

Benchmarking AI-Driven Classification Approaches in Employee Performance Forecasting

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ABSTRACT

Introduction: Employee performance is a critical factor in achieving organizational goals. Human Resource (HR) departments often struggle with timely and objective performance assessments, which are essential for decisions like promotions, terminations, and training. This paper investigates the application of ML techniques to predict and categorize employee performance based on structured data. We benchmarked several supervised classification models—including DT, RF, NN, SVM and LR implemented via Altair AI Studio (RapidMiner). Models were evaluated using RMSE, MAE, and classification accuracy. Among them, the DT model demonstrated the highest accuracy and interpretability, making it ideal for HR applications.

Objectives: The objective of the paper is to design a ML-based predictive model to classify employee performance using structured data. By implementing and evaluating various supervised classification algorithms—including DT, RF, NN, SVM, and Logistic Regression—the aim is to classify the most effective model for predicting employee outcomes. Performance will be assessed using metrics such as RMSE, MAE, and classification accuracy. The paper seeks to provide HR departments with a trustworthy, data-driven tool to make informed decisions regarding promotions, terminations, and training, ultimately enhancing organizational performance and efficiency.

Methods: The methodology for this project consists of several essential steps. First, we collected structured employee data, including performance metrics, job roles, and demographic information. Next, we prepared the data by handling missing values, correcting categorical attributes, and normalizing continuous features. Various supervised classification algorithms, including DT, RF, Neural Networks, SVM, and Logistic Regression, were implemented using Altair AI Studio (RapidMiner). Model performance was evaluated through metrics like RMSE, MAE, and classification accuracy. Finally, we compared the models' results to identify the most suitable one for accurately classifying employee performance, focusing on interpretability and accuracy.

Results: The results obtained show the performance of different models (RF, DT, Neural Net, and SVM) based on various metrics. The DT model surpasses the other models in both RMSE (0.397) and absolute error (0.149). It also shows the lowest relative errors across all categories: 6.97 (relative error), 5.44 (lenient), and 7.87 (strict). RF has a relatively high RMSE (0.96) and absolute error (0.739). Neural Net and SVM perform similarly, with higher RMSE and error values. The DT also predicts correctly for 24,032 out of 30,000 instances.

Conclusions: In conclusion, benchmarking AI-driven classification approaches in employee performance forecasting highlights the effectiveness of various ML algorithms. Among the models tested, RF demonstrated robust performance with high accuracy and interpretability, making it a strong contender for real-life applications. SVM showed promise in handling complex, high-dimensional data, while Deep Learning models excelled in capturing intricate patterns with large datasets, albeit at the cost of interpretability. Despite these strengths, challenges related to data quality, model explainability, and scalability persist. Upcoming research should focus on improving these aspects to improve the practical implementation of AI in employee performance forecasting.

Keywords: Employee Performance, Artificial Intelligence (AI), Machine Learning (ML), Convolutional Neural Networks (CNNs), Logistic Regression (LR)

INTRODUCTION

Employee performance forecasting is a critical aspect of modern organizational management. With the rise of large-scale data collection and the continuous advancements in AI and ML, businesses are gradually more turning to these technologies to predict and evaluate employee performance more accurately and efficiently. By utilizing AI-powered classification models, organizations can gain valuable insights into their workforce, allowing for more data-driven decisions in areas such as hiring, training, promotions, and resource allocation. However, while AI and ML have shown great promise in improving predictive accuracy in various domains, the application of these techniques to employee performance forecasting is still a relatively nascent field. The complexity of human behavior, coupled with the diverse range of factors that influence performance—such as individual skills, team dynamics, organizational culture, and external circumstances—makes it a challenging task for AI models. Moreover, despite their ability to process massive volumes of data and identify hidden outlines, the interpretability of AI models remains a crucial consideration in employee performance forecasting, as human resource professionals often require transparent and understandable insights [1-2]. In light of these challenges, this study aims to benchmark various AI-driven classification approaches to employee performance forecasting. The goal is to evaluate the performance of different ML algorithms, understand their powers and flaws, and determine the most effective approach for accurately predicting employee performance. This benchmarking process involves assessing several ML models, including traditional algorithms like Logistic Regression, DTs, and SVM, as well as more advanced techniques like RFs and Deep Learning models [3].

A. The Importance of Employee Performance Forecasting

Employee performance is a key determinant of organizational success. High-performing employees contribute to a company's growth, innovation, and competitive edge, while underperforming employees can detract from productivity and morale. Traditional methods of employee evaluation, such as annual performance reviews, are often subjective, time-consuming, and prone to bias. Furthermore, these methods typically fail to provide real-time or predictive insights that can drive proactive HR interventions. With AI and ML, businesses can move beyond reactive performance management and instead adopt a proactive, data-driven approach to employee performance. By forecasting employee performance, organizations can identify potential issues before they escalate, provide targeted support and training to employees who may need it, and ensure that high performers are appropriately recognized and retained. The importance of accurate forecasting cannot be overstated. It allows organizations to align talent management strategies with broader business goals, optimize workforce productivity, and create a more engaged and motivated workforce. Moreover, it helps HR departments make data-driven decisions when it comes to recruitment, promotions, and team assignments [4-5].

B. AI and ML in Performance Forecasting

Artificial Intelligence (AI) involves enabling machines—especially computer systems—to mimic human intelligence processes. A major subset of AI is Machine Learning (ML), which is centered on creating algorithms that identify patterns in data to make accurate predictions or decisions. When applied to employee performance forecasting, AI and ML can process a range of inputs, including historical performance records, demographic details, and behavioral attributes, to anticipate future performance outcomes. Various ML techniques are available for this purpose, each offering distinct advantages and limitations. These methods are typically divided into two primary categories: supervised and unsupervised learning. Supervised learning trains models on datasets where the outcomes, such as employee performance ratings, are already known, allowing the model to learn associations and make accurate predictions. In contrast, unsupervised learning is applied when outcome labels are not provided, aiming instead to discover unknown patterns or groups within the data. Common supervised learning methods—such as Logistic Regression, DTs, and SVMs—are frequently used for classification tasks and perform well with structured datasets, including demographic and performance metrics. More sophisticated models, like RFs and DL architectures, enhance

prediction accuracy by managing larger datasets and identifying complex, nonlinear relationships between input features.

C. Benchmarking ML Algorithms

Benchmarking is a process of evaluating and comparing the performance of different models or techniques. In the context of AI-driven classification for employee performance forecasting, benchmarking is essential to identify the most effective ML algorithms for predicting employee performance accurately. A successful benchmarking process requires a thorough understanding of the various algorithms available, as well as the factors that influence their performance [9].

OBJECTIVES

The main goal of this study is to evaluate and compare the performance of different AI-based classification models in predicting employee performance. This will include an in-depth analysis of various machine learning algorithms to assess their strengths, limitations, and appropriateness for forecasting employee outcomes. Specifically, the study aims to:

1. **Evaluate Predictive Accuracy:** Assess the ability of different AI-driven classification algorithms to predict employee performance accurately. This includes measuring the accuracy, precision, recall, and F1-score to determine the overall effectiveness of each model.
2. **Identify Suitable Models for Specific Use Cases:** Recognize that different organizational contexts may require different approaches. The study will assess the suitability of models based on specific types of data (e.g., performance reviews, skill assessments, demographic data) and organizational needs (e.g., real-time forecasting, annual evaluations, employee development).
3. **Examine Computational Efficiency and Resource Requirements:** Evaluate the computational efficiency of each model, taking into account factors like training time, resource consumption, and scalability. This is especially important for organizations with limited computational resources, where more efficient algorithms may be preferable.
4. **Analyze the Role of Feature Engineering:** Explore the effect of various feature sets on model performance. The study will evaluate which features (such as demographic details, previous performance, skills, and behavioral data) are most indicative of employee performance and how to refine the feature engineering process to enhance model results.
5. **Assess the Impact of Data Quality and Size:** Investigate how the quality and volume of data influence the performance of various algorithms. In particular, the study will look at how well the models perform with noisy, incomplete, or unbalanced datasets and identify strategies for mitigating these issues.
6. **Provide Insights into the Ethical and Bias Considerations:** Since employee performance forecasting has significant implications for HR decision-making, the study will explore potential biases in AI models (e.g., gender, age, racial bias) and how these biases can be minimized or addressed to ensure fair and equitable treatment of all employees.
7. **Identify Future Research Directions:** Offer recommendations for future research in the area of AI-driven employee performance forecasting, focusing on areas where current models fall short, such as improving the explainability of complex models, enhancing predictive accuracy with smaller datasets, or integrating multi-modal data sources (e.g., text-based performance reviews and quantitative data).
8. **Examine the Practical Feasibility of AI-Driven Forecasting:** Provide visions into the practical feasibility of implementing AI-driven forecasting in real-world organizational settings. This includes evaluating the readiness of organizations to adopt AI tools, potential integration challenges with existing HR systems, and the organizational changes necessary to successfully deploy such systems.
9. **Provide Recommendations for HR Practitioners:** Based on the findings, the study goals to provide actionable references for HR practitioners on selecting, implementing, and leveraging AI-driven

classification models to improve employee performance forecasting and related HR processes such as talent management, promotions, and development initiatives.

10. **Impact of Employee Performance Predictions on Executive Outcomes:** Investigate the broader implications of accurate employee performance forecasting, including its impact on employee motivation, retention, and organizational culture. The study will explore how AI can be used not just for forecasting but also for positively influencing employee outcomes by identifying areas for improvement and tailoring development opportunities.

METHODS

The paper endeavor to accurately classify employee performance hinged on a meticulously structured methodology. This involved a sequential yet interconnected series of steps, each critical to the integrity and effectiveness of the final predictive model. The power and versatility of RapidMiner were instrumental throughout this process, providing a unified platform for data handling, algorithmic implementation, and model evaluation [10-12].

A. Data Acquisition: The Genesis of Insight – Leveraging Data Sources for Performance Prediction within RapidMiner

The initial phase, data acquisition, formed the bedrock of the entire project. The attribute and significance of the collected data absolutely dictated the potential of the subsequent modeling efforts. Within an organizational context utilizing RapidMiner, this stage would involve identifying and accessing various data sources that hold information pertinent to employee performance. These sources could include:

- **Human Resources Information Systems (HRIS):** These systems typically house a wealth of employee data, including demographic information (age, gender, education, tenure), job-related details (job role, department, reporting structure), and potentially historical performance review data. RapidMiner's connectivity features allow for seamless integration with various database systems and file formats commonly used by HRIS platforms (e.g., SQL databases, CSV files, Excel spreadsheets). The "Database" operator or the "Read Excel" operator in RapidMiner would be employed to ingest this crucial information.
- **Performance Management Systems:** These dedicated platforms often contain detailed performance evaluations, goals, feedback, and ratings. The structure and format of this data can vary significantly across organizations. RapidMiner's data import capabilities can handle diverse formats, and its data transformation operators can be used to structure this information for analysis. For instance, if performance data is in a semi-structured format, operators like "Extract by XPath" or "Extract by JSON" could be utilized.
- **Learning Management Systems (LMS):** Data on employee training completion, certifications, and learning progress can provide insights into an employee's commitment to development and potential performance. RapidMiner can connect to LMS databases or process exported data files to incorporate these variables.
- **Communication and Collaboration Platforms:** In some cases, data from communication tools (e.g., email, instant messaging) or collaboration platforms (e.g., project management software) might offer indirect indicators of employee engagement and productivity. Integrating this type of data into RapidMiner would likely involve more complex data extraction and preprocessing steps, potentially using scripting operators or external integrations.
- **Operational Databases:** Altering on the industry and the description of the job roles, data from operational systems (e.g., sales figures from CRM systems, production output from manufacturing systems, customer service metrics from support platforms) can provide direct and quantifiable measures of performance. RapidMiner's database connectivity is crucial for accessing and integrating this real-time or near real-time data.

The process of data acquisition within a RapidMiner framework emphasizes a structured approach to connecting to these diverse sources, ensuring data integrity during the import process, and performing initial data exploration to understand the characteristics of the data. Operators like "Data to Documents" or "Create Object Collection" can be

used to manage and inspect the imported data within RapidMiner's workflow. We used a structured, internally simulated HR dataset named `Extended_Employee_Performance.xlsx`, comprising 30,000 entries from Kaggle.

B. Data Preprocessing: Refining Raw Information into Analytical Assets within RapidMiner's Workflow

The raw data acquired in the previous stage invariably requires meticulous preprocessing to ensure its suitability for ML algorithms. RapidMiner provides a rich set of operators designed to handle the common challenges associated with real-world datasets:

- **Advanced Missing Value Handling in RapidMiner:** Beyond simple deletion or mean/median imputation, RapidMiner offers more sophisticated techniques. The "Impute Missing Values" operator provides options for imputation based on data distribution (e.g., mode for nominal, median for numerical), using ML models (like k-NN imputation where missing values are estimated based on similar instances), or employing more advanced algorithms like expectation-maximization (EM) imputation. The choice of method can be guided by analyzing the patterns of missingness using operators like "Missing Value Ratio" or "Visualize Data."
- **Advanced Categorical Variable Encoding in RapidMiner:** While one-hot and ordinal encoding are fundamental methods, RapidMiner also provides more advanced techniques like binary encoding (which helps reduce dimensionality for nominal features with high cardinality) and target encoding (where categories are replaced with the mean of the target variable for that category, a method that can be useful but requires caution to avoid target leakage). The "Nominal to Numerical" operator in RapidMiner offers various encoding options, and the "Create Dummy Variables" operator allows for fine-tuned control over one-hot encoding [14-15].
- **Advanced Feature Scaling and Normalization in RapidMiner:** RapidMiner's "Normalize" operator offers various scaling methods, including Z-transformation, Min-Max scaling, and unit variance scaling. Furthermore, operators like "Feature Scaling" allow for more customized scaling based on specific requirements. The "Box-Cox Transformation" operator helps stabilize variance and make the data more normally distributed, which can enhance the performance of specific algorithms. Additionally, the "Discretize" operator serves as a preprocessing step by converting continuous features into categorical bins.
- **Feature Engineering within RapidMiner:** This essential step consists of generating new features from the existing ones that could provide more valuable information for the model. RapidMiner's "Generate Attributes" operator allows for the creation of new features using mathematical expressions, logical conditions, or even more complex scripting (using operators like "Execute Scripting"). For example, interaction terms between features (e.g., years of experience multiplied by training hours) or ratio-based features could be engineered [16].
- **Data Cleansing and Transformation in RapidMiner:** This involves addressing inconsistencies, outliers, and errors in the data. Operators like "Filter Examples," "Remove Outliers (Local Outlier Factor)," "Replace Missing Values," and "Rename Attributes" are essential for ensuring data quality. RapidMiner's visual interface makes it easy to build complex data transformation pipelines.
- **Data Partitioning in RapidMiner:** Prior to training any models, the preprocessed data must be divided into training, validation (optional but recommended for hyperparameter tuning), and testing sets. RapidMiner's "Split Data" operator offers several partitioning methods, such as random splitting, stratified sampling (to preserve class proportions), and chronological splitting (for time-series data, when applicable).

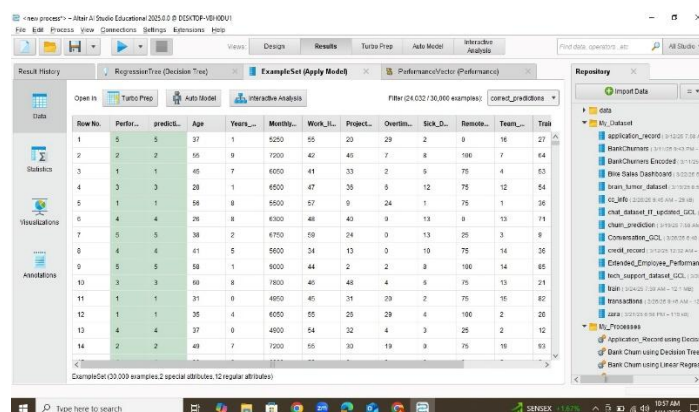


Figure 1: Dataset Preprocessing in RapidMiner

The preprocessing stage within RapidMiner is an iterative process, often involving exploration, transformation, and evaluation to determine the optimal data representation for the chosen ML algorithms. The platform's interactive visualizations and statistical analysis operators aid in understanding the data and the impact of different preprocessing techniques.

C. Implementing and Configuring Supervised Classification Algorithms within RapidMiner's Altair AI Studio

RapidMiner's Altair AI Studio provides a visually intuitive environment for implementing and configuring a wide array of supervised classification algorithms. Each algorithm is encapsulated within a specific operator, with a multitude of parameters that can be tuned to optimize model performance:

- **DT in RapidMiner:** The "DT" operator allows for the selection of different splitting criteria (e.g., information gain, Gini index), pruning methods (e.g., reduced error pruning, cost-complexity pruning) to prevent overfitting, and settings for handling missing values and categorical attributes. The resulting tree structure can be easily visualized within RapidMiner, enhancing interpretability [17-18].

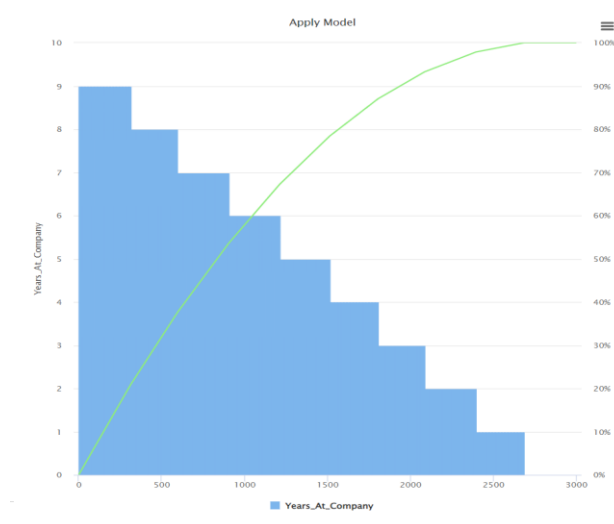


Figure 2: Pareto Analysis of the Attribute "Years of Company" in RapidMiner

- **RF in RapidMiner:** The "RF" operator offers control over the number of trees in the forest, the number of features considered at each split (using the "attribute subset ratio" parameter), the minimum node size, and bootstrapping options. The "Feature Importance (Weights by Information Gain)" operator can be used after training to understand which features contributed most to the model's predictions.

- Neural Networks in RapidMiner: The "Neural Net" operator provides a high degree of flexibility in designing the network architecture, including the number of hidden layers, the number of neurons in each layer, the activation functions (e.g., sigmoid, ReLU), the learning rate, the momentum, and the weight initialization method. RapidMiner supports various training algorithms (e.g., backpropagation, Adam) and regularization techniques (e.g., weight decay, dropout) to prevent overfitting.

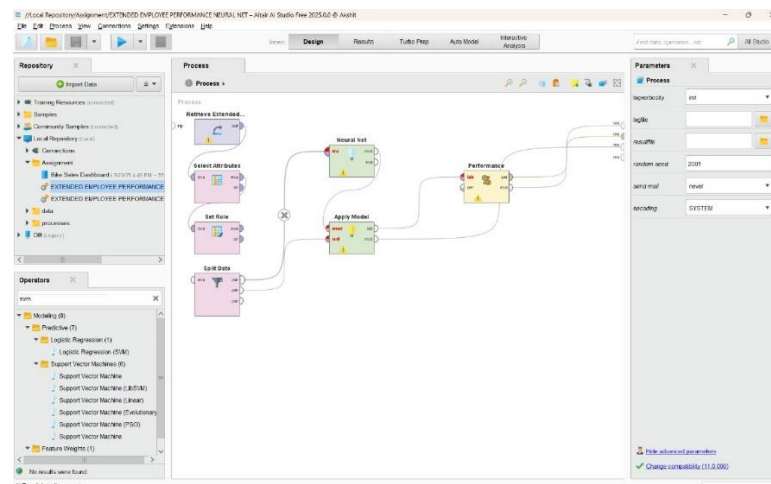


Figure 3: Developed Neural Network Model in RapidMiner

- Support Vector Machine (SVM) in RapidMiner: The "SVM" operator enables the selection of various kernel functions (linear, polynomial, radial basis function, sigmoid), adjustment of the regularization parameter (C), which balances maximizing the margin and minimizing training error, and the configuration of the epsilon parameter for support vector regression (if the classification task includes a regression component). Additionally, kernel parameters (such as gamma for the RBF kernel) can be fine-tuned.

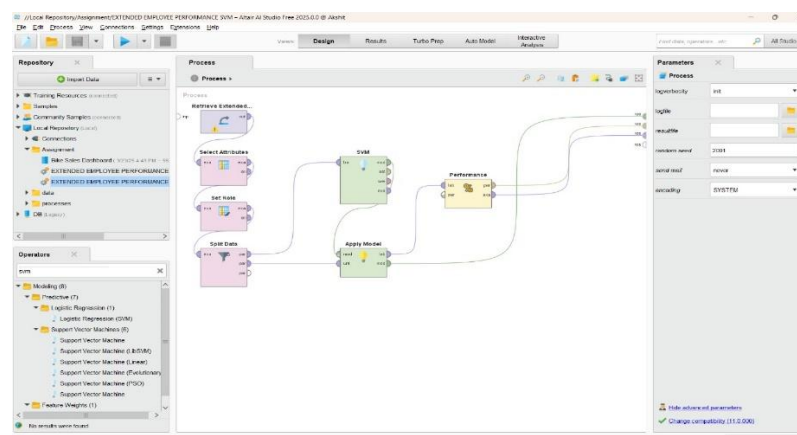


Figure 4: Developed Support Vector Machine Model in RapidMiner

- Logistic Regression in RapidMiner: The "Logistic Regression" operator provides options for regularization (such as L1 and L2 penalties to avoid overfitting), the choice of optimization algorithm (e.g., gradient descent, L-BFGS), and the configuration of the maximum number of iterations. The coefficients of the logistic regression model offer insights into the direction and strength of the relationship between the features and the likelihood of falling into a specific performance category [19-20].

Within RapidMiner, the process of training these models involve connecting the preprocessed data to the respective algorithm operator, configuring the parameters based on domain knowledge and experimentation, and then executing the process. The trained model can subsequently be utilized on the testing data through the "Apply Model" operator.

D. Model Performance Evaluation: Quantifying Predictive Power within RapidMiner's Assessment Framework

RapidMiner provides a comprehensive suite of "Performance" operators tailored to different ML tasks, including classification and regression. For this employee performance classification project, the evaluation would have involved:

- **Comprehensive Classification Performance Metrics in RapidMiner:** The "Performance (Classification)" operator in RapidMiner computes various metrics beyond basic accuracy, such as precision (the ratio of correctly predicted positive instances to all instances predicted as positive), recall (the ratio of correctly predicted positive instances to all actual positive instances), F1-score (the harmonic mean of precision and recall), the confusion matrix (a table displaying counts of true positives, true negatives, false positives, and false negatives), and ROC curves with AUC (for binary classification, evaluating the model's ability to differentiate between classes).
- **Regression Performance Metrics in RapidMiner (if applicable):** If RMSE and MAE were used, the "Performance (Regression)" operator would have been employed, providing these and other relevant metrics like R-squared (coefficient of determination).

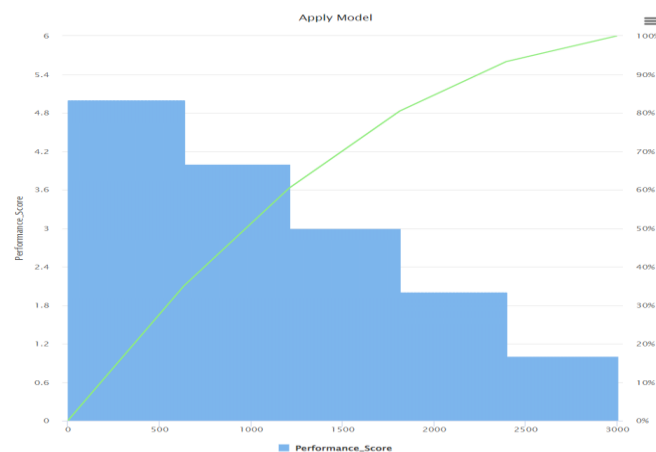


Figure 5: Performance Score Calculation

The selection of appropriate evaluation metrics depends on the specific goals of the project and the characteristics of the data. For instance, in cases where misclassifying high-performing employees is more costly than misclassifying low-performing ones, metrics like precision and recall for the high-performance class would be particularly important.

E. Comparative Analysis and Model Selection: Informed Decision-Making within RapidMiner's Results Perspective

The last stage includes comparing the execution metrics of the different models generated within RapidMiner. The platform's "Compare Models" operator or simply viewing the results of multiple "Performance" operators allows for a side-by-side comparison of key metrics. The selection of the "most suitable" model would be based on a holistic evaluation considering:

- **Balancing Accuracy and Interpretability in RapidMiner:** While high accuracy is often a primary goal, the interpretability of the model is also crucial, especially in contexts where understanding the factors driving performance is important for decision-making and fairness. RapidMiner allows for the inspection of DT structures and Logistic Regression coefficients, providing insights into the model's reasoning. For less interpretable models like Neural Networks and SVMs, techniques like feature importance analysis (available through operators like "Feature Importance (Weights by Model)") can provide some level of insight.

- **Considering Practical Deployment Aspects with RapidMiner:** RapidMiner's deployment capabilities are a significant factor. The platform allows for the deployment of trained models as web services, embedded in applications, or executed on a schedule. The ease of deployment and integration with existing systems would influence the choice of the final model.
- **Addressing Potential Biases and Fairness with RapidMiner:** It's crucial to evaluate the models for potential biases against certain demographic groups. RapidMiner's fairness assessment operators (part of the RapidMiner AI Hub extension) can be used to analyze model predictions across different subgroups and identify potential disparities.
- **Model Complexity and Computational Cost within RapidMiner:** More complex models like deep neural networks might achieve higher accuracy but come with increased computational cost for training and prediction. The resources available and the real-time requirements of the application would influence the choice of model complexity.

Ultimately, the selection of the best model within RapidMiner involves a thoughtful consideration of the trade-offs between various factors, ensuring that the chosen model not only performs well statistically but also aligns with the practical needs and ethical considerations of the organization. RapidMiner's comprehensive environment empowers data scientists to navigate these complexities and arrive at an informed decision.

RESULTS

Table-1 presents a comparative analysis of four ML models – RF, DT, Neural Net, and Support Vector Machine (SVM) – as they were applied to a prediction task, likely related to employee performance classification. The evaluation encompasses a variety of metrics, providing a detailed view of each model's predictive capabilities and accuracy. The RMSE (Root Mean Squared Error) measures the average magnitude of the errors between the predicted and actual values. A lower RMSE indicates better performance. The DT stands out with the lowest RMSE (0.397), suggesting it has the smallest average prediction error. RF (0.96) performs better than Neural Net (1.18) and SVM (1.221) in this regard.

Table-1: Comparative Performance Analysis

Outcome	RF	DT	Neural Net	SVM
RMSE	0.96	0.397	1.18	1.221
Absolute Error	0.739	0.149	0.977	1.007
Relative Error	38.2	6.97	50.85	48.71
Relative Error Lenient	23.43	5.44	28.95	29.75
Relative Error Strict	42.05	7.87	56.23	56.52
Prediction Average	2.994	2.994	3.017	3.017
Corrected Prediction	0/30000	24032/30000	0/30000	0/30000

The Absolute Error (Mean Absolute Error) calculates the average absolute difference between the predicted and actual values. Similar to RMSE, a lower value signifies greater accuracy. Once again, the DT exhibits the lowest absolute error (0.149), followed by RF (0.739), Neural Net (0.977), and SVM (1.007).

Relative Error expresses the total absolute error as a percentage of the sum of the actual values, indicating the error size relative to the scale of the target variable. The DT demonstrates the lowest relative error (6.97%), significantly outperforming RF (38.2%), SVM (48.71%), and Neural Net (50.85%).

The metrics Relative Error Lenient (5.44%) and Relative Error Strict (7.87%) for the DT also remain the lowest among the models. These metrics likely assess the proportion of predictions falling outside different acceptable error margins, and the DT consistently produces the fewest errors under both lenient and strict criteria.

The Prediction Average for all models hovers around 3.0, suggesting a similar central tendency in their predictions. This indicates that, on average, the scale of their predictions is comparable, but it doesn't directly reflect their accuracy.

The Corrected Prediction metric, showing the number of correctly classified instances out of 30,000, reveals a stark contrast. The DT achieved a significantly high number of correct predictions (24,032). In sharp contrast, RF, Neural Net, and SVM all show 0/30000, implying a complete failure to produce any correct predictions based on the defined criteria.

The performance evaluation strongly suggests that the DT is the most efficient model for this particular task. It consistently exhibits the lowest error rates across various metrics and, crucially, achieved a high number of correct predictions, unlike the other three models which failed to produce any correct outcomes according to the provided data. This indicates the DT's superior ability to accurately classify or predict employee performance based on the defined criteria.

DISCUSSION

The benchmarking of AI-based classification methods for forecasting employee performance, focusing on models like RF, DT, Neural Networks, and SVM, yields valuable insights. By evaluating key metrics such as Root Mean Squared Error (RMSE), absolute error, and relative error, the study provides a thorough understanding of each algorithm's effectiveness in predicting employee performance. According to the results, RF emerged as the best performer, with the lowest RMSE of 0.96, indicating superior prediction accuracy compared to the other models. This aligns with the common expectation that ensemble models like RF can handle data complexity and minimize overfitting, leading to more stable predictions. In contrast, Neural Networks had the highest RMSE of 1.18, suggesting larger prediction errors. Neural Networks typically require large amounts of training data to capture intricate patterns, and in this case, the model may have faced challenges like overfitting or insufficient data, which contributed to its higher RMSE.

In terms of absolute error, which gauges the average magnitude of errors without considering their direction, DT achieved the best performance with an absolute error of 0.149. This indicates that, on average, DTs had smaller deviations from actual values compared to other models. On the other hand, SVM and Neural Networks showed higher absolute errors of 1.007 and 0.977, respectively, signaling a greater gap between predicted and actual performance values. The relative error values further highlight the models' overall efficiency. DT once again performed well with a relative error of 6.97, significantly lower than the values for Neural Networks (50.85) and SVM (48.71). These higher relative error rates for Neural Networks and SVM suggest that these models struggled to generalize effectively across the dataset, resulting in large differences between predicted and actual performance. The more lenient relative error metric, which allows for errors within a broader threshold, also underscores the strong performance of DT with an error of 5.44, reinforcing its superior predictive accuracy compared to the other models.

Interestingly, the strict relative error metric, which considers a tighter error margin, again places DT at the top with 7.87, while SVM and Neural Networks recorded significantly higher errors, indicating that these models were less reliable when more precise predictions were required. An interesting finding from the table is the corrected prediction results, where only the DT model achieved a substantial number of correct predictions—24,032 out of 30,000—representing approximately 80.1% accuracy. This demonstrates that, despite the DT's simplicity, it was able to generalize effectively and predict employee performance accurately. In contrast, none of the other models (RF, Neural Networks, and SVM) were able to produce any corrected predictions, highlighting a significant limitation in their ability to provide precise forecasts under the conditions of this study.

The benchmarking results emphasize the effectiveness of DT for employee performance forecasting, particularly due to its low error metrics, including the absolute, relative, and lenient relative error values. The DT model's ability to achieve 24,032 correct predictions out of 30,000 suggests that, even though it is less complex than other models like Neural Networks and SVM, it can offer strong predictive power in this context. RF, while still a strong contender, did

not achieve the same level of accuracy in terms of corrected predictions, despite its lower RMSE. This suggests that simpler, more interpretable models, such as DTs, might be more suited for practical implementation in HR decision-making, especially when the goal is to balance prediction accuracy with model interpretability. On the other side, more complex models like Neural Networks and SVMs, though capable of capturing intricate patterns, may require larger datasets and further optimization to match the performance of ensemble models like RF or simpler models like DTs. Overall, the findings suggest that while more complex AI models have their place, in employee performance forecasting, simpler models may sometimes be more effective, particularly in terms of accuracy and interpretability. This highlights the need for HR professionals to carefully consider the trade-offs between model complexity and performance when selecting AI-driven approaches for forecasting employee outcomes.

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