

# Employee Attrition Report

Demographic | Compensation | Job Role | Satisfaction | Tenure

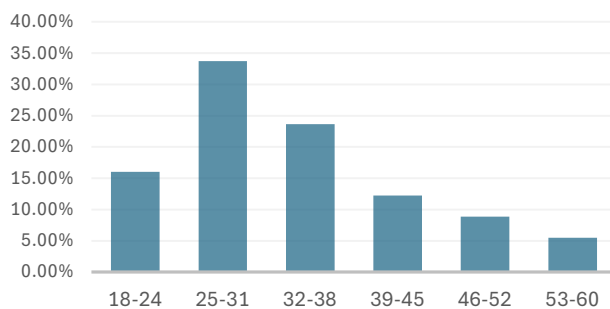
**16.12%**  
Overall Attrition

**147**  
Total Employees

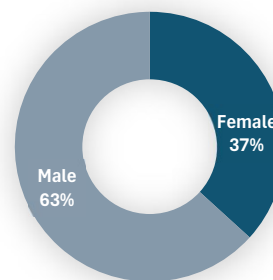
**237**  
Total Attrition

## Demographics

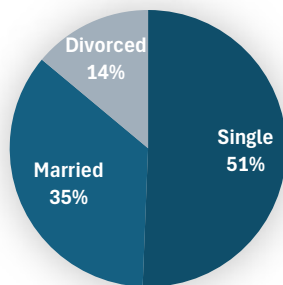
ATTRITION RATE BY AGE GROUP



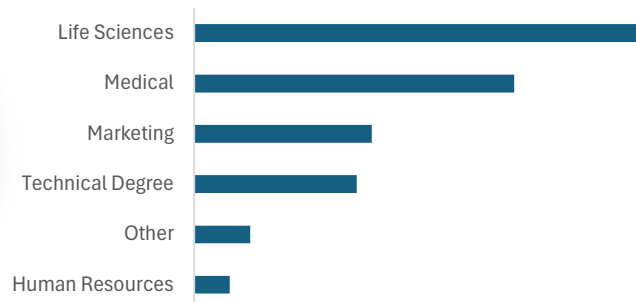
ATTRITION RATE BY GENDER



ATTRITION RATE BY MARITAL STATUS



ATTRITION RATE BY EDUCATION FIELD



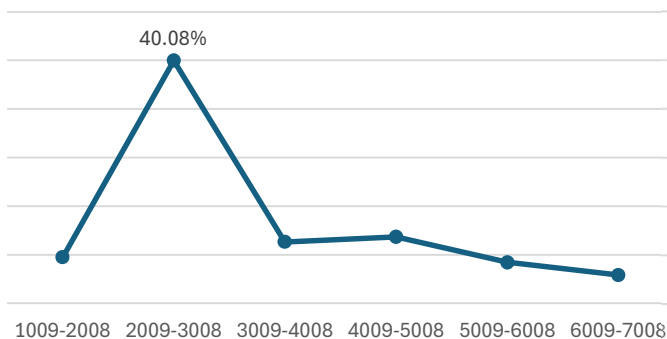
Retention risk is heavily concentrated among young, unattached, and early-career starters, particularly:

- **Age 25-31** (highest rate at 33.76%).
- **Male, Single** employees.
- Those with a **Bachelor's Degree** (Level 3) and a background in **Life Sciences** or **Medical** fields.

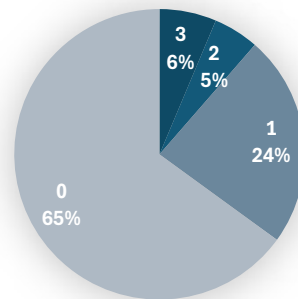
This profile suggests the company is facing a **"stepping-stone" attrition problem** where highly sought-after, early-career talent is leaving, indicating a critical need to **prioritize retention strategies for employees in their late 20s/early 30s** and enhance career development/anchoring mechanisms for this key segment.

# Compensation & Financial Drivers

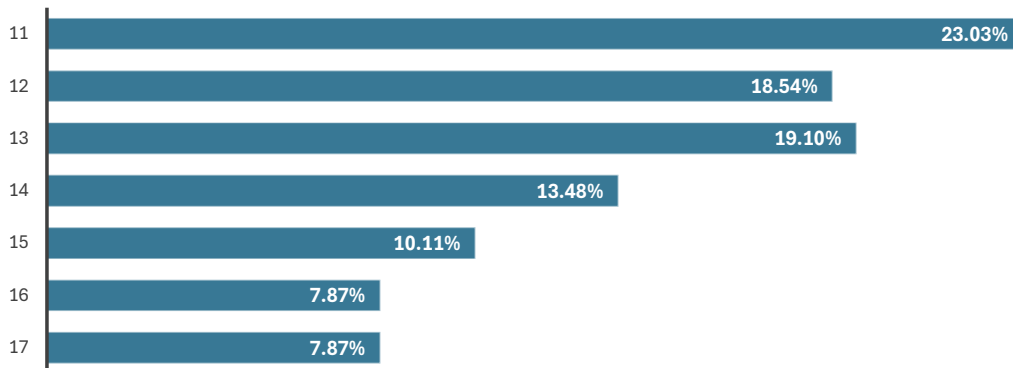
ATTRITION BY MONTHLY INCOME



ATTRITION BY STOCK OPTION LEVEL



ATTRITION BY SALARY HIKE (%)



The core attrition problem is **critically driven by a failure in creating financial anchors**, manifesting across three key areas of compensation and incentive: **Immediate Pay, Growth Recognition, and Long-Term Incentives**.

## Key Financial Failure Points

- **Crisis in the \$2k-\$3k Income Tier:** An unacceptable **40.08% attrition spike** is concentrated in the junior/mid-level income band (\$2,009 - \$3,008), indicating a **catastrophic retention failure** immediately following the entry level.
- **Lack of Recognition:** Low **Salary Hikes (11%-13%)** directly correlate with the highest turnover rates (up to 17.30%), confirming that **perceived low financial growth** pushes employees to leave.
- **Zero-Stock-Option Flight Risk:** Employees with **zero Stock Options (Level 0)** exhibit an **overwhelming 65% attrition rate**, highlighting that even minimal long-term incentives are a **critical, non-negotiable retention tool**.

## Actionable Focus

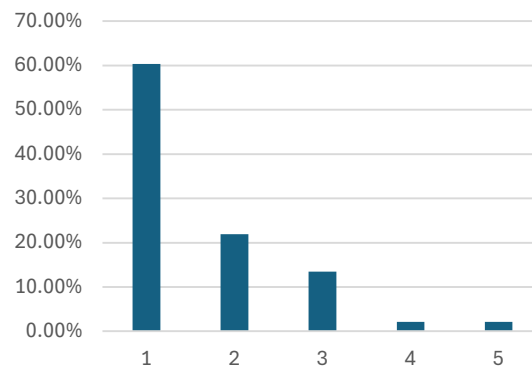
Retention strategy requires a **three-pronged financial intervention**: **1)** Re-evaluating compensation bands and growth paths for the **\$2k-\$3k income group**; **2)** Increasing the minimum acceptable salary hike to signal recognition; and **3)** Urgently implementing **minimal stock option/vesting programs** for all employees to create long-term financial friction.

# Job & Role Structure

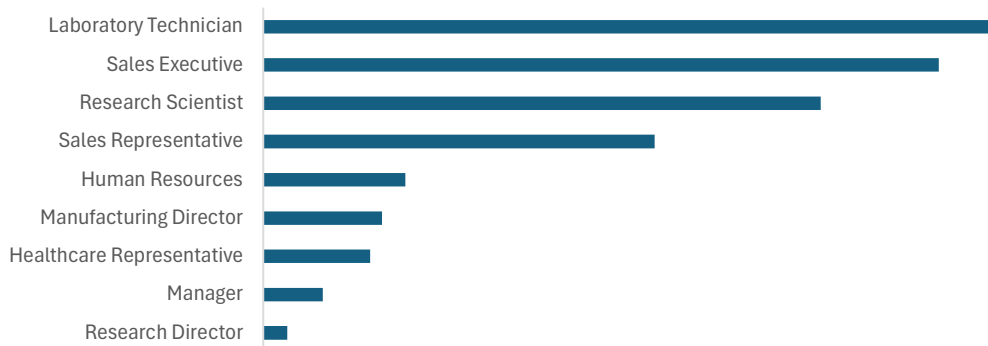
ATTRITION BY DEPARTMENT



ATTRITION BY JOB LEVEL



ATTRITION BY JOB ROLE



Attrition is primarily a **structural failure concentrated in the career pipeline for technical staff** and is highly localized to specific departments, roles, and job levels.

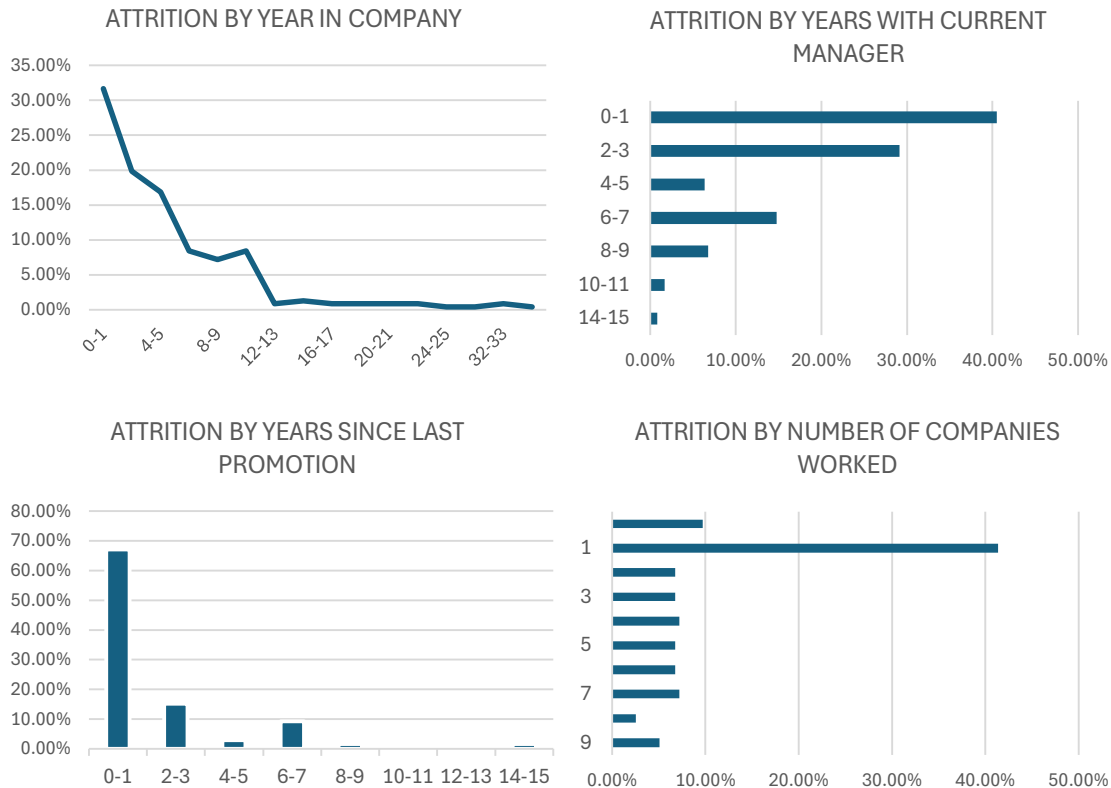
## Core Structural Weaknesses

- **Departmental Crisis:** The problem is localized, with **Research & Development (56%)** and **Sales (39%)** departments accounting for the overwhelming majority of turnover.
- **Role-Based Leaks:** The highest-risk roles are the **core hands-on execution roles** (Laboratory Technician, Sales Executive, Research Scientist), suggesting dissatisfaction among the company's operational workforce.
- **Career Stagnation:** The issue is overwhelmingly an **Entry-Level Crisis**, with **over 60% of all turnover occurring at Job Level 1**. This confirms employees are leaving due to a perceived lack of rapid advancement past the foundational role.

## Actionable Focus

The company must urgently **decongest the Job Level 1 pipeline** in R&D and Sales. This requires implementing clear, accelerated promotion criteria and training programs specific to **Laboratory Technicians, Research Scientists, and Sales Executives** to prove a viable, visible growth path out of the foundational level.

# Tenure & Progression



Attrition is highly concentrated in a **Critical Retention Window of 0-3 years across all tenure and career progression metrics**, indicating a failure to effectively integrate and anchor employees in their early stage.

## Key Volatility Points

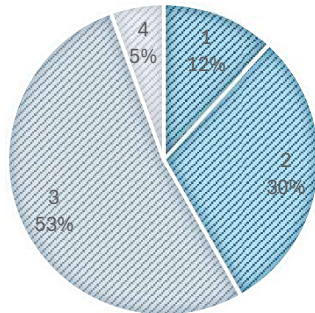
- **Early Exit Risk:** Attrition peaks sharply at **31.65% within the first year** at the company and **40.51% with the same manager** for less than a year, confirming early tenure and managerial relationships are immediate failure points.
- **Post-Promotion Volatility:** Recent promotions (**0-1 years**) correlate with the highest attrition rate (**67.09%**), suggesting that promotions alone are insufficient and may lead to **unmet expectations or increased pressure/burnout**.
- **First-Job Instability:** First-time job holders (**1 company worked**) have a **41.35% attrition risk**, indicating early career professionals lack sufficient fit or support.

## Actionable Focus

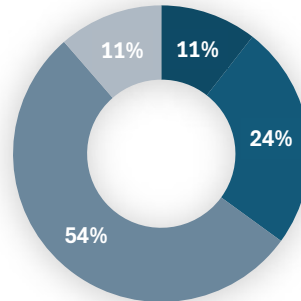
Retention efforts must be **hyper-focused on the first 1-3 years of employment**. This requires: **1) Enhancing early-tenure support and onboarding**; **2) Prioritizing manager continuity/training**; and **3) Implementing dedicated post-promotion support** and expectation management to secure long-term commitment.

# Satisfaction & Environment

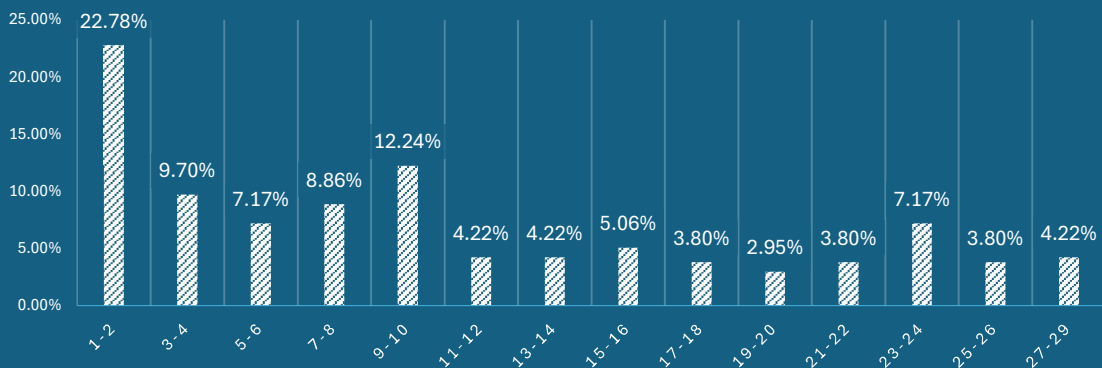
ATTRITION RATE BY JOB INVOLVEMENT



ATTRITION RATE BY WORK-LIFE BALANCE



ATTRITION RATE BY DISTANCE FROM HOME



Attrition is highest among employees who feel **moderately involved (52.74%)** or have **moderate work-life balance (53.59%)**. This volatility in the "middle ground" (Rating 3) indicates a severe risk of **disengagement and burnout**.

## Core Triggers

- **Moderate Engagement:** Scores of 3 for Job Involvement and Work-Life Balance are the **highest flight risks**, suggesting uncertainty and struggle rather than clear satisfaction or dissatisfaction.
- **Short Commute Risk:** High turnover in the **1-2 mile commute range (22.78%)** likely reflects instability in early-career, entry-level roles.

## Actionable Focus

Target employees with **moderate scores (Rating 3)** in involvement and WLB with **proactive check-ins** to address **burnout and role uncertainty**, preventing moderate dissatisfaction from becoming an exit.

# Executive Summary: A Structural Attrition Crisis

The company's high turnover is a **structural crisis**—not a cultural one—focused on high-potential technical and sales staff who are leaving because they lack **financial incentives** and a **clear path for promotion**.

## The High-Risk Attrition Profile (WHO is Leaving)

They are **young, single, male, and educated** (Bachelor's degree), often in technical or medical fields. They work in **entry-level roles (Job Level 1)** in **R&D or Sales** (e.g., Lab Techs or Sales Execs). They leave **quickly**—usually within their **first three years**—sometimes right after getting a promotion.

## The Primary Root Causes (WHY They are Leaving)

### 💰 Financial Failures (The "Lack of Friction")

- **The Critical Pay Gap:** The highest turnover (40%) happens to employees earning roughly **\$2,000 to \$3,000** per month. This means we're failing to hold onto our **junior/mid-level salaried staff**, not just the lowest-paid workers.
- **No Long-Term Incentive:** Not giving **stock options** is fatal. Employees with **zero stock options have a 65% chance of leaving**. This is our biggest financial flaw.
- **Poor Recognition:** Employees who get the smallest raises (11% to 13%) are leaving, proving they feel **undervalued** and aren't being financially recognized for their work.

### 🚧 Structural Failures (The "Blocked Pipeline")

- **Entry-Level Trap:** **60% of all turnover** is from people stuck at **Job Level 1**. They are leaving because the path to a promotion (Level 2) is too slow or unclear.
- **R&D and Sales are Bleeding:** Over **95% of the problem** is concentrated in **R&D (56%)** and **Sales (39%)**. These departments need immediate help.
- **Promotions Don't Work:** People often quit **right after a promotion**. This suggests the promotion was either too late or didn't meet their expectations for salary or responsibility.

## Conclusion and Strategic Recommendation

Our problem isn't random dissatisfaction; it's a **major leak of young technical staff in R&D and Sales**. To fix this, we must stop using generic programs and start making **targeted changes to our finances and career structure**.

### Key Recommendations

- **Offer Stock Options Now:** Give a minimum Level 1 stock option grant to all high-risk, entry-level staff (Level 1, \$2k-\$3k pay band). This acts as a necessary **financial anchor**.
- **Speed Up Promotions:** Create a faster, formal promotion path from **Level 1 to Level 2** specifically in R&D and Sales, making sure the promotion includes a **significant raise**.
- **Engage "Average" Performers:** Focus manager attention and coaching on employees with **moderate (Rating 3) satisfaction scores** (Job Involvement, Work-Life Balance) as they are the most likely to be silently disengaged and leave.
- **Build Early Stability:** Strengthen our **onboarding process and management consistency** to build stable employee-manager relationships during the critical first year.