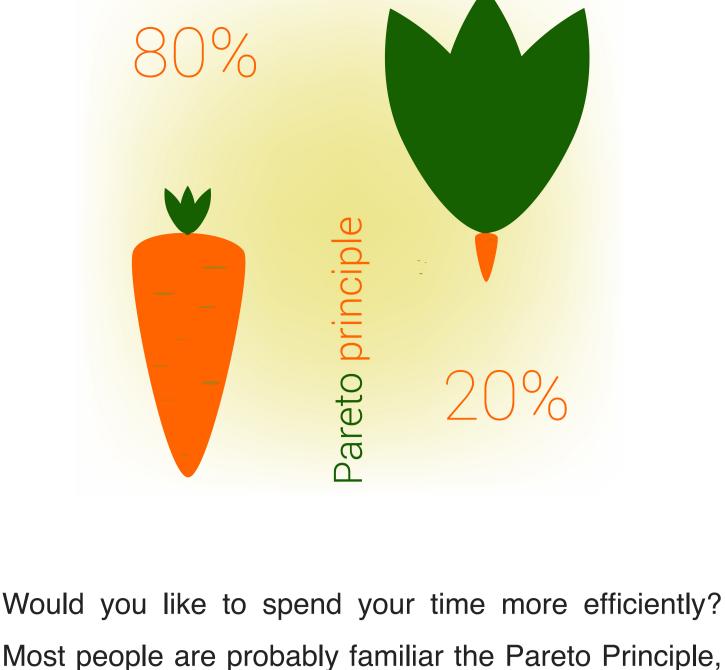
THE PARETO



studying in France in 1896. Pareto, an economist, discovered that 20% of the population in Italy owned 80% of the land. He came up with this principle after noticing that 20% of the pea pods in his garden were responsible for producing 80% of the peas. This principle can be applied to many

better known as the 80/20 rule, but rarely use it. Italian

economist Vilfredo Pareto created this principle while

20% of criminals commit 80% of crimes; 20% of drivers cause 80% of all traffic accidents; 80% of pollution originates from 20% of all factories; 20% of a company's products represent 80% of

20% of employees are responsible for 80% of the

areas:

sales;

time.

RESULTS.

work smarter, increasing the

fruits of your labor, without

bring you 80% of outcome?

results;

20% of students have grades 80% or higher;

20% of guitar chords enough to play 80% of songs; 20% of the words in a language are used 80% of the

RESULTS

80%

RESULTS

here

80%

(OUTPUT) IS PRODUCED BY JUST A SMALL PART OF THE WORK (INPUT). THE PRINCIPLE STATES THAT 20% OF

USUALLY, THE LARGEST SHARE OF THE

This principle is so effective, when understood and PARETO PRINCIPLE applied, you will be able to

20%

EFFORT

80%

20%

YOUR TIME AND RESOURCES GOES INTO 80% OF YOUR

80% 20% having to work harder. This 20% is achieved by knowing where to apply minimum effort to get the maximum result. In another words, 20% of your effort will yield 80% of the result. It's not necessarily always going to be 80/20, it could

proportion of effort versus reward. If you look at your

goals action plan what are the 20% of actions that will

Sir Isaac Pitman discovered about 700 common words

make up two thirds of everyday conversation. If we

include their derivatives, this figure rises to 80%: less

than 1% of the words in the English language make up

over 80% of words we speak. If you want to learn new

90/10 or 75/25, what's important

language, find out the 20% of words used 80% of the time in daily communication. Instead of spending years of learning this language, you can become quite fluent quickly using this principle. Why is This Principle Important for You?

Just imagine: if you cut out time spent wastefully and

replace it with an efficient 20% of effort, you will

ONCE YOU COMMIT TO PRODUCING THE BEST RESULTS WITH THE LEAST AMOUNT OF EFFORT, YOU NEED TO FIGURE OUT HOW TO MAKE THE MOST OF THE TIME YOU HAVE. Helpful questions to ask yourself: What are the 20% of people around that are important to me? 80/20 thinking would recommend you go for quality, not quantity, and focus on deepening your most valuable, meaningful of relationships.

real life. For example, not everyone will be paid 80% of their income by 20% of their clients. 20% of your efforts, no matter how efficiently applied, will not always produce 80% of results, it might produce only 40%, for example. On the other hand, sometimes less than 20% of the effort will achieve more than 80% of

the results (like repeatedly getting a strike in bowling).

THE POINT IS THAT THE 20/80 RULE IS NOT A STRICT

RULE IN EVERY AREA YOU APPLY EFFORT TO, BUT THE

ESSENTIAL IDEA BEHIND IT IS STILL POWERFUL AND DOES

APPLY: FOCUSSING ON THE MOST IMPORTANT ELEMENTS

OF ANYTHING YOU'RE WORKING ON WILL INCREASE YOUR

Look at your long term goals

you the greatest results Epicurus, the Greek philosopher, came up with an answer that aligns with the 80/20 principle and where

COME FROM THE SMALLEST, BUT MOST EFFICIENTLY **CREATED EFFORTS**

THIS MEANS THAT IF YOU WORK SMARTER, RATHER THAN

HARDER, YOU WILL BE MORE PRODUCTIVE LOOK AT WHAT GOALS YOU CAN ACHIEVE TO GIVE YOU

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PRODUCTIVITY. **Exercise: Applying the 20/80 Rule**

Break these long term goals into 10 short term goals

placing most effort can reap most happiness from life: "the basic components of a good life are food, shelter, clothes, friends, freedom and thought."

To Summarize THE 20/80 RULE STATES THAT THE LARGEST RESULTS

THE GREATEST IMPACT

THINK BOLD, ACT BOLD, BE BOLD!

If you were to complete just two (20%) of these goals today, which two would have the biggest impact in working towards your long term goals? You now have the 20% of actions that will bring you 80% of your results Everytime you come to work towards your long term goals, repeat this exercise, this way you will be constantly doing the most productive actions to bring

success at work How can I multiply output Limitations of The 20/80 Rule It's important to note that this principle is theoretical, and will not always produce the exact 20/80 result in

Where am I spending most of my time? What most contributes to my happiness? What are 20% of learning materials which will enable 80% of knowledge What are 20% of skills that will bring me 80% of

multiply your work results. If you have a business, what are the 20% of your loyal customers generating most of your sales? Focus more resources on these customers so they will bring even higher sales.