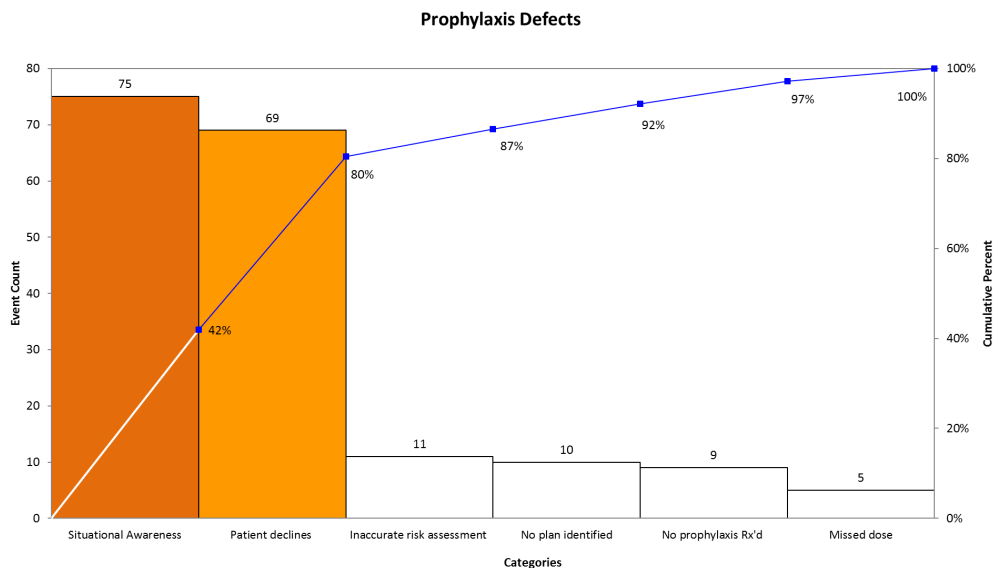


# Pareto Charts



- **Anatomy of the Pareto**
  - Title: succinct, clearly identifies what is being counted
  - Left Y Axis: Count Data
  - Bars measure counts by category
  - Right Y Axis: Cumulative Percent
  - Line Graph measures cumulative percent of combined categories
  - X Axis lists categories arranged from left to right in descending order
- **Interpreting the Pareto**
  - Teams should generally focus their improvement efforts on the 20% of the categories that have the highest frequency counts (e.g. the most frequently occurring items positioned on the left hand side of the chart)
  - As changes are implemented and hard wired, the pareto chart should be recalculated to identify the new categories with the highest counts
- **Key Facts**
  - Pareto charts focus improvement efforts on the “vital few” and helps to sort out the “useful many”
  - Are built around the Pareto Principle or the 80/20 rule which states that 80% of the problems arise from 20% of the categories
  - The most useful Pareto charts have 30 or more incidents/counts in the data set
  - Do not assume that the categories are causes of the events
  - Causes of the events are unknown and may actually be a combination of categories or other yet-to-be-identified factors
  - When drilling down into the data it is important to understand if the data is arising from a stable or unstable system
  - Pareto charts can be stratified as part of the drill down process (e.g. one Pareto addresses Total Adverse Drug Events (ADEs) by medication, another Total ADEs by nursing unit, and yet another for Total ADEs by ICUs, etc.)