



INSIGHT INTO EMPLOYEE TRENDS

WHO IS LEAVING
WHY THEY ARE LEAVING
AND
RETAINING HIGH PERFORMERS

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RECOMMENDATIONS FOR CHANGES TO OPERATING MODEL

According to our analysis of the dataset provided, we recommend 3 changes to the company operating model:

BENEFITS

Increase short- and long-term benefits for new joiners and early career employees

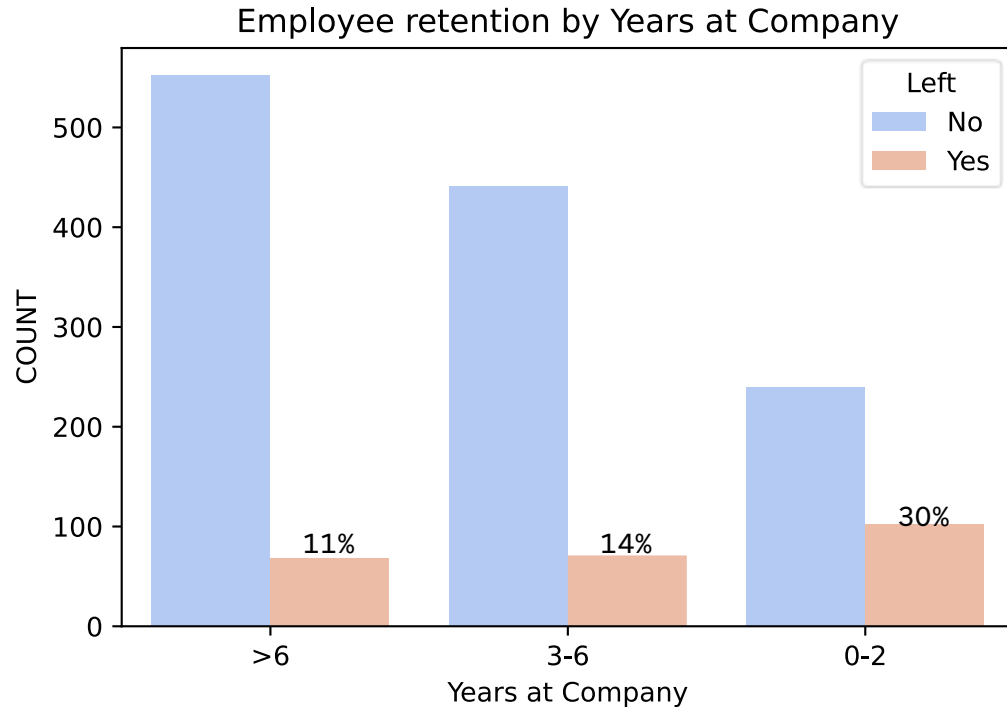
REMOTE WORK

Implement a remote-working scheme, allowing people to work from home or in a hybrid environment

COMPENSATION

Include performance based bonuses, as well as more frequent salary hikes and promotions

WHY DO BENEFITS NEED TO INCREASE?



30% of employees who spent between 0-2 years at the company chose to leave

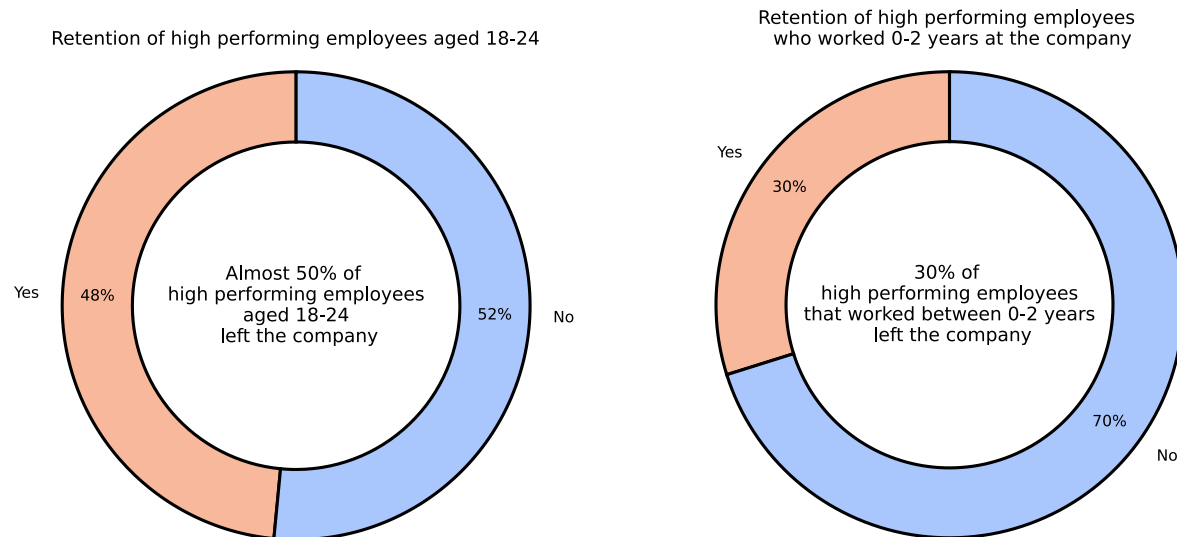


39% of employees aged between 18-24 years (early careers) chose to leave

Employees early in their careers or who have recently joined tend to leave the company more than other groups.

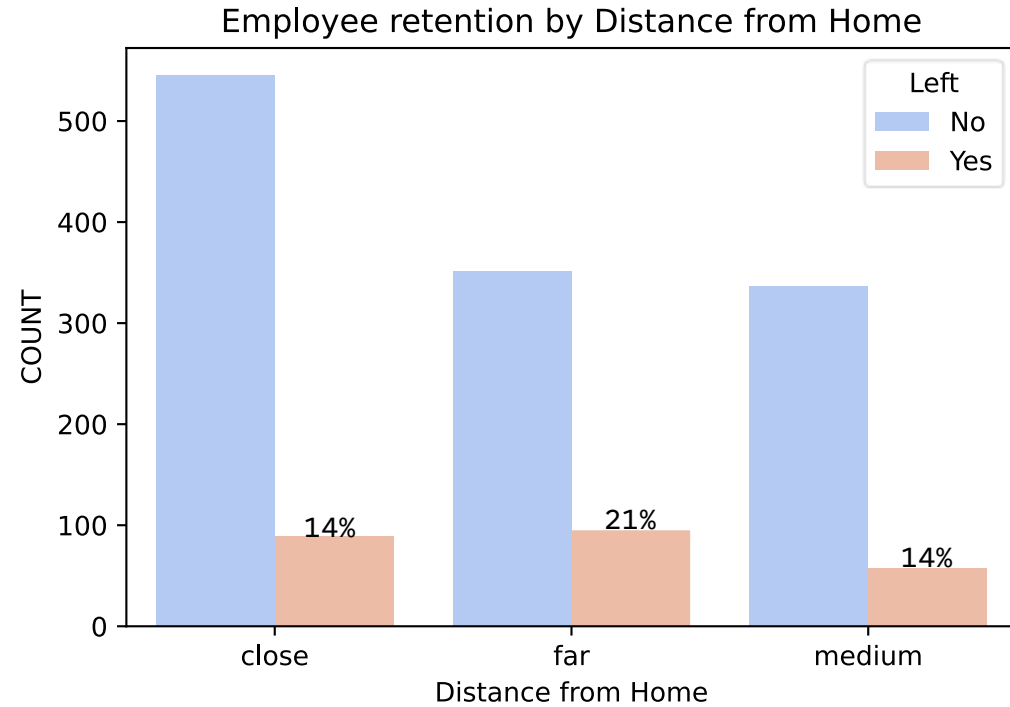
For both of these employee groups, this could be due to

- 1) Small salary hikes leading to employees job hopping
- 2) Lack of clarity in regards to career progression at company
- 3) Lack of short-term as well as long-term benefits for staying at company

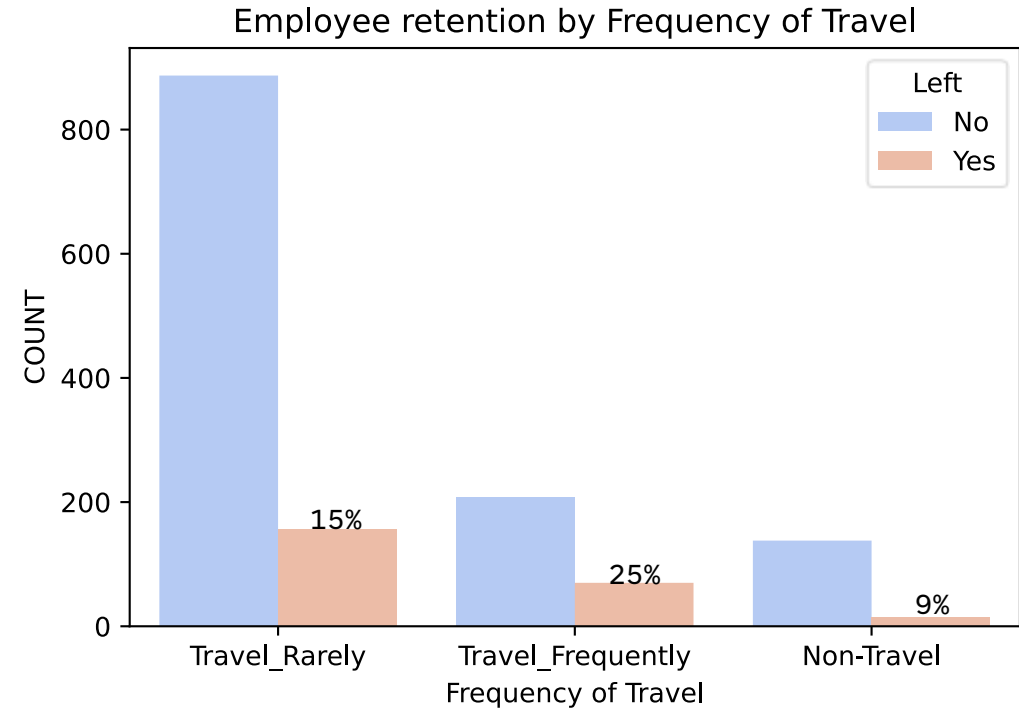


A large proportion of *high-performing* employees in these 2 groups left the company, indicating the need to revise employee benefits including greater benefits for higher performing employees

THE NEED FOR REMOTE-WORKING



21% of employees who lived far (> 10 km) from office chose to leave

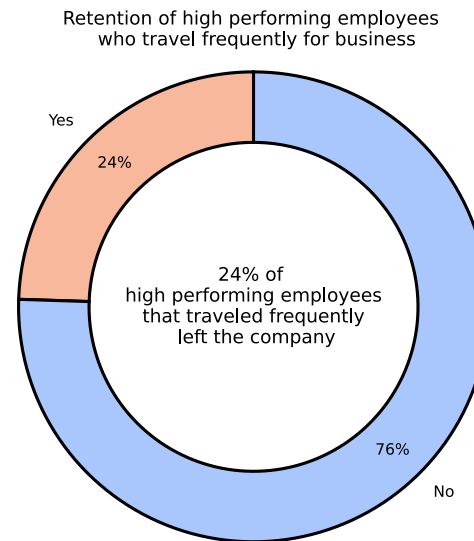
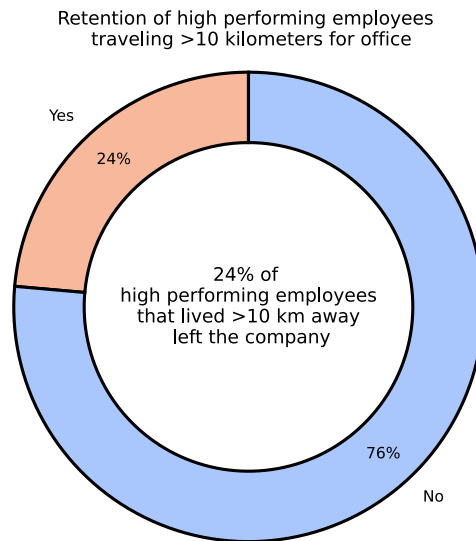


25% of employees that traveled frequently for business chose to leave

Employees that live more than 10 kilometers from office or travel frequently for business tend to leave the company more than other groups.

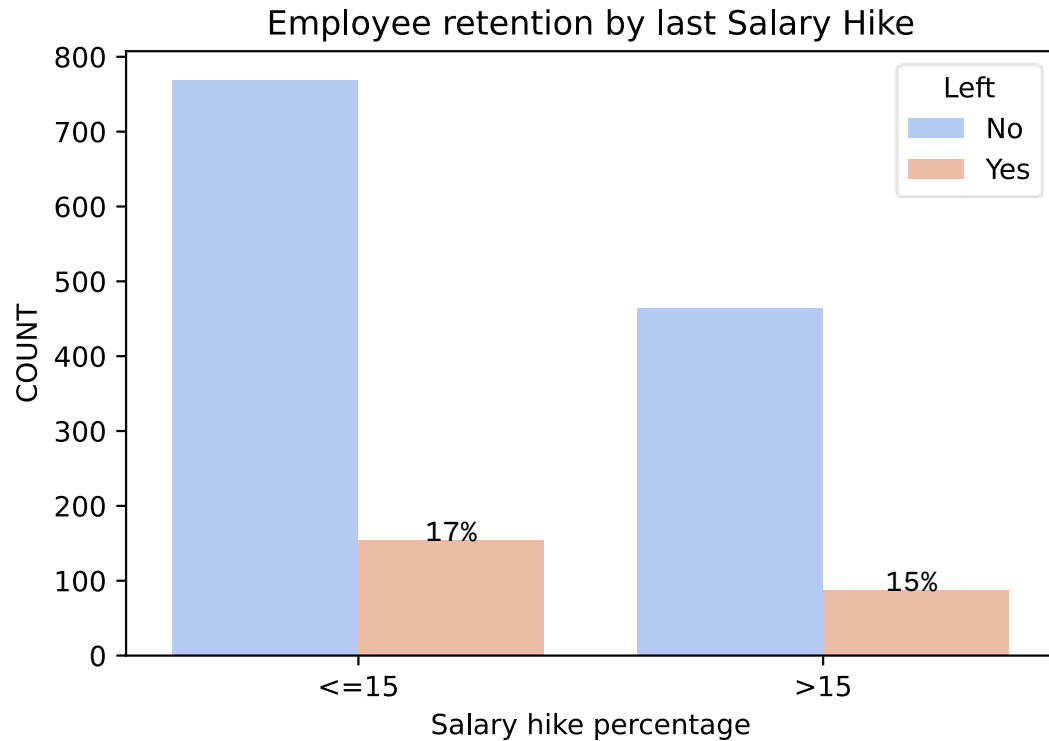
For both of these employee groups, this could be due to

- 1) Less time spent at home with family
- 2) More money spent on commuting when remote-working saves this cost



A significant proportion of *high-performing* employees in these 2 groups left the company, potentially warranting the introduction of a remote-working policy, and allocating travel allowance to employees

PERFORMANCE BASED BONUSES AND MORE FREQUENT SALARY HIKES



17% of employees with a salary hike of <15% chose to leave

100% of high performers that got a salary hike of less than 15% left the company.

To prevent high performers from leaving, the company must increase salary hikes for these employees. This could be implemented by introducing performance-based bonuses and awarding salary hikes based on performance

PREDICTING WHO IS AT RISK OF LEAVING

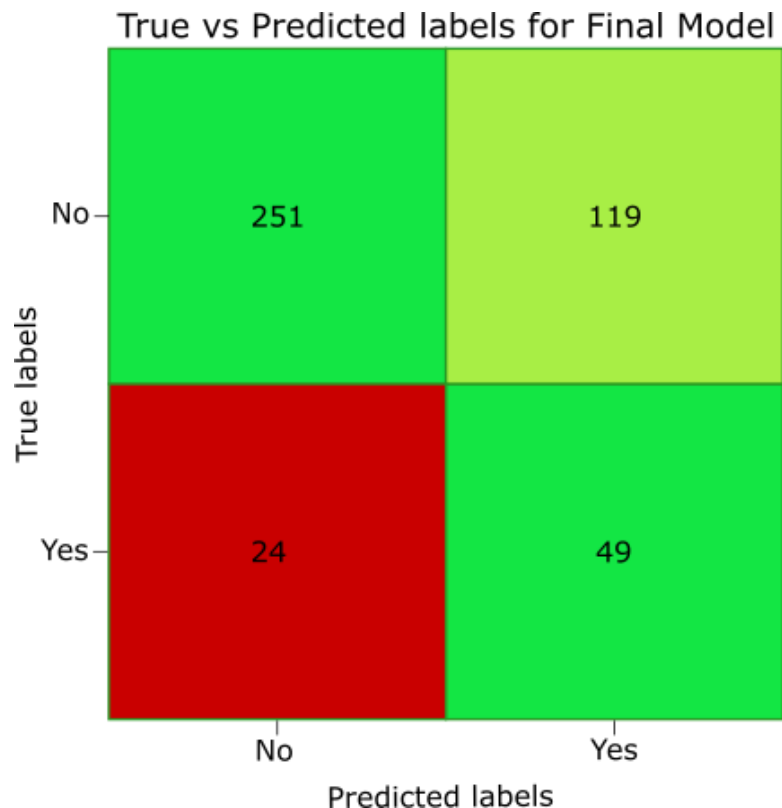
- A model has been developed to **predict** which employees are at most risk of leaving
- Using the dataset of employees provided, **machine learning** was used to develop this model
- 3 different models were tested, but the one that **best predicted leavers** was chosen

MODEL PERFORMANCE

FINAL MODEL ACCURACY: **68%**

Only 16% of the data provided was about employees that left the company

This meant the model did not have enough data about leavers to better predict who would leave



- The model correctly predicts people *leaving* the company 67% of the time
- The model correctly predicts people *staying* at the company 68% of the time

Predicting that an employee is leaving when they are not necessarily planning to is favourable, as the company can increase benefits and compensation for those who are doubtful about staying

MODEL COEFFICIENTS AND EMPLOYEES MOST AT RISK OF LEAVING

- Model coefficients tell us how likely an employee is to leave or not according to the feature
- A coefficient between 0.5 and 1 strongly indicates someone is likely to leave
- A coefficient between -0.5 and -1 strongly indicates someone is likely to stay
- A coefficient close to 0 indicates no correlation of the feature with someone leaving

YEARS AT COMPANY:
0-2

COEFFICIENT = **0.65**

BUSINESS TRAVEL:
Frequent

COEFFICIENT = **0.59**

MONTHLY INCOME:
Low

COEFFICIENT = **0.58**

AGE GROUP:
18-24

COEFFICIENT = **0.52**

Abstract geometric lines in the top-left corner, consisting of several thin, dark lines that intersect and form various angles, creating a modern, minimalist design element.

APPENDIX

OTHER IMPORTANT COEFFICIENTS

DEPARTMENT:
Sales

COEFFICIENT = **0.41**

BUSINESS TRAVEL:
Non-Travel

COEFFICIENT = **-0.51**

AGE GROUP:
36-49

COEFFICIENT = **-0.81**

YEARS AT
COMPANY: > 10

COEFFICIENT = **-0.39**