



MONDAYS

with Mike

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The Pareto Principle

The Pareto Principle, or commonly known as the 80/20 Rule, was developed by Italian economist Vilfredo Pareto. He was studying the ability to improve quality control. This principle has now found its way into the “quality control” of our lives. Here are some examples:

- 80 percent of traffic jams occur on 20 percent of our roads.
- 80 percent of beer is consumed by 20 percent of drinkers.
- 80 percent of classroom participation comes from 20 percent of students.
- 80 percent of the time we wear 20 percent of our clothes.
- 80 percent of the profits comes from only 20 percent of the customers.
- 80 percent of company problems is generated by 20 percent of the employees.
- 80 percent of sales is generated by 20 percent of the salespeople.
- 80 percent of all decisions can be made on 20 percent of the information.

Wow, what an eye-opener! If we want to decrease the complexity of our life and increase our productivity, we need to focus on our top 20 percent. The rest needs to be done by others, who more likely will do these tasks as well or better than us.

This week, let's identify the main things and get them into the top 20 percent of our time.

Have a quality week!