

# What Is A Sales Process Pareto Chart?

- Bar Chart Arranged In Descending Order Of Height From Left To Right
- Bars On Left Relatively More Important Than Those On Right
- Separates The "Vital Few" From The "Trivial Many" (Pareto Principle)

# Why Use A Sales Process Pareto Chart?

- Breaks Big Problem Into Smaller Pieces
- Identifies Most Significant Factors
- Shows Where To Focus Efforts
- Allows Better Use Of Limited Resources

# Constructing A Sales Process Pareto Chart?

Step 1 - Record The Data

Step 2 - Order The Data

Step 3 - Label The Vertical Axis

Step 4 - Label The Horizontal Axis

Step 5 - Plot The Bars

# Constructing A Sales Process Pareto Chart?

Step 6 - Add Up The Counts

Step 7 - Add A Cumulative Line

Step 8 - Add Title, Legend, And Date

Step 9 - Analyze The Diagram

## Pareto Analysis Sheet Example

# Reasons For Open Sales Quotes “Not Closing”

Category	Gross Margin
Still In Decision Making Process	\$1,532,030
Customer Awaiting Competitive Quote	\$2,007,025
Order Approved – Awaiting Customer P.O.	\$2,000,360
Price Too High – Might Not Buy	\$1,983,250
Don't Have Product In Stock	\$1,971,550
Customer Not Responding	\$1,956,780
<b>Total</b>	<b>\$11,450,995</b>

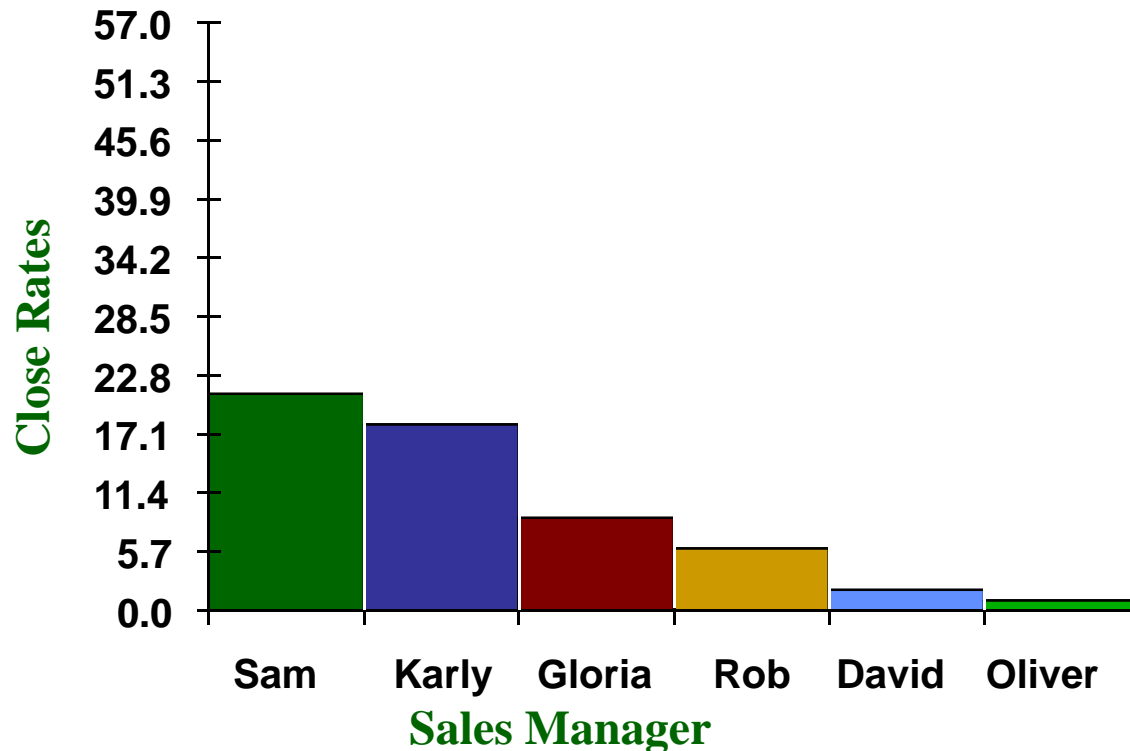
## Pareto Analysis Sheet Example

# Close Rate By Sales Manager % of Quotes Converted To Orders

Sales Manager	Gross Margin
Samuel Keaton	20.2%
Karly Nicole	18.7%
Gloria Jean	9.6%
Rob Albert	8.2%
David Alan	2.1%
Oliver Rand	1.4%
<b>Total</b>	<b>\$11,450,995</b>

# Pareto Analysis Graph Example

## Close Rate By Sales Manager % of Quotes Converted To Orders



LEGEND: Close rate By Sales Manager – Headsets Direct – Mtn View Ca. – April 2008

# Pareto Analysis Graph Example

Pareto Chart of Late Arrivals by Reported Cause

