.Score ASC;
```

3. Display the salary change history for a specific employee.

```
SELECT
      e.Name,
      sh.Salary,
      sh.ChangeDate
FROM
      SalaryHistory sh
JOIN
      Employees e
ON
      sh.EmployeeID = e.EmployeeID
WHERE
      e.Name = 'Bob Smith'
ORDER BY
      sh.ChangeDate DESC;
4. Find the top performers (score of 4 or 5) in the last year.
SELECT
      e.Name,
      pr.Score,
      pr.Feedback
FROM
      Employees e
JOIN
```

```
PerformanceReviews pr
ON
      e.EmployeeID = pr.EmployeeID
WHERE
      pr.ReviewDate >= '2023-01-01' AND pr.Score >= 4
ORDER BY
      pr.Score DESC;
5. Calculate the average tenure (years) of employees in the company.
SELECT
      AVG(DATEDIFF(DAY, HireDate, GETDATE()) / 365.0) AS AverageTenure
FROM
      Employees e;
6. List employees who earn more than the average salary in the company.
SELECT
      e.Name,
      e.Salary,
      d.DepartmentName
FROM
      Employees e
JOIN
```

```
Departments d
ON
      e.DepartmentID = d.DepartmentID
WHERE
      e.Salary > (SELECT AVG(Salary) FROM Employees)
ORDER BY
      e.Salary DESC;
7. Count the number of employees managed by each manager.
SELECT
      e. Name AS Manager,
      COUNT(emp.EmployeeID) AS EmployeesManaged
FROM
      Employees e
LEFT JOIN
      Employees emp
ON
      e.EmployeeID = emp.ManagerID
GROUP BY
      e.Name
ORDER BY
      EmployeesManaged DESC;
```