UNDERSTANDING EMPLOYEE ATTRITION

AN HR ANALYTICS CASE STUDY

INTRODUCTION

The purpose of this case study is to analyze HR analytics data to gain insights into the factors contributing to employee attrition within the organization. By identifying patterns and relationships in the data, we aim to provide actionable recommendations to address and reduce attrition rates.

PROBLEM STATEMENT

The organization is experiencing a significant employee attrition rate, impacting productivity and overall morale. The HR department seeks to understand the factors influencing attrition to implement strategies for employee retention.

OBJECTIVES

- Identify key factors contributing to employee attrition.
- Analyze the relationship between employee demographics and attrition.
- Provide actionable recommendations for reducing attrition rates.

DATA EXPLORATION

The HR analytics dataset (ANSHIKA2301, November) was loaded into Power BI to explore the structure of the dataset to understand available variables.
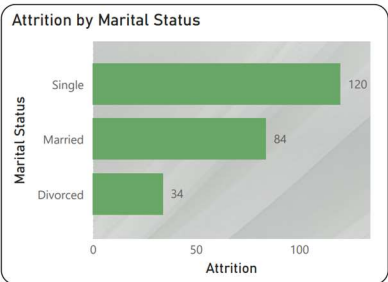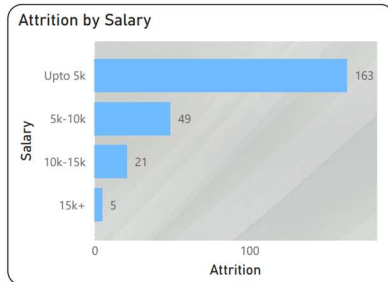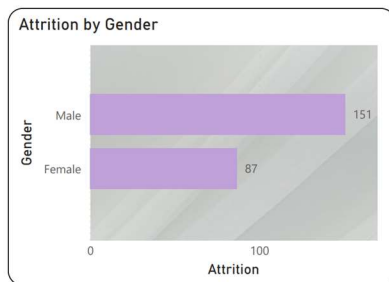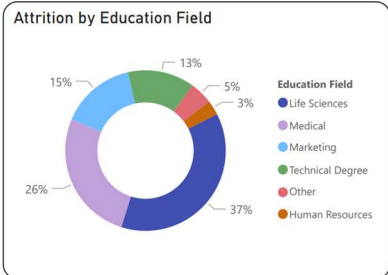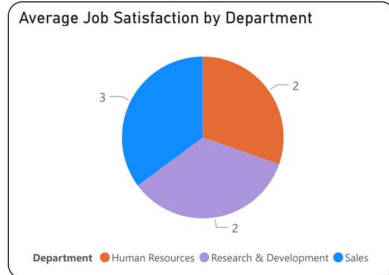
DATA ANALYSIS

1. DEMOGRAPHIC ANALYSIS

Explore the dashboards below to view data based on Gender and Marital Status.

Employee Attrition:
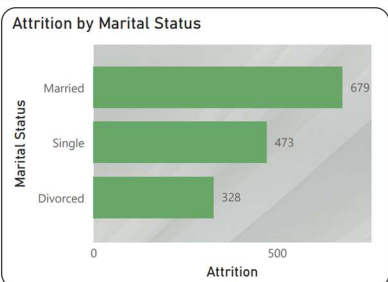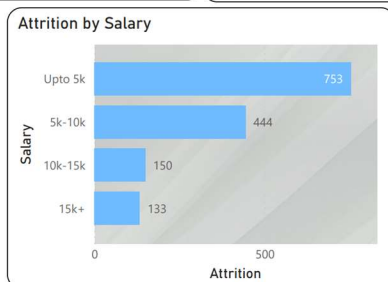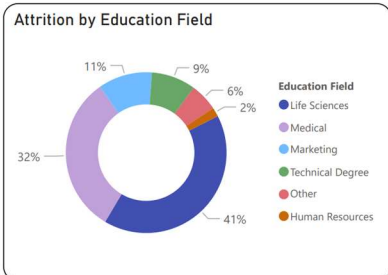
Attrition
Yes ⌄

238
Employee Count

Employee Attrition

Average Job Satisfaction by Department

Department ● Human Resources ● Research & Development ● Sales

10.71 Avg Miles from Home	**8.29** Total Working Year Avg
2.46 Job Satisfaction Avg*	**1.95** Avg Years Since Last Promotion
2.90 Avg Years in Current Role	**2.66** Work Life Balance Avg*
65.46 Avg Hourly Rate	**3.16** Performance Rating Avg*
*out of 4	*out of 4

Attrition by Education Field

13% 5% 3%
15%
26%
37%

Education Field
● Life Sciences
● Medical
● Marketing
● Technical Degree
● Other
● Human Resources

Attrition by Gender

Male — 151
Female — 87

0 · · · · · 100
Attrition

Attrition by Salary

Upto 5k — 163
5k-10k — 49
10k-15k — 21
15k+ — 5

0 · · · · · 100
Attrition

Attrition by Marital Status

Single — 120
Married — 84
Divorced — 34

0 · · 50 · · 100
Attrition

Total Employee Population:

Attrition
All ⌄

1480
Employee Count

Employee Attrition

Average Job Satisfaction by Department

Department ● Human Resources ● Research & Development ● Sales

9.22 Avg Miles from Home	**11.28** Total Working Year Avg
2.73 Job Satisfaction Avg*	**2.18** Avg Years Since Last Promotion
4.23 Avg Years in Current Role	**2.76** Work Life Balance Avg*
65.85 Avg Hourly Rate	**3.15** Performance Rating Avg*
*out of 4	*out of 4

Attrition by Education Field

11% 9% 6% 2%
32%
41%

Education Field
● Life Sciences
● Medical
● Marketing
● Technical Degree
● Other
● Human Resources

Attrition by Gender

Male — 889
Female — 591

0 · · · 500 · · ·
Attrition

Attrition by Salary

Upto 5k — 753
5k-10k — 444
10k-15k — 150
15k+ — 133

0 · · · 500 · · ·
Attrition

Attrition by Marital Status

Married — 679
Single — 473
Divorced — 328

0 · · · 500 · · ·
Attrition

2. ATTRITION ANALYSIS

The overall attrition rate for this company is 16%. Factors such as Job Satisfaction and Work Life Balance could play a role. According to a PepTalk article, employers can expect 18% turnover on average (Reis, 2022). Comparatively speaking, this company is not faring too poorly. However, there is always room for improvement, and employees will always benefit from a boost in their company's culture.

RECOMMENDATIONS

Recognize and promote from within. The employees leaving the company had a little higher performance rating than the employee population on average. It is key to be aware of the talent and work ethic that already exists within the company and allow those employees to feel seen and heard.

Improve work-life balance. The work-life balance rating is a little higher on the total employee population ratings than with those who have left the company. This seems an obvious assumption, but creating an environment where individuals feel they can find satisfaction in their role in the workplace, balanced with their personal life as well, is an important goal.

Increase employee engagement to boost retention rates. Gathering feedback from all employees, including those on their way out, is vital to solving this problem. The Job Satisfaction rates of the attrition group were lower than those of the company as a whole. If the company can ask the questions and really listen to the feedback from employees, retention rates should rise. Listening to feedback almost always requires action, so be prepared to act on the wisdom gained from your staff.

CONCLUSION

This case study provides a structured approach to analyzing data focused on the problem of employee attrition in HR analytics. Actionable items include paying attention to the employees already onboard and their strengths, improving work-life balance when able, and increasing employee engagement. These three recommendations will likely boost employee retention causing a decrease in attrition rates.

REFERENCES

ANSHIKA2301. (November, 3 2023). *HR Analytics Dataset.* Retrieved from Kaggle:
https://www.kaggle.com/datasets/anshika2301/hr-analytics-dataset/data

Reis, H. (2022, December 8). *The Ultimate Guide to Employee Attrition*. Retrieved from PepTalk:
https://www.peptalk.com/post/the-ultimate-guide-to-employee-attrition