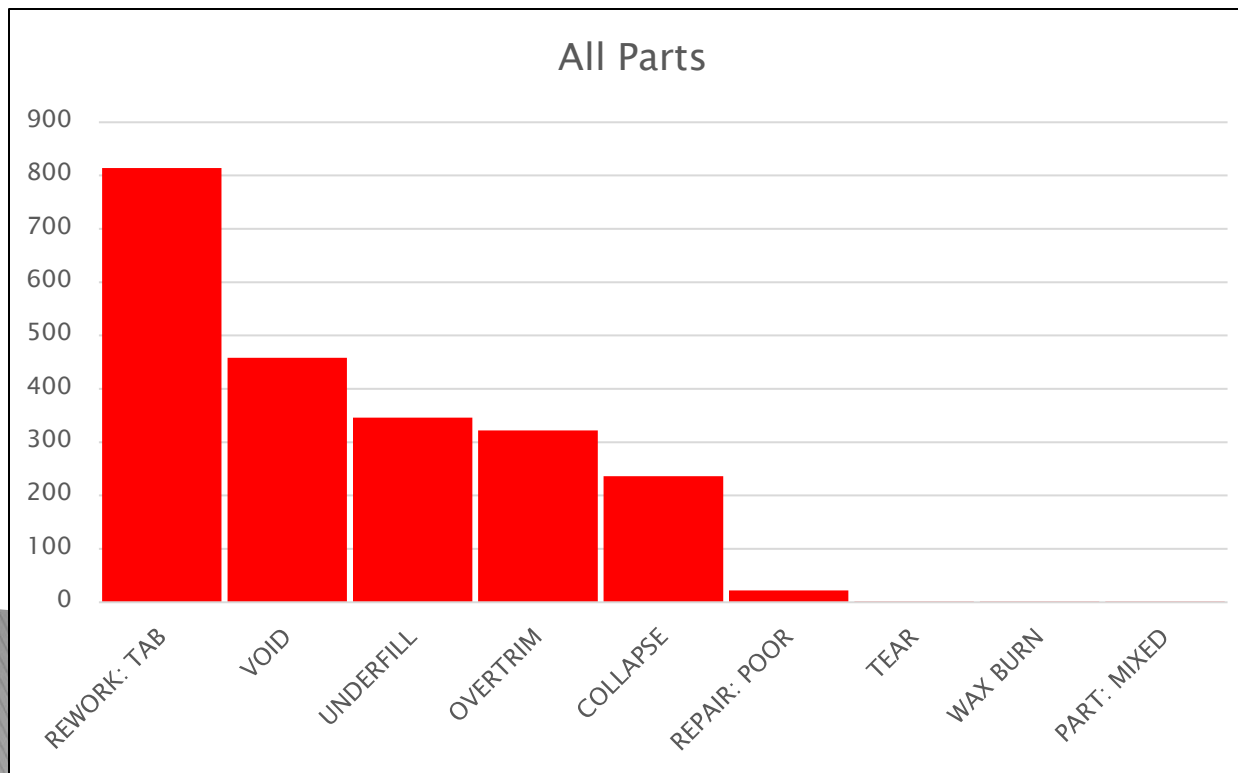


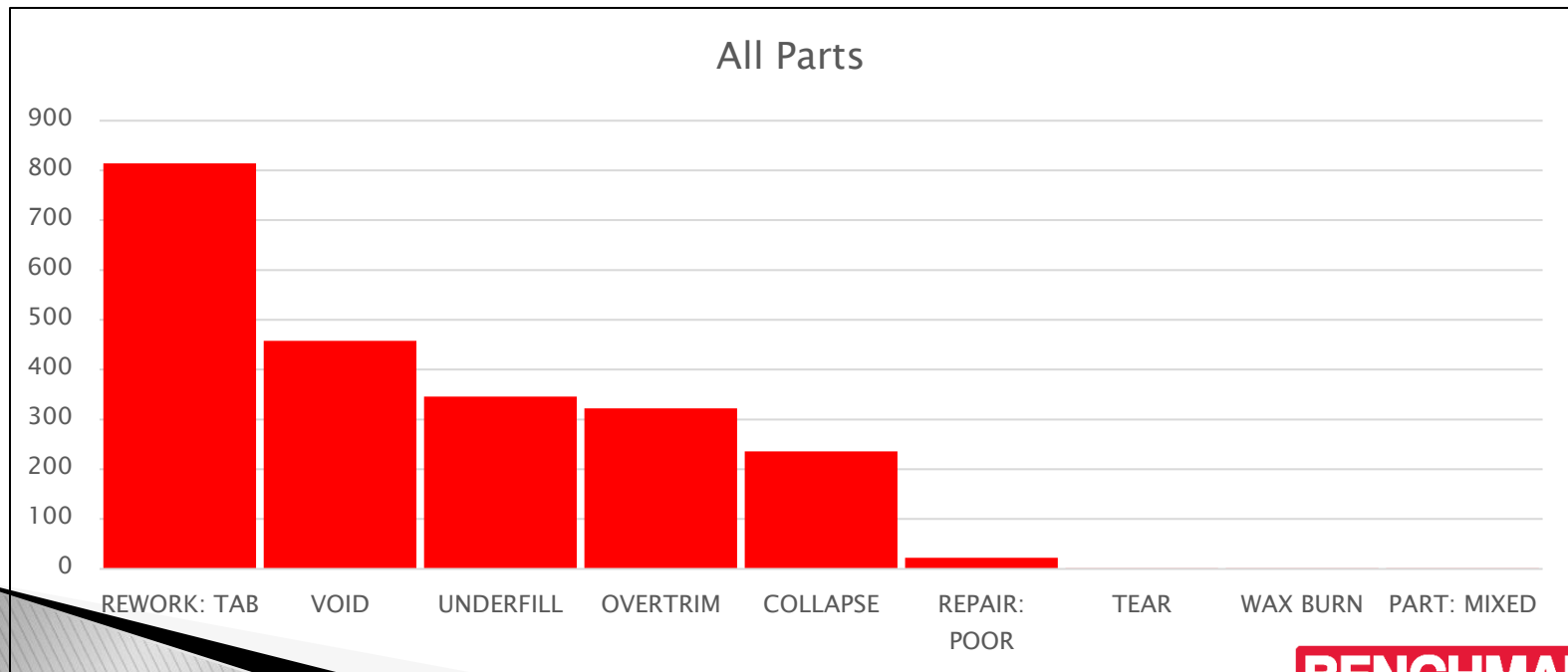
Pareto Chart



What is a Pareto Chart?

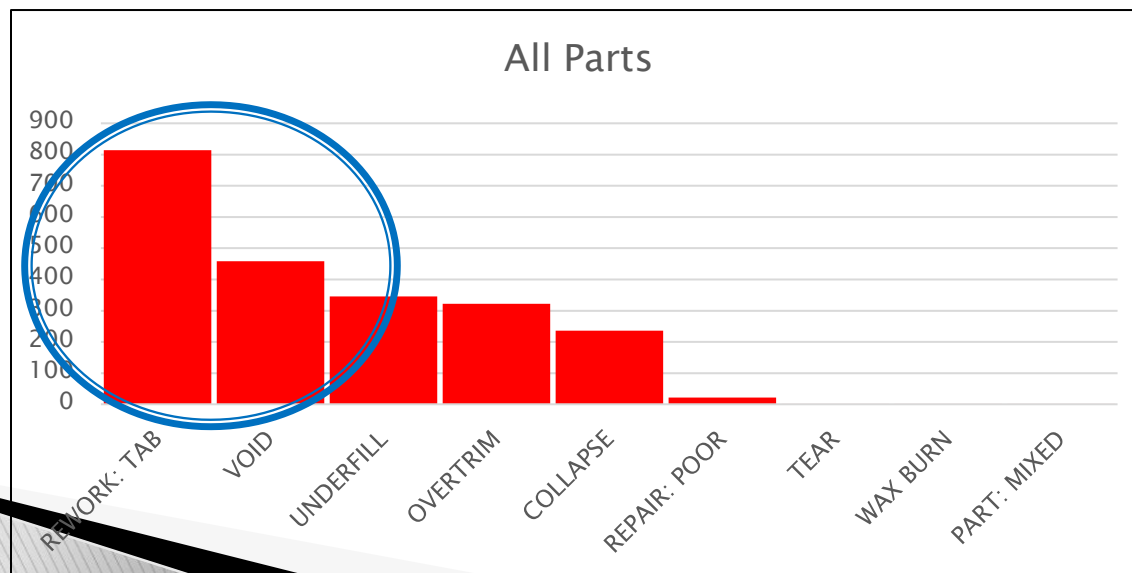
- ▶ A bar graph where the bars represent the quantity of something, arranged from most to least
- ▶ Visually shows which things are most significant
- ▶ Considered one of the seven basic quality tools
- ▶ Used when there are many problems, and you want to focus on the biggest ones

- ▶ We provide pareto charts with our standard customer reports
- ▶ These charts provide a quick method for our customer to see the defects we are finding so they can concentrate on correcting the biggest issues



The Pareto Principle

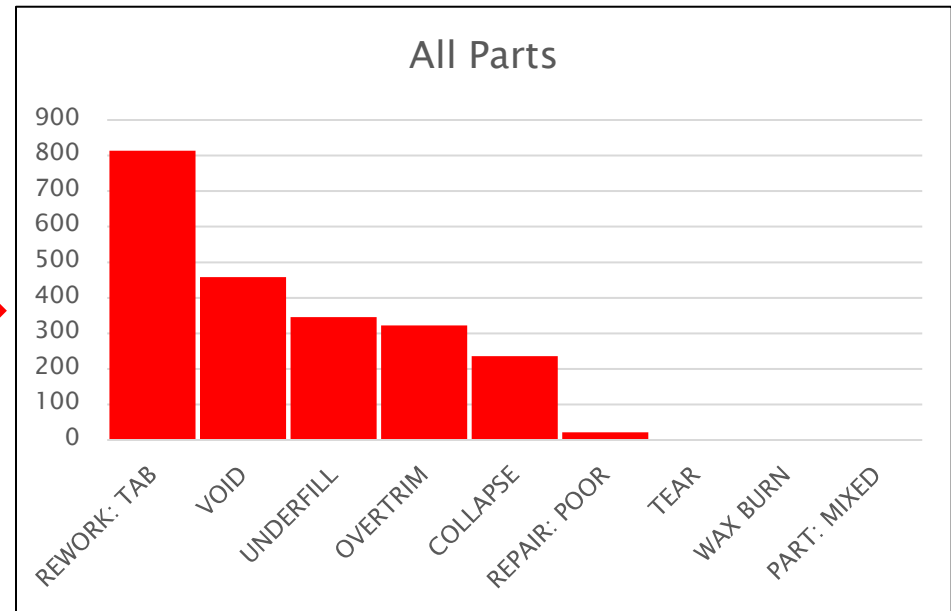
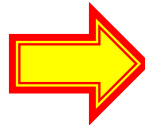
- ▶ This principle states that in any group of causes that contribute to a problem, relatively few things account for much of the issue
- ▶ In simpler terms, 20% of the causes result in 80% of the issues
- ▶ Famously referred to as “The 80/20 Rule”



80/20 Rule

- ▶ In this example, if the customer could fix the top few issues, that would account for about 80% of their defects.

Defect	Defect Count
REWORK: TAB	814
VOID	458
UNDERFILL	346
OVERTRIM	322
COLLAPSE	236
REPAIR: POOR	22
TEAR	1
WAX BURN	1
PART: MIXED	1
Grand Total	2,201



And, Finally...

- ▶ Just like the PDCA cycle, the Pareto Chart and 80/20 Rule can be used in a continuous loop, so you are always working on the biggest issues first
- ▶ Using the Pareto Chart forces data driven decisions
- ▶ The 80/20 Rule gives you the most bang for your buck (more results for your effort)

Click on the button below to take the quiz for this session.

QUIZ

