



The 80/20 Principle

The Secret to Success by Achieving More with Less

by Richard Koch

Currency © 1999

288 pages

The Big Ideas

Pareto & 80/20

It's everywhere!!

Applying the Principle!

What're are your 20%'s?

Business: Strategy

More 20%'s.

Be Unreasonable

What do you (really) want?!

What's Easy?

Eureka!

Relationships

Who do you love?

Learning

How do you learn?

Your Diet

Yes, your diet.

Focus

Put all your eggs in one basket. (Pretty, please.)

“The 80/20 Principle, like the truth, can make you free. You can work less. At the same time, you can earn more and enjoy more. The only price is that you need to do some serious 80/20 thinking.”

~ Richard Koch from *The 80/20 Principle*

We've all been exposed to the 80/20 Principle at some point in our lives: The principle states, quite simply, that 20% of efforts lead to 80% of results. Whether you know it as the “Pareto Principle” or the “Principle of Least Effort,” it's an incredibly powerful concept.

Although many authors discuss the 80/20 Principle as a core component of their time management and self-development programs, Richard Koch (a former Bain & Co and BCG Consultant) provides an entertaining and practical application of the theory in his book *The 80/20 Principle: The Secret to Success by Achieving Less*. In fact, he's become the living guru on the subject and if you dig this Note, you'll definitely enjoy the book--which is densely packed with Big Ideas you can apply to your business, relationships, time management tactics and even (especially!) to discovering and living your purpose.

Trust you'll enjoy this quick look at the book and that the ideas will get you thinking about how you can focus your time and energy on the activities that give you the most results!

■ Pareto & 80/20: It's Everywhere!

“80/20 thinking requires, and with practice enables, us to spot the few really important things that are happening and ignore the mass of unimportant things. It teaches us to see the wood for the trees.”

It was 1897 when Vilfredo Pareto, an Italian economist, was studying wealth and income distribution in 19th Century England. During the course of his studies, he discovered that the majority of land and income was controlled by a minority of the population. In fact, 20% of the population controlled 80% of the wealth and income.

On further analysis, mythical lore says that he found that this principle held true not only in different countries and different time periods, but also in contexts such as his garden—where he discovered that 20% of his peapods yielded 80% of the peas that were harvested!

Since our pal Vilfredo identified the trend, many researchers have been busy pointing out some additional modern applications.

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