

THE  
**COMPOUND**  
**EFFECT**

MULTIPLYING YOUR SUCCESS. ONE SIMPLE STEP AT A TIME.

DARREN HARDY

— Publisher *SUCCESS* magazine



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Copyright Page

**Also by Darren Hardy**

*Design Your Best Year Ever: A Proven Formula  
for Achieving BIG GOALS*

*Living Your Best Year Ever: A Proven System  
for Achieving BIG GOALS*

## **Praise for *The Compound Effect***

*“This powerful, practical book, based on years of proven and profitable experience, shows you how to leverage your special talents to maximize the opportunities surrounding you. The Compound Effect is a treasure chest of ideas for achieving greater success than you ever thought possible!”*

—Brian Tracy, speaker and author of *The Way to Wealth*

*“A brilliant formula for living an extraordinary life. Read it, and most important, take action upon it!”*

—Jack Canfield, co-author of *The Success Principles: How to Get from Where You Are to Where You Want to Be*

*“Darren Hardy has written a new bible for the self-improvement space. If you are looking for the real deal—a real program, with real tools that can change your life and make your dreams a reality—The Compound Effect is it! I plan to use this book to go back and look at what I need to again work on in my own life! Buy ten copies, one for yourself and nine more for those you love, and pass them out now—those who get it will thank you!”*

—David Bach, founder of [FinishRich.com](http://FinishRich.com) and author of eight New York Times best-sellers, including *The Automatic Millionaire*

*“This book will enable you to climb the ladder of success two steps at a time. Buy it, read it, and bank it.”*

—Jeffrey Gitomer, author of *The Sales Bible* and *The Little Red Book of Selling*

*“Darren Hardy is in a unique position to aggregate the brainpower of the most successful people in the world and boil it down to what really matters. Simple, direct, and to the point—these are the principles that have guided my life and every top business leader I know. This book will show you the way to your own greater success, happiness, and fulfillment.”*

—Donny Deutsch, television host and chairman of Deutsch, Inc.

*“The Compound Effect is a brilliant formula for achieving the life of*

*your dreams. Step by step, let it be your guide. Read and study it, but most important, put it into action!”*

—Chris Widener, speaker and author of *The Art of Influence: Persuading Others Begins with You* and *The Twelve Pillars*

*“Darren Hardy proves with The Compound Effect that common sense—when applied—yields amazingly uncommon results. Follow these simple steps and become who you were meant to be!”*

—Denis Waitley, speaker and author of *The Psychology of Winning*

*“The Compound Effect will help you beat the competition, rise above your challenges, and create the life you deserve!”*

—T. Harv Eker, author of the No. 1 *New York Times* best-seller *Secrets of the Millionaire Mind*

*“Einstein said, ‘Compounding is the eighth wonder of the world.’ To compound your successes, read, apprehend, comprehend, and fully use my friend Darren Hardy’s brilliance to realize all your dreams, hopes, and desires.”*

—Mark Victor Hansen, co-creator of the No. 1 *New York Times* best-selling series *Chicken Soup for the Soul* and co-author of *The One Minute Millionaire*

*“People who talk about ‘success’ but don’t find ways to translate it into their personal lives—into their relationships and their marriages and their families—do not win my respect or my admiration. In fact, their words ring hollow. As long as we have known Darren Hardy, we have never had a conversation where we have not talked about our kids, about our wives, and about how our families are doing. We think Darren knows a lot about achieving success, and even more important, he wants people to achieve it for the right reasons!”*

—Richard and Linda Eyre, authors of the *New York Times* No. 1 best-selling *Teaching Your Children Values*

*“Daren Hardy’s The Compound Effect is a culmination of success principles that is relevant to anyone who needs it! As a thought leader, he is making a significant contribution to our industry. A wonderful book!”*

—Stedman Graham, author, speaker, entrepreneur

*“From time to time, you get the opportunity to make the leap from where you now are to where you’ve always wanted to be. This book is that opportunity. And now is your time. A superb work from a leading light.”*

—Robin Sharma, author of the No. 1 best-sellers *The Monk Who Sold His Ferrari* and *The Leader Who Had No Title*

*“I have spent a lifetime helping people get to the bottom line so that they can be successful and achieve instant results, which is why I absolutely love this book and recommend it to all of my clients. Darren has an amazing gift for sharing powerful techniques and telling it like it is so that you can save valuable time and get right to work putting his formula for success into action immediately.”*

—Connie Podesta, keynote speaker, author and executive coach

*“If anyone knows the fundamentals of success, it’s Darren Hardy, publisher and editorial director of SUCCESS magazine! This book is about a return and focus on the basics, what it really takes to earn success. Make The Compound Effect your operations manual for life—one simple step at a time!”*

—Dr. Tony Alessandra, author of *The Platinum Rule* and *Charisma*

*“With The Compound Effect, Darren Hardy has joined the ranks of the great self-improvement authors! If you are serious about success and living your true potential, reading this book is a must. It will serve as your operations manual for success.”*

—Vic Conant, chairman of Nightingale-Conant

*“Life is fast with lots of distractions. If you want to advance effectively, don’t just read this book—study it with a highlighter.”*

—Tony Jeary, coach to the world’s top CEOs and high-achievers

*“SUCCESS magazine has been a fountain of powerful ideas since the day it was launched over a century ago. Now, Darren Hardy, the journal’s 21st-century steward, has distilled the essential fundamentals you’ll need to create the life you’ve always imagined. You shouldn’t read this book—you should devour it from cover to cover.”*

—Steve Farber, author of the best-sellers *The Radical Leap* and *Greater Than Yourself*



*“This is a must-read book for success seekers. You want to know what it takes? You want to know what to do? It’s all here. This is your operation manual for success.*

—Keith Ferrazzi, No. 1 *New York Times* best-selling author of *Who’s Got Your Back* and *Never Eat Alone*

*“The Compound Effect is a powerful, comprehensive guide to success. It gives a complete strategy to get you from where you are to where you want to be. The name Darren Hardy means success! My advice is read the book, do the work, and achieve success.”*

—Jeffrey Hayzlett, author of *The Mirror Test* and CMO of Kodak

*“You can take the rest of your life and try to figure out how to achieve success, or you can follow the proven and tested principals and methods found in this book. It’s your choice, do it the hard way... or do it the smart way!”*

—John Assaraf, author of *The Answer* and *Having It All*

*“Finally! Darren Hardy has done it with this book. It’s a terrific distillation of the essential fundamentals needed to achieve the life you’ve always imagined. Master these basics, and you will be the master of your future!”*

—Don Hutson, speaker, co-author of the No. 1 *New York Times* best-selling *The One Minute Entrepreneur*, and CEO of U.S. Learning

*“Your life will be the net result of each step you take. Let this powerful guide show you how to make better choices, develop better habits, and think better thoughts. Your success is truly in your hands... in this book.”*

—Jim Cathcart, speaker and author of *The Acorn Principle*

*“At Zappos, one of our core values is to Pursue Growth and Learning. In the lobby of our headquarters, we have a giving library where we give away books to employees and visitors that we think will help with their growth, both personally and professionally. I can’t wait to add The Compound Effect to our library.”*

—Tony Hsieh, author of *Delivering Happiness* and CEO of Zappos

*“If there were ever a person who has his finger on the pulse of success,*

*it's Darren Hardy, publisher and editorial director of SUCCESS magazine. I always look forward to reading what he has to say. He is a great synthesizer of great ideas."*

—Larry Benet, chairman of the Speakers and Authors Networking Group

*This book is dedicated to:*

Jerry Hardy, my best man, my dad: the man who taught me the principles of the Compound Effect through his example.

And, to Jim Rohn, my mentor: the man who taught me, amongst many things, to talk about things that matter to people who care.

**WARNING!** These chapter headings look simple. Success strategies are no longer a secret, but most people ignore them. You think you already know the secret to success? So does everyone else. But the six strategies within this book, when applied in sequence, will launch your income, your life—your success—like nothing before.

As the publisher of *SUCCESS* magazine, I've seen it all. Nothing works like the power of the **Compound Effect** of simple actions done right over time.

This is it, the real deal on what it takes to achieve massive success in your life. Whatever your dream, desire, or goal in life, the plan to achieve it all is found in the book you're holding. Read on, and let it rock your world.

## ACKNOWLEDGMENTS

I extend my appreciation and thanks to my team at SUCCESS Media and *SUCCESS* magazine, who have supported me through this labor of blood, sweat, and almost tears, particularly my good friends and colleagues Reed Bilbray and Stuart Johnson...

To my writing muse and collaborator, Linda Sivertsen, who helped pull out the stories and references from my past and give my process order and coherence...

To the editing wizardry of Erin Casey, the always-genius touch of our *SUCCESS* magazine editor Lisa Ocker, and to our editor in chief, Deborah Heisz...

To the many brilliant personal-development experts I have worked with and learned from over the past two decades—all the CEOs, revolutionary entrepreneurs, and extraordinary achievers I have had the chance to interview and glean new insights, ideas, and wisdom from...

To all the readers of *SUCCESS* magazine, my blog, and my other works, and whose enthusiastic and appreciative feedback inspires me to want to continue to pursue the zenith of my potential, so I can better assist others to find theirs...

And finally, and most important, to my beautiful and wonderful wife, Georgia, who sacrificed many late nights and weekends without me while I worked to complete this manuscript.

**No matter what you learn,  
what strategy or tactic you employ,  
success comes as the result of  
the Compound Effect.**

## SPECIAL MESSAGE FROM ANTHONY ROBBINS

During the past three decades, I've had the privilege of helping more than 4 million people create breakthroughs in their lives. I've worked with an immensely diverse group of people—from presidents of countries to prisoners, Olympic athletes, and Oscar-winning entertainers, from billionaire entrepreneurs to those just struggling to start their own business. Whether working with a couple fighting to keep their family together or a person in prison searching for a way to change their life from the inside out, my focus has always been on helping people achieve real and *sustainable* results. You can't do that through a magic pill or secret formula, but *only* through understanding the real tools, strategies, and science behind what it takes to break through the patterns that defeat so many and achieve a meaningful life.

Darren and I both made the decision to take control of our lives at an early age. We searched for answers by seeking out people who were living the kind of life we wanted to live. Then we applied what we learned. It's not really all that surprising that we both cite Jim Rohn as a mentor. Jim was a master at helping people understand the truths, the laws, and the practices that lead to real, lasting success. Jim taught us that achievement is not about luck; it's really a science. Sure, everyone is different, but the same laws of success always apply. You reap what you sow; you can't get out of life what you're not willing to put into it. If you want more love, give more love. If you want greater success, help others achieve more. And when you study and master the science of achievement, you will find the success you desire.

Darren Hardy is living proof of this philosophy. He walks the talk. What he shares in his book is based on what has worked in his life—and mine as well.

This is a guy who has taken simple but profound fundamentals of what it takes to be successful and used them to earn more than a million dollars a year by age twenty-four, and build a company to more than \$50 million by age twenty-seven. For the past twenty years, his life has been a personal laboratory of study and research on the topic of success. He's used himself as a guinea pig, testing thousands of different ideas, resources, and tools, and through his failings and his triumphs, he's figured out which ideas and

strategies have merit, and which ones are just plain BS.

For sixteen years, I have crossed paths with Darren, who as a leader in the personal-development industry, has worked closely with hundreds of top writers, speakers, and thought leaders. He has trained tens of thousands of entrepreneurs, advised many large companies, and personally mentored dozens of top CEOs and high-performance achievers, extracting from them what really matters and really works, and what doesn't. In his role as publisher of *SUCCESS* magazine, Darren sits at the center of the personal development industry. He's interviewed top leaders, from Richard Branson to General Colin Powell to Lance Armstrong, on a multitude of success topics, and drilled down to their best ideas, compiling them all—even a few of mine. He is an all-consuming, sorting, filtering, digesting, analyzing, summarizing, categorizing, itemizing, personal-achievement encyclopedia of information. He has culled the clutter, and focused on the core fundamentals that matter—fundamentals that you can immediately implement in *your* life to produce measurable and sustainable results.

*The Compound Effect* is the operator's manual that teaches you how to own the system, how to control it, master it, and shape it to your needs and desires. Once you do, there is nothing you can't obtain or achieve.

*The Compound Effect* is based on a principle I've used in my own life and training; that is, your decisions shape your destiny. The future is what you make of it. Little, everyday decisions will either take you to the life you desire or to disaster by default. In fact, it's the littlest decisions that shape our lives. Stray off course by just two millimeters, and your trajectory changes; what seemed like a tiny, inconsequential decision then can become a mammoth miscalculation now. From what to eat and where to work, to the people you spend your time with, to how you spend your afternoon, every choice shapes how you live today, but more important, how you live the rest of your life. But the good news is, change is within you. In the same way a two-millimeter miscalculation can send you veering wildly off your life's course, a mere two-millimeter readjustment can also bring you right back home. The trick is finding the plan, the guide, the map that shows you where that home is. How you get there. How you stay on the path.

This book *is* that detailed, tangible plan of action. Let it shake up your expectations, eliminate your assumptions, ignite your curiosity, and bring value to your life—starting right *now*. Take advantage of this tool. Use it as a guide to create the life and the success you want. If you do this, and if



you do all the other right things—and keep doing them day in and day out  
—I know you will experience the best life has to offer.

Live with passion!

Anthony Robbins

*Entrepreneur, author and peak-performance strategist*

## INTRODUCTION

This book is about success and what it really takes to earn it. It's time someone told it to you straight. You've been bamboozled for too long. There is no magic bullet, secret formula, or quick fix. You don't make \$200,000 a year spending two hours a day on the Internet, lose 30 pounds in a week, rub 20 years off your face with a cream, fix your love life with a pill, or find lasting success with any other scheme that is too good to be true. It would be great if you could buy your success, fame, self-esteem, good relationships, and health and well-being in a nicely clam-shelled package at the local Walmart. But, that's not how it works.

We are constantly bombarded with increasingly sensational claims to get rich, get fit, get younger, get sexier... all overnight with little effort for only three easy payments of \$39.95. These repetitive marketing messages have distorted our sense of what it really takes to succeed. We've lost sight of the simple but profound fundamentals of what it takes to be successful.

I'm tired of it. I won't sit back and watch these reckless messages derail people any longer. I wrote this book to take you back to basics. I'm going to help you clear the clutter and bring focus to the core fundamentals that matter. You can immediately implement in *your* life the exercises and time-tested success principles this book contains to produce measurable and sustainable results. I'm going to teach you to harness the power of the Compound Effect, the operating system that has been running your life, for better or worse. Use this system to your advantage and you truly can revolutionize your life. You have heard you can achieve anything you set your mind to, right? Well, only if you know how. *The Compound Effect* is the operator's manual that teaches you how to master the system. When you do, there is nothing you can't obtain or achieve.

How do I know that the Compound Effect is the only process you need for ultimate success? Firstly, I have applied these principles to my own life. Now I hate it when authors beat their chests about their fame and fortune, but it's important you know I speak from personal experience—I'm offering you living proof, not regurgitated theory. As Anthony Robbins mentioned, I've enjoyed significant success in my business endeavors because I've made it a point to live by the principles you'll read in this book. For the past twenty years I've been intensely studying success

and human achievement. I have spent hundreds of thousands of dollars testing thousands of different ideas, resources, and philosophies. My personal experience has proven that, no matter what you learn or what strategy or tactic you employ, success comes as the result of the operating system of the Compound Effect.

Secondly, for the past sixteen years I have been a leader in the personal-development industry. I've worked with respected thought leaders, speakers and authors. As a speaker and 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 read and filter 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 those half-dozen fundamentals; they comprise the operating system called *the Compound Effect*.

Before we dig in, I have one warning: Earning success is hard. The process is laborious, tedious, sometimes even boring. Becoming wealthy, influential, and world-class in your field is slow and arduous. Don't get me

wrong; you'll see results in your life from following these steps almost immediately. But if you have an aversion to work, discipline, and commitment, you're welcome to turn the TV back on and put your hope in the next infomercial—the one touting promises of overnight success, if you have access to a major credit card.

Here's the bottom line: You already know all that you need to succeed. You don't need to learn anything more. If all we needed was more information, everyone with an Internet connection would live in a mansion, have abs of steel, and be blissfully happy. New or more information is *not* what you need—a new plan of *action* is. It's time to create new behaviors and habits that are oriented away from sabotage and toward success. It's that simple.

Throughout the book I mention resources I've made available at [TheCompoundEffect.com](http://TheCompoundEffect.com). Please, go there! Use them! This book and the tools I've provided to support you offer the best of everything I've heard, seen, studied, and tried. It's the best of what we bring you every month in *SUCCESS* magazine, all in one life-changing little book. And it *is* simple!

Let's get started!