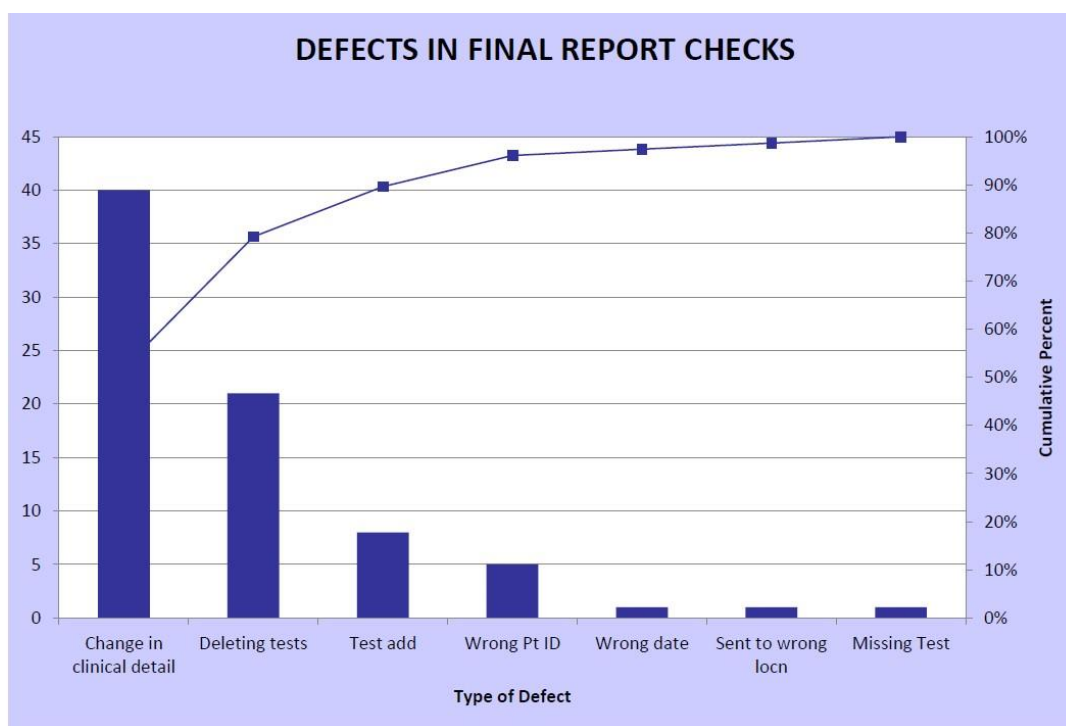


Pareto Charts

The Pareto principle is also known as the 80/20 rule or “the Vital Few and the Trivial many”. Simply put, it means 80% of problems or defects will be caused by only 20% of the possible causes of these problems. The Pareto chart allows us to analyze the data we have collected to *identify those causes* which have the *most significant impact* on a particular problem. This allows you to focus your improvement efforts on the causes of most significance.



Pareto Chart

- Once you have collected all of your data, you will group it by cause.
- If you are using a computer-based program it will do the work for you to create the chart. Make sure you put an appropriate title, and label all the axis.
- A simple hand drawn Pareto chart can be completed on graph paper and is just as effective as a computer program chart.
- Present the data to your team to help make decisions on where to focus your process improvement work.

Remember

The data for a Pareto chart must be a frequency count type of data. This means we would have identified how many times we answered the phone, talked to a customer etc. This data would then be accumulated and put into rank order largest to smallest from left to right