

About the Author

The chair once occupied by Orison Swett Marden, W. Clement Stone, Napoleon Hill, and Og Mandino is where *SUCCESS* publisher and editorial director Darren Hardy now sits. Darren has been a leader in the personal-development industry for sixteen years, having led two personal-development-based television networks—The People's Network (TPN), and The Success Training Network (TSTN)—



producing and launching more than a thousand TV shows, live events, and products and programs with many of the world's top experts.

Darren is a product of the principles he reveals in *The Compound Effect*. As an entrepreneur, Darren was

earning a six-figure income by age eighteen, more than a million dollars a year by age twenty-four, and he owned a company producing \$50 million a year in revenue by age twenty-seven. He has mentored thousands of entrepreneurs, advised many large corporations, and serves on the board of several companies and nonprofit organizations.

As publisher and editorial director of *SUCCESS* magazine, Darren is in a unique position to interview leading experts on human performance and achievement, as well as many of today's top CEOs, revolutionary entrepreneurs, superstar athletes, entertainers, and Olympic champions, to uncover and share the success secrets behind their extraordinary success.

Each month in the pages of *SUCCESS* magazine, on his blog (<http://DarrenHardy.SUCCESS.com>), on Twitter (@DarrenHardy), Facebook (DarrenHardyFan), and before live audiences of entrepreneurs across the country, Darren distills the best of the best information and strategies available, mixing in his own street-tested principles of success. Darren's passion for personal development is at the core of his business and life philosophy. He is committed to helping others achieve their potential in order to live richer, more fulfilling lives.

Darren is a popular keynote speaker and appears regularly on national radio and TV shows for CNBC, MSNBC, CBS, ABC, and FOX.

Do you want success?

More success than you have now?

And even more success than you ever imagined possible?

That is what this book is about.

Achieving it.

No gimmicks. No hyperbole. Finally, just the truth on what it takes to earn success.

As publisher of *SUCCESS* magazine, author Darren Hardy has heard it all, seen it all, and tried most of it. This book reveals the core principles that drive success. *The Compound Effect* contains the essence of what every superachiever needs to know, practice, and master to obtain extraordinary success. Inside you will find strategies on:

- How to win—every time! The No. 1 strategy to achieve any goal and triumph over any competitor, even if they're smarter, more talented or more experienced.
- Eradicating your bad habits (some you might be unaware of!) that are derailing your progress.
- Painlessly installing the few key disciplines required for major breakthroughs.
- The real, lasting keys to motivation—how to get yourself to do things you don't feel like doing.
- Capturing the elusive, awesome force of momentum. Catch this, and you'll be unstoppable.
- The acceleration secrets of superachievers. Do they have an unfair advantage? Yes they do, and now you can too!

If you're serious about living an extraordinary life, use the power of *The Compound Effect* to create the success you desire. Begin your journey today!

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- Group 4: The Classified

THE COMPOUND EFFECT

MULTIPLYING YOUR SUCCESS. ONE SIMPLE STEP AT A TIME.

This book is being given to

because I care about you and your greater success,

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consultant, I've trained tens of thousands of entrepreneurs. I've mentored business leaders, corporate executives and countless high-achievers. From thousands of case studies I have extracted what works—and what doesn't.

Thirdly, as publisher of *SUCCESS* magazine, I sift through thousands of article submissions and books, help choose the experts we feature in the magazine, and review all of their material. Each month I interview a half-dozen top experts on a multitude of success topics and drill down to their best ideas. All day, every day, I am consuming, sorting, filtering, and wading through an ocean of personal-achievement information.

Here's my point. When you have such an exhaustive view of this industry, and wisdom gained through studying the teachings and best practices of some of the world's most successful people, an amazing clarity emerges—the underlying fundamental truths become crystal clear. Having seen it, read it, and heard most all of it, I can no longer be fooled by the latest gambit or self-proclaimed prophet with the newest “scientific breakthrough.” Nobody can sell me on gimmicks. I have too many reference points. I've gone down too many roads and learned the truth the hard way. As my mentor, the great business philosopher Jim Rohn, said, “There are no new fundamentals. Truth is not new; it's old. You've got to be a little suspicious of the guy who says, ‘Come over here, I want to show you my manufactured antiques!’ No, you can't manufacture antiques.”

What this book is about, with all the unnecessary noise, fat, and fluff removed, is what really matters. What really works? What half-dozen basics, when focused on and mastered, constitute the operating system that can take you to any goal you desire and help you live the life you were meant to live? This book contains

At the end of ten months, we still can't see noticeable changes in any of their lives. It's not until we get to the end of the eighteenth month that the slightest differences are measurable in these three friends' appearances.

But at about month twenty-five, we start seeing really measurable, visible differences. At month twenty-seven, we see an expansive difference. And, by month thirty-one, the change is startling. Brad is now fat while Scott is trim. By simply cutting 125 calories a day, in thirty-one months, Scott has lost thirty-three pounds!

31 months = 940 days

940 days x 125 calories/day = 117,500 calories saved

117,500 calories saved x 1 pound/3,500 calories = 33.5 pounds!

Brad ate only 125 more calories more a day in that same time frame, and gained 33.5 pounds. Now he weighs 67 pounds more than Scott! But the differences are more significant than weight. Scott's invested almost one thousand hours reading good books and listening to self-improvement audios; by putting his newly gained knowledge into practice, he's earned a promotion and a raise. Best of all, his marriage is thriving. Brad? He's unhappy at work, and his marriage is on the rocks. And Larry? Larry is pretty much exactly where he was two and half years ago, except now he's a little more bitter about it.

The phenomenal power of the Compound Effect is that simple. The difference between people who employ the

CHAPTER 2

CHOICES

We all come into this world the same: naked, scared, and ignorant. After that grand entrance, the life we end up with is simply an accumulation of all the choices we make. Our choices can be our best friend or our worst enemy. They can deliver us to our goals or send us orbiting into a galaxy far, far away.

Think about it. Everything in your life exists because you first made a *choice* about something. Choices are at the root of every one of your results. Each choice starts a behavior that over time becomes a habit. Choose poorly, and you just might find yourself back at the drawing board, forced to make new, often harder choices. Don't choose at all, and you've made the choice to be the passive receiver of whatever comes your way.

In essence, you make your choices, and then your choices make you. Every decision, no matter how slight, alters the trajectory of your life—whether or not to go to college, who to marry, to have that

our time in business, I wasn't inspecting what I was expecting. I could justify it by saying I trusted him, but the truth was I was guilty of being lazy by not watching the finances more diligently. Not only had I made the choice to start this relationship and business, but I'd also made many choices to ignore obvious red flags and warning signs. Because I chose to not be completely responsible for the business, in the end, I was responsible for the results. When I learned of the wrongdoings, I chose not to lose any more time fighting it. Instead, I licked my wounds, learned my lesson, and moved on. In hindsight, I'd make the same choice to pick up and move on again today.

I now challenge you to do the same. No matter what has happened to you, take complete responsibility for it—good or bad, victory or defeat. Own it. My mentor Jim Rohn said, "The day you graduate from childhood to adulthood is the day you take full responsibility for your life."

Today is graduation day! From this day forward, choose to be 100 percent responsible for your life. Eliminate all of your excuses. Embrace the fact that you are freed by your choices, as long as you assume personal responsibility for them.

It's time to make the choice to take control.

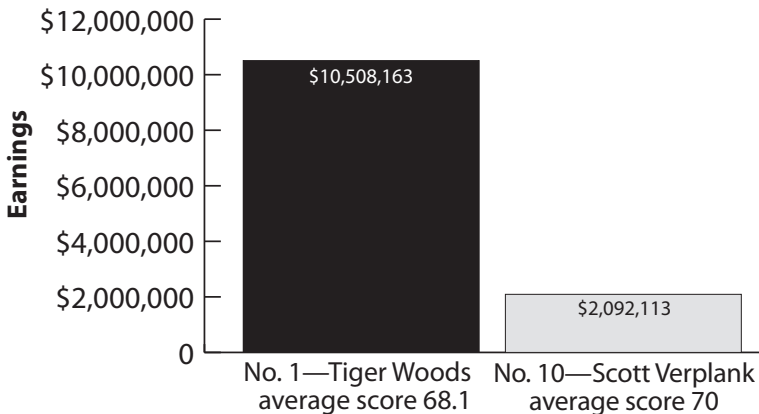
Your Secret Weapon—Your Scorecard

I'm about to walk you through one of the single greatest strategies I've ever used in my personal development. This strategy helps me take control of the choices I make throughout the day, causing *everything* else to fall into place, and leading to behaviors and actions that shepherd my habits into line like dutiful, loyal minions.

track, the extra discipline in the horse's nutrition, or the extra work by the jockey that made the results a slight bit better with compounded rewards.

After hundreds of tournaments played and thousands of strokes tallied, the difference between the No. 1 ranked golfer and the No. 10 golfer is an average of only 1.9 strokes, but the difference in prize money is five times (over \$10 million versus \$2 million)! The No. 1 golfer isn't five times better, not even 50 percent or even 10 percent better. In fact, the difference between his average score is only 2.7 percent better. Yet, the

Fig. 4



The difference between the No. 1 ranked golfer and the No. 10 golfer is an average of only 1.9 strokes, but the difference in prize money is five times. That's the power of the Compound Effect.

[Source: FedEx Cup Ranking as of mid-December 2009]

Losing is a habit. So is winning. Now let's work on permanently instilling winning habits into your life. Eliminate sabotaging habits and instill the needed positive habits, and you can take your life in any direction you desire, to the heights of your greatest imagination. Let me show you how...

the fuel of your persistence. This is so important that I made it the focus of my first book, *Design Your Best Year Ever: A Proven Formula for Achieving BIG GOALS* (SUCCESS Books, 2009). You MUST know your *why*.

Why Everything's Possible

The power of your *why* is what gets you to stick through the grueling, mundane, and laborious. All of the *hows* will be meaningless until your *whys* are powerful enough. Until you've set your desire and motivation in place, you'll abandon any new path you seek to better your life. If your *why*-power—your desire—isn't great enough, if the fortitude of your commitment isn't powerful enough, you'll end up like every other person who makes a New Year's resolution and gives up too quickly and reverts to sleepwalking through poor choices. Let me give you an analogy to help bring it home:

If I were to put a ten-inch-wide, thirty-foot-long plank on the ground and say, "If you walk the length of the plank, I'll give you twenty dollars," would you do it? Of course, it's an easy twenty bucks. But what if I took that same plank and made a roof-top "bridge" between two 100-story buildings? That same twenty dollars for walking the thirty-foot plank no longer looks desirable or even possible, does it? You'd look at me and say, "Not on your life." See Figure 7.

However, if your child was on the opposite building, and that building was on fire, would you walk the length of the plank to save him? Without question and immediately—you'd do it, twenty dollars or not.

to find my mate and get married, I made a long list of traits I desired in the perfect woman (for me). I filled more than forty pages of a journal, front and back, describing her in great detail—her personality, character, key attributes, attitudes, and philosophies about life, even what kind of family she'd come from, including her culture and physical makeup, down to the texture of her hair. I wrote in depth what our life would be like and what we'd do together. If I had then asked, "What do I have to *do* to find and get this girl?" I might still be on that butterfly chase. Instead, I looked back at the list and considered whether or not I embodied those same attributes myself. Did I have the very qualities I was expecting in her? I asked myself, "What kind of a man would a woman like this be looking for? Who do I need to become to be attractive to a woman of this substance?"

I filled forty more pages describing all the attributes, qualities, behaviors, attitudes, and characteristics I needed to become myself. Then I went to work on becoming and achieving those qualities. Guess what? It worked! As if she were peeled off the pages of my journal and appeared in front of me, my wife, Georgia, is exactly what I described and asked for, in almost eerie detail. The key was my getting clear on who I'd have to be to attract and keep a woman of her quality, and then doing the work to achieve that.



To identify bad habits and needed new habits essential to becoming and achieving what you want, complete the Habit Assessment sheet on page 170, or download at www.TheCompoundEffect.com/free.

Run a Vice Check

I'm not suggesting you cut out every "bad" thing in your life. Most everything is good in moderation. But, how can you tell whether a bad habit is becoming the boss of you? I believe in testing my vices. Every so often I go on a "vice fast." I pick one vice, and check to be sure I'm still the alpha dog in our relationship. My vices are coffee, ice cream, wine, and movies. I already told you about my ice cream obsession. When it comes to wine, I want to be sure I'm enjoying a glass and celebrating the day, not drowning a bad mood.

About every three months, I pick one vice and abstain for thirty days (this probably stems from my Catholic Lent upbringing). I love proving to myself that I'm still in charge. Try this yourself. Pick a vice—something you do in moderation, but you know doesn't contribute to your highest good—and take yourself on a thirty-day wagon run. If you find it seriously difficult to abstain for those thirty days, you may have found a habit worth cutting out of your life.

Game Changers: Seven Techniques for Installing Good Habits

Now that we have helped you eliminate the bad habits that are taking you in the wrong direction, we need to create new choices, behaviors, and ultimately habits that will finally take you in the direction of your grandest desires. Eliminating a bad habit means removing something from your routine. Installing a new, more productive habit requires an entirely different skill set. You're planting the tree, watering it, fertilizing it, and making sure it's

CHAPTER 4

MOMENTUM

I'd like to introduce you to a very good friend of mine. This friend, also close to Bill Gates, Steve Jobs, Richard Branson, Michael Jordon, Lance Armstrong, Michael Phelps, and every other superachiever, will impact your life like no other. I'd like to introduce you to Mo, or "Big Mo," as I like to call it. Big Mo is, without doubt, one of the most powerful and enigmatic forces of success. You can't see or feel Mo, but you know when you've got it. You can't count on Mo showing up to every occasion, but when it does—WOW! Big Mo can catapult you into the stratosphere of success. And once you've got Mo on your side, there's almost no way anyone can catch you.

I'm excited about this chapter. When you implement the ideas outlined ahead, your payoff will be a thousand times (or more) what you paid for this book. Seriously, these ideas are BIG!

matter), and then I send them love by imagining all that I wish and hope for them. Some would call this a blessing or a prayer; I call it a mental love letter. Third, I think about my No. 1 goal and decide which three things I'm going to do on this day to move closer toward reaching it. For example, at the time of this writing, my No. 1 goal is to deepen the love and intimacy in my marriage. Each morning I plan three things I can do to make sure that my wife feels loved, respected, and beautiful.

When I get up, I put on a pot of coffee, and while it's brewing, I do a series of stretches for about ten minutes—something I picked up from Dr. Oz. If you've lifted weights your whole life as I have, you get stiff. I realized that the only way I was going to incorporate more stretching into my life was to make it a routine. I had to figure out where in my schedule I could stick it in—and while the coffee's brewing is as good a time as any.

Once I've stretched and poured my cup, I sit in my comfy leather recliner, set my iPhone for thirty minutes (no more, no less), and read something positive and instructional. When the alarm sounds, I take my most important project and work on it for an hour of completely focused and undistracted effort (notice I haven't opened e-mail yet). Then, every morning at 7 a.m., I have what I call my calibration appointment, a recurring appointment set in my calendar, where I take fifteen minutes to calibrate my day. This is where I brush over my top three one-year and five-year goals, my key quarterly objectives, and my top goal for the week and month. Then, for the most important part of the calibration appointment, I review (or set) my top three MVPs (Most Valuable Priorities) for that day, asking myself, "If I only did three things today, what are the actions that will produce the

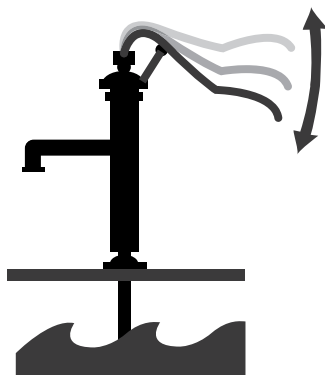
lot less energy to take off once and maintain a regular speed (even if slower than most everyone else) all along the way.

The Pump Well

When you start thinking about slacking off on your routines and rhythms, consider the massive cost of inconsistency. It is not the loss of the single action and tiny results it creates; it is the utter collapse and loss of momentum your entire progress will suffer.

Think of a hand-pumped water well, which uses a pipe to draw water up from the water table several feet underground. To get the water to the surface, you have to pump the well's lever to create the suction that brings the water above the ground and out of the spout. See Figure 11.

Fig. 11



Consistency is the key to achieving and maintaining momentum.

view of the world, yourself, and the results you create. That's also why I read something inspirational and instructional for thirty minutes in the morning and evening, and have personal-development CDs playing in my car. I'm flushing my glass and feeding my mind. Does this give me an edge over the guy who gets up and first thing reads the newspaper, listens to news radio on his commute to and from work, and watches the evening news before going to bed? You bet it does! And it can for you, too.

Step 1: Stand Guard

Unless you decide to hole up in a cave or on a desert island, you're going to get dirty water in your glass. It's going to be on billboards, on CNN while you're walking through the airport, on the screaming tabloid headlines at the checkout when you're buying groceries, etc. Even your friends, family members, and your own negative mental tapes can flood dirty water into your glass.

But that doesn't mean you can't take steps to limit your exposure to all that grime. Maybe you can't avoid the tabloids stacked up at the checkout register, but you can cancel your subscriptions. You can refuse to listen to the radio to and from work and instead put in an instructional and inspirational CD. You can turn off the evening news and talk to your loved ones instead. You can buy a DVR and record only those programs you feel are truly educational and life-affirming—and speed through the commercials aimed at making you feel inadequate or lacking unless you buy more crap.

I didn't really grow up with TV; I remember watching *Solid Gold* and *The A-Team* (remember them?), but television wasn't a

can that association influence you? You can build these expanded associations by joining networking groups, Toastmasters, and similar organizations. Find the charity organizations, symphonies, country clubs, where the people you want to emulate gather.

Find a Peak-Performance Partner

Another way to increase your exposure to expanded associations is by teaming up with a peak performance partner, someone as equally committed to study and personal growth as you. This person should be someone you trust, someone bold enough to tell you what they really think about you, your attitudes, and performance. It could be that this person is a longtime friend, but he or she may be someone who doesn't know you well at all. The point is to get (and give) an unbiased, honest, outside perspective.

My current "accountability partner" is my good friend Landon Taylor. As I mentioned before, we have a thirty-minute call every Friday to discuss our weekly wins, losses, fixes, "ah-has," and where we are on our growth plans. The anticipation of the call and knowing I have to be accountable to Landon keeps me extra committed throughout the week.

I make a record of Landon's losses or any feedback he needs and make sure to ask him about it the next week. He does the same for me. That way we hold each other accountable. He might say, "Okay, you screwed up here last week and admitted it and committed to change. What did you do about that this week?" Life is life. We're both busy executives, but it's amazing to me that we actually end up doing this every week without fail. It's not easy. Sometimes I'll be flying through my day and

were facing the same challenges. I knew this was another moment that, if I kept going, I would be strides ahead of them. These were the defining moments of success and progress. It wasn't difficult, painful, or challenging when I was just running with the herd, just keeping up, but not really getting ahead. It's not getting to the wall that counts; it's what you do *after* you hit it.

Lou Holtz, the famous football coach, knew it was what you did after you did your best that created victories. In one game his team was down 42-0 at halftime. During the half-time break, Lou showed his team a dramatic highlight reel of second efforts to block, tackle, and recover the ball. He then told the players that they were not on his team because they could give their all on every play; every player on every team does that. He said they were on *his* team because of their ability to make that critical extra effort on each play. It's the extra effort after you have done your best that is the difference maker. His team went on to win the game in the second half. That is how you win.

Muhammad Ali was one of the greatest fighters of all time, not only because of his speed and agility, but also because of his strategy. On October 30, 1974, Ali regained his heavyweight championship, besting George Foreman in one of the biggest upsets in boxing history in the "Rumble in the Jungle." Almost no one, not even Ali's longtime supporter Howard Cosell, believed the former champion had a chance of winning. Both Joe Frazier and Ken Norton had beaten Ali previously, and George Foreman had knocked both of them out in only the second round. Ali's strategy? To take advantage of the younger champion's weakness—his lack of staying power. Ali knew if he

outside following a church service she attended, and had her friend introduce us. We explained our important case and cause, which was to build an after-school facility in an impoverished neighborhood that would affect the lives of hundreds of children if her husband would support it. Needless to say, he signed on by Tuesday that following week and the company got its project.

In our attention-deficit, propaganda-saturated society, sometimes doing the unexpected is required to get your voice heard. If you have a cause or ideal worthy of attention, do what it takes, even the unexpected, to make your case heard. Add a little audacity to your repertoire.

Do Better Than Expected

Invisible Children (www.InvisibleChildren.com), another nonprofit for which I'm a board member, helps rescue and recuperate children who have been abducted and made soldiers in northern Uganda and the Congo. To gain awareness for their cause, they staged a hundred-city event called "The Rescue," where more than eight hundred thousand young people camped outside until prominent leaders of the community came to "rescue them," thus gaining their attention and support. After four days, all but one city had been rescued, having people like U.S. Sens. Ted Kennedy and John Kerry, Val Kilmer, Kristen Bell, and many others show up in ninety-nine other cities. The last city to get rescued was Chicago, and it required Oprah. After six days, Oprah was a no-show. On the fourth day, they organized a march that went round and round her studios. The next day they put on a singing and dancing presentation that went on