# **Classification Analysis Report**

This report outlines the process of performing classification analysis on a dataset to predict employee attrition. The analysis includes data preprocessing, feature exploration, and the implementation of multiple classification algorithms. Evaluation metrics such as accuracy, F1 score, precision, recall, and ROC-AUC are computed to compare the performance of the models. The following steps are implemented:

1. Problem Statement Predict whether an employee will leave the organization (attrition) or stay, based on their attributes such as demographics, job satisfaction, and performance metrics.

#### 2. Data Preprocessing

- Class Imbalance Handling: Addressed using class weights in models to account for the imbalance between attrition and non-attrition cases.
- Feature Scaling: Features were normalized to improve model performance.
- Dataset Splitting: The dataset was split into training and testing sets for model evaluation.
- 3. Exploratory Data Analysis (EDA)
  - Correlation Analysis: A heatmap of the correlation matrix was created to explore relationships between features and the target variable.
  - Outlier Detection: Visualizations such as boxplots and histograms were used to identify and address outliers.
  - Feature Insights: Key features influencing employee attrition were identified through statistical analysis and visual exploration.

#### 4. Model Implementation

- Support Vector Machine (SVM): A balanced SVM with a linear kernel was implemented to handle class imbalance effectively.
- Logistic Regression: Implemented as a baseline model for comparison.
- Decision Trees: Used to capture non-linear relationships between features.
- Random Forest: An ensemble learning method was employed to improve classification accuracy and capture feature importance.

#### 5. Model Evaluation

• Evaluation Metrics: Accuracy, F1 score, precision, recall, and ROC-AUC were computed to assess model performance.

# Importing, Previewing, and Exploring Data

We first imported and previewed the data.

```
#importing necessary libraries, etc
In [270...
          import pandas as pd
          import numpy as np
          import seaborn as sns
          import os
          np.random.seed(0)
          import matplotlib.pyplot as plt
          import statsmodels.api as sm
          from sklearn.model_selection import train_test_split
          from sklearn.metrics import accuracy_score, precision_score, recall_score, f1_score
          from sklearn.model_selection import GridSearchCV
          from sklearn.preprocessing import OneHotEncoder
          import warnings
          warnings.filterwarnings('ignore')
          %matplotlib inline
          #importing datafile
          df = pd.read_csv('employee_attrition.csv')
          #previewing data
          df.head()
```

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•		Age	Attrition	BusinessTravel	DailyRate	Department	DistanceFromHome	Education	EducationField	EmployeeCount	En
	0	41	Yes	Travel_Rarely	1102	Sales	1	2	Life Sciences	1	
	1	49	No	Travel_Frequently	279	Research & Development	8	1	Life Sciences	1	
	2	37	Yes	Travel_Rarely	1373	Research & Development	2	2	Other	1	
	3	33	No	Travel_Frequently	1392	Research & Development	3	4	Life Sciences	1	
	4	27	No	Travel_Rarely	591	Research & Development	2	1	Medical	1	

5 rows × 35 columns



#### **Comments:**

It looks like we have numerical and categorical data with mostly self-explanatory columns. A few features are not clear how the survey questions translate to actual answers. For example, the feature Education contains integers. This project assumes that level of Education increases as the numbers increase, but it is unclear with a dictionary key. Similarly, Distance From Home contains a set of integers. Again, this project assumes a higher number equates to a home farther away from the workplace.

In [271...

#Verifying there are no duplicate rows.
df.duplicated().value\_counts()

Out[271...

False 1470

Name: count, dtype: int64

### Comment on Findings:

There are no duplicate rows in this dataset.

In [272...

#verifying all features have all rows and no null values.
df.info()

<class 'pandas.core.frame.DataFrame'>
RangeIndex: 1470 entries, 0 to 1469
Data columns (total 35 columns):

#	Column	Non-Null Count	Dtype
0	Age	1470 non-null	int64
1	Attrition	1470 non-null	object
2	BusinessTravel	1470 non-null	object
3	DailyRate	1470 non-null	int64
4	Department	1470 non-null	object
5	DistanceFromHome	1470 non-null	int64
6	Education	1470 non-null	int64
7	EducationField	1470 non-null	object
8	EmployeeCount	1470 non-null	int64
9	EmployeeNumber	1470 non-null	int64
10	EnvironmentSatisfaction	1470 non-null	int64
11	Gender	1470 non-null	object
12	HourlyRate	1470 non-null	int64
13	JobInvolvement	1470 non-null	int64
14	JobLevel	1470 non-null	int64
15	JobRole	1470 non-null	object
16	JobSatisfaction	1470 non-null	int64
17	MaritalStatus	1470 non-null	object
18	MonthlyIncome	1470 non-null	int64
19	MonthlyRate	1470 non-null	int64
20	NumCompaniesWorked	1470 non-null	int64
21	Over18	1470 non-null	object
22	OverTime	1470 non-null	object
23	PercentSalaryHike	1470 non-null	int64
24	PerformanceRating	1470 non-null	int64
25	RelationshipSatisfaction	1470 non-null	int64
26	StandardHours	1470 non-null	int64
27	StockOptionLevel	1470 non-null	int64
28	TotalWorkingYears	1470 non-null	int64
29	TrainingTimesLastYear	1470 non-null	int64
30	WorkLifeBalance	1470 non-null	int64
31	YearsAtCompany	1470 non-null	int64
32	YearsInCurrentRole	1470 non-null	int64
33	YearsSinceLastPromotion	1470 non-null	int64
34	YearsWithCurrManager	1470 non-null	int64
1.4			

dtypes: int64(26), object(9)
memory usage: 402.1+ KB

### **Comment on Findings:**

Nothing that needs cleaning, and we have no null values. Our target variable, Attrition, currently contains the strings "Yes" or "No" so we'll have to change that for our analysis.

```
In [273... #checking percentage of employees in data with attrition
    df.Attrition.value_counts(normalize=True)
#
```

Out[273... Attrition

No 0.838776 Yes 0.161224

Name: proportion, dtype: float64

### **Comment on Findings:**

Random chance would be right as a baseline 83.88% of the time. The following models will aim for higher than that. An unbalanced dataset with many more "No" than "Yes" for the Attrition column.

## Manipulating the Data, Logistic Regression Models

```
In [274... #Changing target feature Attrition to numerical values instead of categorical
    df.Attrition = df.Attrition.map({'Yes': 1, 'No': 0})
In [275... df.info()
```

<class 'pandas.core.frame.DataFrame'>
RangeIndex: 1470 entries, 0 to 1469
Data columns (total 35 columns):

#	Column	Non-Null Count	Dtype
0	Age	1470 non-null	int64
1	Attrition	1470 non-null	int64
2	BusinessTravel	1470 non-null	object
3	DailyRate	1470 non-null	int64
4	Department	1470 non-null	object
5	DistanceFromHome	1470 non-null	int64
6	Education	1470 non-null	int64
7	EducationField	1470 non-null	object
8	EmployeeCount	1470 non-null	int64
9	EmployeeNumber	1470 non-null	int64
10	EnvironmentSatisfaction	1470 non-null	int64
11	Gender	1470 non-null	object
12	HourlyRate	1470 non-null	int64
13	JobInvolvement	1470 non-null	int64
14	JobLevel	1470 non-null	int64
15	JobRole	1470 non-null	object
16	JobSatisfaction	1470 non-null	int64
17	MaritalStatus	1470 non-null	object
18	MonthlyIncome	1470 non-null	int64
19	MonthlyRate	1470 non-null	int64
20	NumCompaniesWorked	1470 non-null	int64
21	Over18	1470 non-null	object
22	OverTime	1470 non-null	object
23	PercentSalaryHike	1470 non-null	int64
24	PerformanceRating	1470 non-null	int64
25	RelationshipSatisfaction	1470 non-null	int64
26	StandardHours	1470 non-null	int64
27	StockOptionLevel	1470 non-null	int64
28	TotalWorkingYears	1470 non-null	int64
29	TrainingTimesLastYear	1470 non-null	int64
30	WorkLifeBalance	1470 non-null	int64
31	YearsAtCompany	1470 non-null	int64
32	YearsInCurrentRole	1470 non-null	int64
33	YearsSinceLastPromotion	1470 non-null	int64
34	YearsWithCurrManager	1470 non-null	int64
1.4			

dtypes: int64(27), object(8)
memory usage: 402.1+ KB

#### Comments:

.map() worked, and our Attrition column now contains integers in place of the strings, "Yes" and "No."

In [276...

#previewing the change to numerical values for Attrition feature df.head()

Out[276...

	Age	Attrition	BusinessTravel	DailyRate	Department	DistanceFromHome	Education	EducationField	EmployeeCount	En
0	41	1	Travel_Rarely	1102	Sales	1	2	Life Sciences	1	
1	49	0	Travel_Frequently	279	Research & Development	8	1	Life Sciences	1	
2	37	1	Travel_Rarely	1373	Research & Development	2	2	Other	1	
3	33	0	Travel_Frequently	1392	Research & Development	3	4	Life Sciences	1	
4	27	0	Travel_Rarely	591	Research & Development	2	1	Medical	1	

5 rows × 35 columns



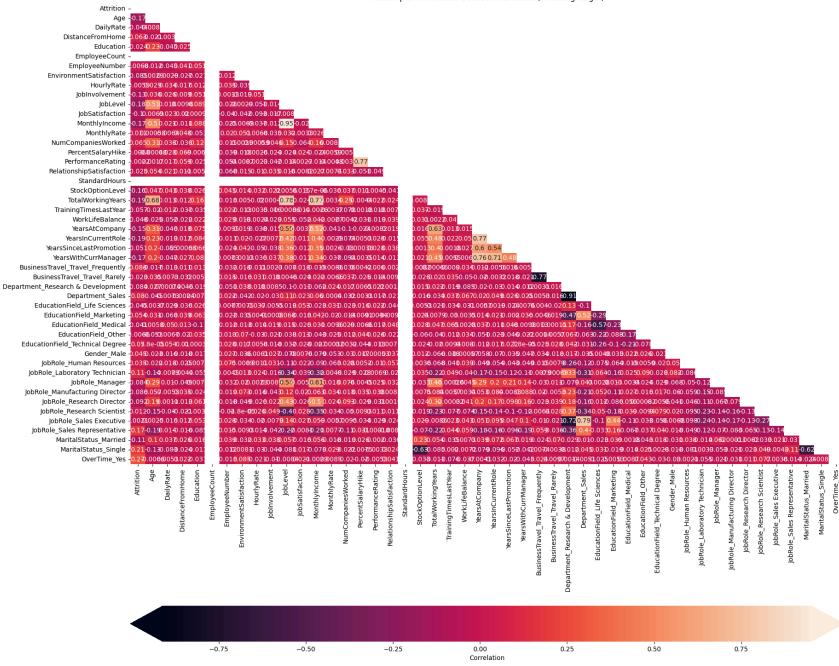
## **Dividing the Training and Testing Data**

```
In [277... y = df.Attrition
          X = df.drop('Attrition', axis = 1)
          #normalizing data
          X_train, X_test, y_train, y_test = train_test_split(X, y, random_state=42)
```

## **Visualizing Most Correlated Features**

We are curious which features may closely correlate with Attrition of the get-go.

```
In [278... # Create a new 'images' folder in directory
          if not os.path.exists('images'):
              os.makedirs('images')
          # Convert categorical data to numerical
          X_train_encoded = pd.get_dummies(X_train, drop_first=True)
          y_train_encoded = y_train.copy()
          # Combine target and features
          heatmap_data = pd.concat([pd.Series(y_train_encoded, name='Attrition'), X_train_encoded], axis=1)
          # Compute correlation matrix
          corr = heatmap_data.corr()
          fig, ax = plt.subplots(figsize=(20, 20))
          # Plots a heatmap of the correlation matrix, with both
          # numbers and colors indicating the correlations
          sns.heatmap(
              # Specifies the data to be plotted
              data=corr.
              # The mask means we only show half the values,
              # instead of showing duplicates. It's optional.
              mask=np.triu(np.ones_like(corr, dtype=bool)),
              # Specifies that we should use the existing axes
              ax=ax,
              # Specifies that we want labels, not just colors
              annot=True,
              # Customizes colorbar appearance
              cbar_kws={"label": "Correlation", "orientation": "horizontal", "pad": .2, "extend": "both"}
          # Customize the plot appearance
          ax.set_title("Heatmap of Correlation Between Attributes (Including Target)");
          # Save the plot as a JPG image with the title as the filename
          filename = f"images/Correlation Between Attributes.jpg"
          plt.savefig(filename)
```



It looks like none of our features are very highly correlated. The features below are the least correlated, and therefore correspond to the least attrition are:

- Total Working Years
- Years in Current Role
- Job Level As these features increase, the employee's risk of attrition descreases

Conversely, the features that were the most highly correlated, and therefore correspond to the most attrition are:

- Number of Companies Worked
- Distance from Home
- Monthly Rate As these features increase, the employee's risk of attrition increases.

we are curious as to the distribution of the least correlated features (the ones that correlate with the lowest attrition), so we take a look at those below.

In [279...

```
#Describing top 3 most correlating features
df[['YearsInCurrentRole', 'TotalWorkingYears', 'JobLevel']].describe()
```

Out[279...

	YearsInCurrentRole	TotalWorkingYears	JobLevel
count	1470.000000	1470.000000	1470.000000
mean	4.229252	11.279592	2.063946
std	3.623137	7.780782	1.106940
min	0.000000	0.000000	1.000000
25%	2.000000	6.000000	1.000000
50%	3.000000	10.000000	2.000000
75%	7.000000	15.000000	3.000000
max	18.000000	40.000000	5.000000

#### **Comments:**

The range is interesting, and the majority of the data falls in between 2 and 7 years for the Years In Current Role, 6-15 for total working years, and 1-3 for Job level. It would be interesting to investigate how high the attrition is for the lowest quartile, and how low the attrition is for the highest quartile.

## **Visualizing Most and Least Correlated Features**

#### **Comments:**

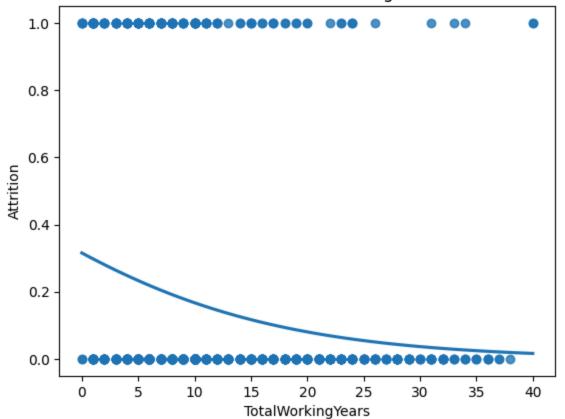
We thought it important to visualize these significant features for ourselves. A heat map is useful, but it doesn't necessarily convey the type of relationship between the two variables in a way that would be easily understood by everyone.

```
least_correlated_feature1 = 'TotalWorkingYears'
least_correlated_feature2 = 'YearsInCurrentRole'
least_correlated_feature3 = 'JobLevel'
most_correlated_feature1 = 'NumCompaniesWorked'
most_correlated_feature2 = 'DistanceFromHome'
most_correlated_feature3 = 'MonthlyRate'

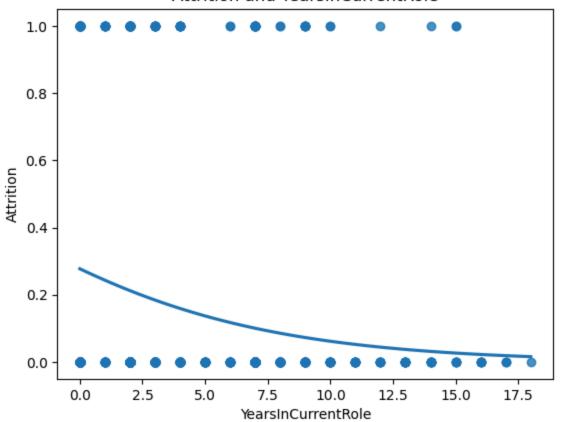
sns.regplot(x=X_train[least_correlated_feature1], y=y_train, data=df, logistic=True, ci=None).set(title= 'Attrition and {}'.format(least_correlated_feature1));

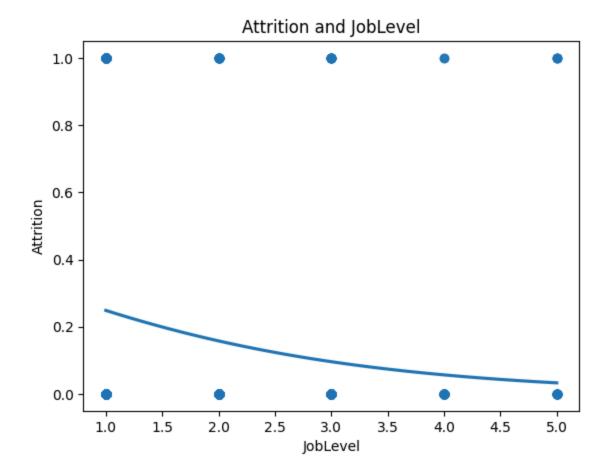
# Save the plot as a JPG image with the title as the filename
filename = f"images/Attrition and Total Working Years.jpg"
plt.savefig(filename)
```

## Attrition and TotalWorkingYears



### Attrition and YearsInCurrentRole

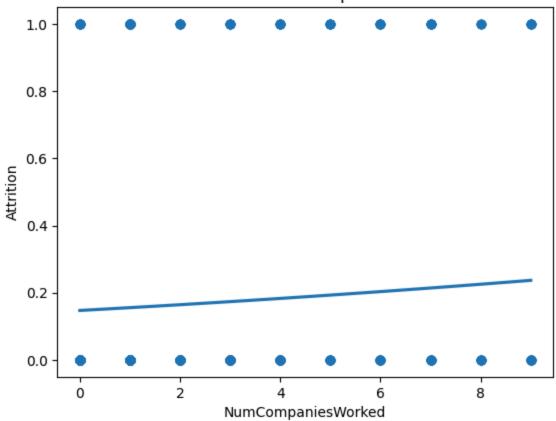




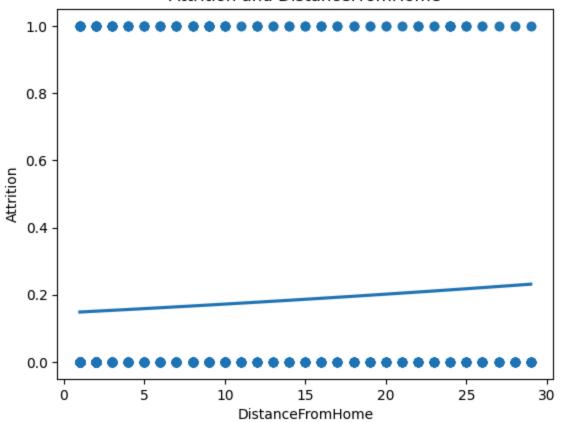
## **Comments on Findings:**

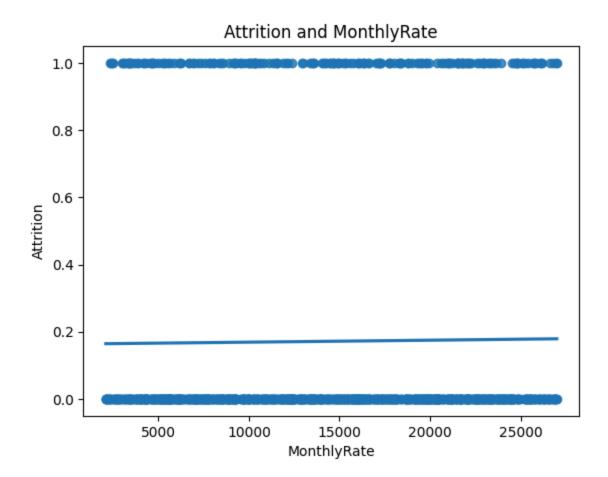
We can see that as these features increase, attrition decreases. Attrition lowers with higher number of working years, the years in current role, and the job level

## Attrition and NumCompaniesWorked



### Attrition and DistanceFromHome





### **Comments on Findings:**

We can see that as these features increase, attrition increases. Attrition rises slightly with higher number of companies worked, the distance from home, and the monthly rate.

#### **Commented Out:**

The below cell is an attempt at a model with only the highest correlating features, but this model was poorer than keeping all features.

```
# y2 = df.Attrition
# X2 = df[['Age', 'JobInvolvement', 'JobLevel', 'JobSatisfaction', 'MonthlyIncome', 'StockOptionLevel', 'TotalWorking
# 'YearsAtCompany', 'YearsInCurrentRole', 'YearsWithCurrManager']]
# #normalizing data
# X_train, X_test, y_train, y_test = train_test_split(X2, y2, random_state=42)
***WariSuing on how the support distribution of attribution (as attribution in training and test data.
```

```
#Verifying we have the current distribution of attrition/no attrition in training and test data print("Train percent attrition/no attrition:", y_train.value_counts(normalize=True)[1]) print("Test percent attrition/no attrition: ", y_test.value_counts(normalize=True)[1])
```

Train percent attrition/no attrition: 0.17150635208711434
Test percent attrition/no attrition: 0.13043478260869565

#### **Comment on Findings**

A reasonably close distribution of y values between train and test data.

## **Dummy Variables for Categorical Features**

Below We create dummy variables for the dataset's categorical features, and concatenate them together again.

```
In [288...
#Separating X data into continuous vs. categorical
X_train_cont = X_train.select_dtypes(include='number')
X_test_cont = X_test.select_dtypes(include='number')
X_train_cat = X_train.select_dtypes(exclude='number')
X_test_cat = X_test.select_dtypes(exclude='number')

#Dummy encoding categorical values using OneHotEncoder
ohe = OneHotEncoder(handle_unknown='ignore')
X_train_cat = ohe.fit_transform(X_train_cat)
X_test_cat = ohe.transform(X_test_cat)

X_test_cat = ohe.transform(X_test_cat)

X_test_preprocessed = np.concatenate([X_train_cont, X_train_cat.todense()], axis=1)
X_test_preprocessed = np.concatenate([X_test_cont, X_test_cat.todense()], axis=1)

In [289...
X_train = X_train_preprocessed
X_test = X_test_preprocessed
```

#### **Commented Out:**

The below two cells is an attempt at a model with removal of the features with the highest P values, but this model was poorer than keeping all features. Here, We realized, that it makes sense why removing the highest or lowest correlating features might negatively impact the accuracy of the model. If the model doesn't have the lowest correlating features to work with, how could it determine the highest ones?

### **Initial Model**

#### Comments:

The initial model. We used the F1 Score and a confusion matrix to see the baseline for this first model, particularly because the accuracy score wouldn't be as helpful with such an unbalanced dataset.

```
from sklearn.linear_model import LogisticRegression
from sklearn.model_selection import cross_val_score
from sklearn.metrics import accuracy_score, precision_score, recall_score, roc_auc_score

baseline_model = LogisticRegression(solver='newton-cg', class_weight='balanced')
X_train = np.asarray(X_train)
y_train = np.asarray(y_train)
```

```
baseline_model.fit(X_train, y_train)
# Predicting on the test data
X_test = np.asarray(X_test)
pred_test = baseline_model.predict(X_test)
# Calculating and printing the f1 score
f1_test = f1_score(y_test, pred_test)
print('The f1 score for the testing data:', f1_test)
# Additional Metrics
accuracy_test = accuracy_score(y_test, pred_test)
precision_test = precision_score(y_test, pred_test)
recall_test = recall_score(y_test, pred_test)
roc_auc_test = roc_auc_score(y_test, baseline_model.predict_proba(X_test)[:, 1])
print(f'Accuracy: {accuracy_test:.3f}')
print(f'Precision: {precision_test:.3f}')
print(f'Recall: {recall_test:.3f}')
print(f'ROC-AUC Score: {roc_auc_test:.3f}')
# Creating a function for the confusion matrix
def conf matrix(y true, y pred):
    cm = \{'TP': 0, 'TN': 0, 'FP': 0, 'FN': 0\}
    for ind, label in enumerate(y_true):
        pred = y_pred[ind]
        if label == 1:
            # CASE: TP
            if label == pred:
                cm['TP'] += 1
            # CASE: FN
            else:
                cm['FN'] += 1
        else:
            # CASE: TN
            if label == pred:
                cm['TN'] += 1
            # CASE: FP
            else:
                cm['FP'] += 1
    return cm
```

```
conf_matrix(y_test, pred_test)

The f1 score for the testing data: 0.3684210526315789
    Accuracy: 0.739
    Precision: 0.269
    Recall: 0.583
    ROC-AUC Score: 0.795

Out[292... {'TP': 28, 'TN': 244, 'FP': 76, 'FN': 20}
```

SVM Implementation This cell trains a Support Vector Machine (SVM) classifier using a linear kernel and balanced class weights. It predicts test labels and computes evaluation metrics like F1 score, accuracy, precision, recall, and ROC-AUC.

```
In [293... # from sklearn.svm import SVC
          from sklearn.preprocessing import StandardScaler
          from sklearn.metrics import f1 score, accuracy score, precision score, recall score, roc auc score
          # Feature Scaling
          scaler = StandardScaler()
          X train = scaler.fit transform(X train)
          X test = scaler.transform(X test)
          # Initialize and fit the SVM model
          svm model = SVC(kernel='linear', probability=True, class weight='balanced')
          svm model.fit(X train, y train)
          # Predictions
          svm pred test = svm model.predict(X test)
          # Metrics
          from sklearn.metrics import f1 score, accuracy score, precision score, recall score, roc auc score
          svm f1 test = f1 score(y test, svm pred test)
          svm accuracy test = accuracy score(y test, svm pred test)
          svm precision test = precision score(y test, svm pred test)
          svm recall test = recall score(y test, svm pred test)
          svm roc auc test = roc auc score(y test, svm model.predict proba(X test)[:, 1])
          print(f"SVM F1 Score: {svm f1 test:.3f}")
          print(f"SVM Accuracy: {svm accuracy test:.3f}")
          print(f"SVM Precision: {svm precision test:.3f}")
```

```
print(f"SVM Recall: {svm_recall_test:.3f}")
print(f"SVM ROC-AUC Score: {svm_roc_auc_test:.3f}")
SVM F1 Score: 0.395
```

SVM Accuracy: 0.750 SVM Precision: 0.288 SVM Recall: 0.625 SVM ROC-AUC Score: 0.789

Decision Tree Implementation This cell trains a Decision Tree Classifier with balanced class weights. It predicts test labels and evaluates the model using the same metrics as the SVM.

```
In [294... from sklearn.tree import DecisionTreeClassifier
          # Initialize and fit the Decision Tree model
          dt_model = DecisionTreeClassifier(class_weight='balanced')
          dt model.fit(X train, y train)
          # Predictions
          dt pred test = dt_model.predict(X_test)
          # Metrics
          dt f1 test = f1 score(y test, dt pred test)
          dt accuracy test = accuracy score(y test, dt pred test)
          dt precision test = precision score(y test, dt pred test)
          dt_recall_test = recall_score(y_test, dt_pred_test)
          dt_roc_auc_test = roc_auc_score(y_test, dt_model.predict_proba(X_test)[:, 1])
          print(f"Decision Tree F1 Score: {dt f1 test:.3f}")
          print(f"Decision Tree Accuracy: {dt_accuracy_test:.3f}")
          print(f"Decision Tree Precision: {dt precision test:.3f}")
          print(f"Decision Tree Recall: {dt recall test:.3f}")
          print(f"Decision Tree ROC-AUC Score: {dt roc auc test:.3f}")
```

Decision Tree F1 Score: 0.278
Decision Tree Accuracy: 0.788
Decision Tree Precision: 0.250
Decision Tree Recall: 0.312
Decision Tree ROC-AUC Score: 0.586

Random Forest Implementation This cell trains a Random Forest Classifier with balanced class weights and 100 decision trees. Predictions and evaluations are made using F1 score, accuracy, precision, recall, and ROC-AUC metrics.

```
In [295...
          from sklearn.ensemble import RandomForestClassifier
          # Initialize and fit the Random Forest model
          rf_model = RandomForestClassifier(class_weight='balanced', n_estimators=100, random_state=42)
          rf_model.fit(X_train, y_train)
          # Predictions
          rf_pred_test = rf_model.predict(X_test)
          # Metrics
          rf_f1_test = f1_score(y_test, rf_pred_test)
          rf_accuracy_test = accuracy_score(y_test, rf_pred_test)
          rf_precision_test = precision_score(y_test, rf_pred_test)
          rf_recall_test = recall_score(y_test, rf_pred_test)
          rf_roc_auc_test = roc_auc_score(y_test, rf_model.predict_proba(X_test)[:, 1])
          print(f"Random Forest F1 Score: {rf_f1_test:.3f}")
          print(f"Random Forest Accuracy: {rf_accuracy_test:.3f}")
          print(f"Random Forest Precision: {rf_precision_test:.3f}")
          print(f"Random Forest Recall: {rf_recall_test:.3f}")
          print(f"Random Forest ROC-AUC Score: {rf_roc_auc_test:.3f}")
        Random Forest F1 Score: 0.148
        Random Forest Accuracy: 0.875
        Random Forest Precision: 0.667
```

## 5. Model Evaluation

### **Evaluation Metrics**

Random Forest Recall: 0.083

Random Forest ROC-AUC Score: 0.756

To assess model performance, several evaluation metrics were computed, including accuracy, F1 score, precision, recall, and ROC-AUC. These metrics provide a comprehensive view of how well each model performs in predicting employee attrition, considering both overall performance and the ability to correctly identify positive and negative cases.

## Comparison

The performance of all models was compared to identify the most effective one for predicting employee attrition. Here's a summary of the results:

- **Logistic Regression:** The model demonstrated a relatively high accuracy (0.739) but had a lower F1 score (0.368), indicating that it struggles to balance precision and recall. The precision (0.269) is low, which suggests a higher rate of false positives, while recall (0.583) shows better performance in identifying actual positives.
- **SVM (Support Vector Machine):** This model showed competitive performance with an F1 score of 0.395 and a ROC-AUC score of 0.790, effectively balancing precision (0.288) and recall (0.625). It outperformed logistic regression in terms of F1 score and ROC-AUC, making it a strong candidate for further optimization.
- **Decision Tree:** The decision tree had a relatively high accuracy (0.788), but its F1 score (0.278) and recall (0.312) were lower, showing weaker performance in identifying true positives. Precision was also low (0.250), suggesting that it often misclassifies positive cases as negatives.
- **Random Forest:** Although the random forest had the highest accuracy (0.875), its F1 score (0.148) was the lowest, indicating poor performance in balancing precision and recall. The high precision (0.667) was offset by a very low recall (0.083), suggesting that it fails to identify many actual positive cases despite correctly classifying some negatives.

# Insights

Among all the models, **SVM** showed the most competitive performance, with an F1 score of 0.395 and a ROC-AUC score of 0.790. This model strikes a better balance between precision and recall compared to the other models, making it a strong contender for predicting employee attrition effectively. However, further fine-tuning could still improve these results.