

## DavidsGuides.com - Book Summary

**Book Author:** Darren Hardy

**Book Title:** The Compound Effect - Jumpstart Your Income, Your Life, Your Success

**Amazon Link:** <https://www.amazon.com/Compound-Effect-Darren-Hardy/dp/159315724X/>

### Summary:

The book really shows you how any small little action you take, compounded over and over again with time, produces HUGE changes, either positive or negative. For example, \$5/day invested in your 401k or IRA will make you \$500,000 in 40 years when you retire, after only saving and investing \$73,000. Eating a banana a day VS eating a cookie will make you look slim and young in 10 years instead of overweight, sluggish, and probably with diabetes.

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### Book Highlights:

1. The Compound Effect—the positive results you want to experience in your life—will be the result of smart choices (and actions) repeated consistently over time. You win when you take the right steps day in and day out. But you set yourself up for failure by doing too much too soon.
2. Track anything you want to change for 21 days by logging it (weight, what you ate, workouts, money, etc...).
3. Be aware of every single thing you do that could have a MAJOR positive or negative impact compounded over time.
4. Compounding happens slowly. Change happens slowly. Don't think that doing something once won't matter. It will if you keep doing it over and over again.
5. Every dollar you spend is really \$5 out of your future pocket. \$1 invested at 9% in 20 years is \$5. Think if it's really worth 5x the price in 20 years from now. If it is, buy it.
6. Find your WHY. Why do you want to wake up early? WHY do you want to be healthy? WHY do you need to work out? Is it to live longer? Spend more time with your kids? Discover your WHY, and it will give you the power and motivation to do anything.
7. Set clear goals. What do you want your life to look like in 5 years? 10 years? 30? You need to visualize it in your head, and then write it down.
  - a. **Financial goals:** How much money do you want to have? Where do you want to live? What cars do you want to drive?
  - b. **Business goals:** Where do you want to work? What are you doing for a living?
  - c. **Family goals:** How often do you spend time with friends and family? How many kids do you want? Where do you want them to go to school? How is your marriage?
  - d. **Lifestyle goals:** How often do you travel?
  - e. **Health goals:** What does your body and health look like? How much do you weigh? What waist size are you?
8. Your life comes down to this formula:
 

$$\text{YOU} \rightarrow \text{CHOICE} + \text{BEHAVIOR} + \text{HABIT} + \text{COMPOUNDED} = \text{GOALS}$$

(decision)
(action)
(repeated action)
(time)

  - a.
9. Pick a bad vice, like watching movies, or eating dessert, and cut it out of your life for 30 days to see if it's an addiction, and to show yourself you're still in control.
10. Remove the triggers causing bad habits. For example, cleaning out your pantry of all the junk food. Stop buying junk food to begin with. Putting your phone in another room before bed, and setting the alarm clock so you must get out of bed to turn it off.

11. Big Mo is what happens when you get momentum. Like a train going 50 mph, it's hard to stop it. When you consistently do things for 21 days, it's hard not to stop, and then Big Mo kicks in, and you keep going and going, developing a new great habit.
12. Pushing through your walls and mental barriers. When you're working out, you will only get major gains once you finish your set, and THINK you're done, but you push through 1 or 2 more reps either by helping yourself, or having a partner spot you. The same applies to anything anytime you think you're at your limit.
13. If you tolerate disrespect, you will be disrespected. If you tolerate people being late and making you wait, people will show up late for you. If you tolerate being underpaid and overworked, that will continue for you. If you tolerate your body being overweight, tired, and perpetually sick, it will be.
14. Download the free worksheets from [here](#).

### Summary Action Steps:

1. Write out a few excuses you might be clinging to (e.g., not smart enough, no experience, wrong upbringing, don't have the education, etc.). Decide to make up in hard work and personal development to outcompete anyone—including your old self.
2. Be Scott—Write out the half-dozen small, seemingly inconsequential steps you can take every day that can take your life in a completely new and positive direction.
3. Don't be Brad—Write down the small, seemingly inconsequential actions you can stop doing that might be compounding your results downward.
4. List a few areas, skills, or outcomes where you have been most successful in the past. Consider whether you could be taking those for granted and are not continuing to improve, and are therefore in jeopardy of having that complacency lead to future failure.
5. What area, person, or circumstance in your life do you struggle with the most? Start journaling all the aspects of that situation that you are grateful for. Keep a record of everything that reinforces and expands your gratitude in that area.
6. Where in your life are you not taking 100 percent responsibility for the success or failure of your present condition? Write down three things you have done in the past that have messed things up. List three things you should have done but didn't. Write out three things that happened to you but you responded poorly. Write down three things you can start doing right now to take back responsibility for the outcomes of your life.
7. Start tracking at least one behavior in one area of your life you'd like to change and improve (e.g., money, nutrition, fitness, recognizing others, parenting... any area).
8. Set clear goals. What do you want your life to look like in 5 years? 10 years? 30? You need to visualize it in your head, and then write it down.
- 9.
10. Find your WHY. Why do you want to wake up early? WHY do you want to be healthy? WHY do you need to work out? Is it to live longer? Spend more time with your kids? Discover your WHY, and it will give you the power and motivation to do anything (think of the example of the tightrope and building on fire):

11. Write out your top three goals. Now make a list of the bad habits that might be sabotaging your progress in each area. Write down every one.
12. Identify your three best habits—those that support your most important goal.
13. Identify your three bad habits that take you off course from your most important goal.
14. Identify three new habits you need to develop to put you on track toward your most important goal. Download the Habits sheet at [www.TheCompoundEffect.com/free](http://www.TheCompoundEffect.com/free)
15. Identify your core motivation. Discover what gets you fired up and keeps you fired up to achieve big results. Download the Core Values Assessment document at [www.TheCompoundEffect.com/free](http://www.TheCompoundEffect.com/free)
16. Find your why-power. Design your concise, compelling, and awe-inspiring goals. Download the goal sheet at [www.TheCompoundEffect.com/free](http://www.TheCompoundEffect.com/free)
17. Order your copy of Living Your Best Year Ever—A Proven System for Achieving BIG GOALS from [www.SUCCESS.com/BestYearEver](http://www.SUCCESS.com/BestYearEver) to guide you through the designing process as well as the achieving process all year long.
18. Build your bookend morning and evening routines. Design a predictable and fail-safe world-class routine schedule for your life.
19. List three areas of life in which you are not consistent enough. What has this inconsistency cost you in life thus far? Make a declaration to stay steadfast in your new commitment to consistency.
20. On your Rhythm Register, write down a half-dozen key behaviors relevant to your new goals. These should be behaviors you want to establish a rhythm with and eventually create momentum—Big Mo. Download the Rhythm Register at [www.TheCompoundEffect.com/free](http://www.TheCompoundEffect.com/free)
21. Identify the influence the input of media and information is having on your life. Determine what input you need to protect your glass (mind) from and how you are going to keep your glass (mind) regularly flushed with positive, uplifting, and supportive input. Download the Input Influence sheet at [www.TheCompoundEffect.com/free](http://www.TheCompoundEffect.com/free)
22. Evaluate your current associations. Who might you need to further limit your association? Who might you need to completely dissociate from? Strategize ways you will expand your associations.
23. Pick a peak-performance partner. Decide when, how regularly, and what you will hold each other accountable to, and what ideas you will expect the other to bring to each conversation.
24. Identify the three areas of your life you are most focused on improving. Find and engage a mentor in each of those areas. Your mentors could be people who have accomplished what you wish to and with whom you have brief conversations, or they could be experts who have written down their ideas in books or recorded their ideas on CDs.

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### **Wealth skips a generation. Don't get lazy.**

1. Don't get lazy once you achieve wealth.

2. Don't let your kids become lazy.
3. It's interesting that wealth tends to skip a generation. Overwhelming abundance often leads to a lackadaisical mentality, which brings about a sedentary lifestyle. Children of the wealthy are especially susceptible. They weren't the ones who developed the discipline and character to create the wealth in the first place, so it makes sense that they may not have the same sense of value for wealth or understand what's necessary to keep it. We frequently see this entitlement mentality in children of royalty, movie stars, and corporate executives—and to a lesser degree, in children and adults everywhere.
4. As a nation, our entire populace seems to have lost appreciation for the value of a strong work ethic. We've had two, if not three, generations of Americans who have known great prosperity, wealth, and ease. Our expectations of what it really takes to create lasting success—things like grit, hard work, and fortitude—aren't alluring, and thus have been mostly forgotten. We've lost respect for the strife and struggle of our forefathers. The massive effort they put forth instilled discipline, chiseled their character, and stoked the spirit to brave new frontiers.
5. Having experienced extended periods of prosperity, health, and wealth, we become complacent. We stop doing what we did to get us there. We become like the frog in the boiling water that doesn't jump to his freedom because the warming is so incremental and insidious that he doesn't notice he's getting cooked!
6. If we want to succeed, we need to recover our grandparents' work ethic.

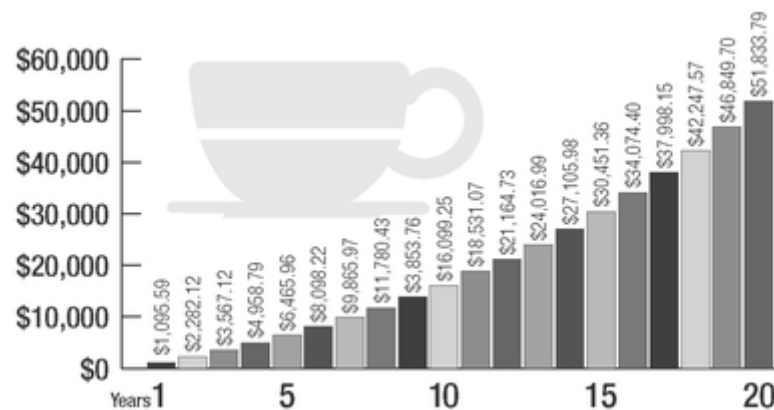
### **Questioning Your Choices:**

1. Become aware of and make choices that support the expansion of your life. No longer will 99 percent of your choices be unconscious. No more will most of your daily routines and traditions come as a reaction to your programming. You'll ask yourself (and be able to answer), "How many of my behaviors have I not 'voted on'? What am I doing that I didn't consciously choose to do, yet continue to do every day?"
2. Your biggest challenge isn't that you've intentionally been making bad choices. Your biggest challenge is that you've been sleepwalking through your choices. Half the time, you're not even aware you're making them! Our choices are often shaped by our culture and upbringing. They can be so entwined in our routine behaviors and habits that they seem beyond our control.
3. Nobody intends to become obese, go through bankruptcy, or get a divorce, but often (if not always) those consequences are the result of a series of small, poor choices.
4. 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.

### Tracking everything you want to change:

1. Track anything you want to improve. For example, what you ate, your weight, your workouts, your money, your expenses, etc... When you keep a log of things, it makes you MUCH more conscious of it.
2. This tracking exercise changed my awareness of how I related to my money. It worked so well, in fact, that I've used it many times to change other behaviors. Tracking is my go-to transformation model for everything that ails me. Over the years I've tracked what I eat and drink, how much I exercise, how much time I spend improving a skill, my number of sales calls, even the improvement of my relationships with family, friends, or my spouse. The results have been no less profound than my money-tracking wake-up call.
3. I insist you track your behaviors for at least one whole week. This book isn't designed to entertain you; it is designed to help you get results. To get results, you have to take some action.
4. You may have heard about tracking before. In fact, you've probably done your own version of this exercise. But I also bet you aren't doing it now, right? How do I know? Because your life isn't working as successfully as you'd like. You've gotten derailed. Tracking is the way to get it back on track.
5. Do you know how the casinos make so much money in Vegas? Because they track every table, every winner, every hour. Why do Olympic trainers get paid top dollar? Because they track every workout, every calorie, and every micronutrient for their athletes. All winners are trackers. Right now I want you to track your life with the same intention: to bring your goals within sight.
6. Don't panic. We're starting off with an easy, breezy tempo. Just track one habit for one week. Pick the habit that has the greatest control over you; that's where you'll start. Once you begin reaping the rewards of the Compound Effect, you'll naturally want to introduce this practice into other areas of your life. In other words, you'll choose to choose tracking.
7. Why track for three weeks straight? You've heard psychologists say that something doesn't become a habit until you practice it for three weeks. It's not an exact science, but it's a good benchmark, and it has worked for me.
8. What happens in three weeks? You move from the shock that follows the first week to the happy surprise of seeing how merely becoming conscious of your actions begins to shape them. You'll find yourself asking, "Do I really want that candy bar? I'm gonna have to haul out my notebook and write it down, and I'll feel a little sheepish." That's two hundred calories saved right there. Turn down that candy bar every day, and in a little more than two weeks, you'll have already lost a pound! You'll start adding up that \$4.00 coffee on the way to work and realize, Holy cow! I've just spent sixty bucks on coffee in three weeks! Hey, that's a thousand bucks a year! Or, compounded, that's \$51,833.79 in twenty years! How much do you really need to stop for coffee?

**The real cost of a four-dollar-a-day coffee habit over 20 years is \$51,833.79. That's the power of the Compound Effect.**



Come again? Am I saying that your four-dollar-a-day coffee habit is going to cost you \$51,833.79 in twenty years? Yes, I am. Did you know that every dollar you spend today, no matter where you spend it, is costing you nearly five dollars in only twenty years (and ten dollars in thirty years)? That's because if you took a dollar and invested it at 8 percent, in twenty years, that dollar would be worth almost five. Every time you spend a buck today, it's like taking five dollars out of your future pocket.

I used to make the mistake of looking at a price tag and thinking that if an item was listed at fifty dollars, it cost me fifty dollars. Well, yes, in today's dollars. But if you consider the potential value of that same fifty dollars after it has been invested for twenty years the cost (what you lose by spending that money rather than investing it) is four or five times greater! In other words, every time you look at an item that costs fifty dollars you have to ask, "Is this item worth \$250?" If it's worth \$250 to you today, then it's worth buying. Keep that in mind next time you go to a place like Costco, with all sorts of amazing things that you didn't know you had to have.

**Saving now VS in 17 years:**

| THE POWER OF THE COMPOUND EFFECT |      |                       |     |      |                     |
|----------------------------------|------|-----------------------|-----|------|---------------------|
| FRIEND                           |      |                       | YOU |      |                     |
| Age                              | Year | Year-end Balance      | Age | Year |                     |
| 23                               | 1    | \$3,112.48            | 23  | 1    | 0                   |
| 24                               | 2    | \$6,483.30            | 24  | 2    | 0                   |
| 25                               | 3    | \$10,133.89           | 25  | 3    | 0                   |
| 26                               | 4    | \$14,087.48           | 26  | 4    | 0                   |
| 27                               | 5    | \$18,369.21           | 27  | 5    | 0                   |
| 28                               | 6    | \$23,006.33           | 28  | 6    | 0                   |
| 29                               | 7    | \$28,028.33           | 29  | 7    | 0                   |
| 30                               | 8    | \$33,467.15           | 30  | 8    | 0                   |
| 31                               | 9    | \$39,357.38           | 31  | 9    | 0                   |
| 32                               | 10   | \$45,736.51           | 32  | 10   | 0                   |
| 33                               | 11   | \$52,645.10           | 33  | 11   | 0                   |
| 34                               | 12   | \$60,127.10           | 34  | 12   | 0                   |
| 35                               | 13   | \$68,230.10           | 35  | 13   | 0                   |
| 36                               | 14   | \$77,005.64           | 36  | 14   | 0                   |
| 37                               | 15   | \$86,509.56           | 37  | 15   | 0                   |
| 38                               | 16   | \$96,802.29           | 38  | 16   | 0                   |
| 39                               | 17   | \$107,949.31          | 39  | 17   | 0                   |
| 40                               | 18   | \$120,021.53          | 40  | 18   | 0                   |
| 41                               | 19   | \$129,983.26          | 41  | 19   | \$3,112.48          |
| 42                               | 20   | \$140,771.81          | 42  | 20   | \$6,483.30          |
| 43                               | 21   | \$152,455.80          | 43  | 21   | \$10,133.89         |
| 44                               | 22   | \$165,109.55          | 44  | 22   | \$14,087.48         |
| 45                               | 23   | \$178,813.56          | 45  | 23   | \$18,369.21         |
| 46                               | 24   | \$193,655.00          | 46  | 24   | \$23,006.33         |
| 47                               | 25   | \$209,728.27          | 47  | 25   | \$28,028.33         |
| 48                               | 26   | \$227,135.61          | 48  | 26   | \$33,467.15         |
| 49                               | 27   | \$245,987.76          | 49  | 27   | \$39,357.38         |
| 50                               | 28   | \$266,404.62          | 50  | 28   | \$45,736.51         |
| 51                               | 29   | \$288,516.07          | 51  | 29   | \$52,645.10         |
| 52                               | 30   | \$312,462.77          | 52  | 30   | \$60,127.10         |
| 53                               | 31   | \$338,397.02          | 53  | 31   | \$68,230.10         |
| 54                               | 32   | \$366,483.81          | 54  | 32   | \$77,005.64         |
| 55                               | 33   | \$396,901.78          | 55  | 33   | \$86,509.56         |
| 56                               | 34   | \$429,844.43          | 56  | 34   | \$96,802.29         |
| 57                               | 35   | \$465,521.31          | 57  | 35   | \$107,949.31        |
| 58                               | 36   | \$504,159.35          | 58  | 36   | \$120,021.53        |
| 59                               | 37   | \$546,004.33          | 59  | 37   | \$133,095.74        |
| 60                               | 38   | \$591,322.42          | 60  | 38   | \$147,255.10        |
| 61                               | 39   | \$640,401.89          | 61  | 39   | \$162,589.69        |
| 62                               | 40   | \$693,554.93          | 62  | 40   | \$179,197.03        |
| 63                               | 41   | \$751,119.64          | 63  | 41   | \$197,182.78        |
| 64                               | 42   | \$813,462.20          | 64  | 42   | \$216,661.33        |
| 65                               | 43   | \$880,979.16          | 65  | 43   | \$237,756.60        |
| 66                               | 44   | \$954,100.00          | 66  | 44   | \$260,602.76        |
| 67                               | 45   | <b>\$1,033,289.83</b> | 67  | 45   | <b>\$285,345.14</b> |
| Total accumulated=               |      |                       |     |      |                     |
| Total amount invested=           |      | \$54,000.00           |     |      | \$81,000.00         |

The earlier you start making small changes, the more powerfully the Compound Effect works in your favor. Suppose your friend began putting \$250 a month into an IRA when she got her first job after graduating from college at age twenty-three. You, on the other hand, don't start saving until you're forty. By the time your friend is forty, she never has to invest another dollar and will have more than a \$1 million by the age of sixty-seven, growing at 8 percent interest compounded monthly. You continue to invest \$250 every month until you reach sixty-seven. That means you're saving for twenty-seven years in contrast to her seventeen years. When you're ready to retire, you'll have less than \$300,000 and will have invested \$27,000 more than your friend. Even though you saved for many more years and invested much more cash, you still ended up with less than a third of the money you could have had. That's what happens when we procrastinate and neglect necessary behaviors, habits, and disciplines. Don't wait another day to start the small disciplines that will lead you in the direction of your goals!

### Creatures of Habit:

1. Aristotle wrote, “We are what we repeatedly do.” Merriam-Webster defines habit this way: “An acquired mode of behavior that has become nearly or completely involuntary.”
2. There’s a story about a man riding a horse, galloping quickly. It appears that he’s going somewhere very important. A man standing along the roadside shouts, “Where are you going?” The rider replies, “I don’t know. Ask the horse!” This is the story of most people’s lives; they’re riding the horse of their habits, with no idea where they’re headed. It’s time to take control of the reins, and move your life in the direction of where you really want to go.
3. If you’ve been living on autopilot and allowing your habits to run you, I want you to understand why. And I want you to let yourself off the hook. After all, you’re in good company. Psychological studies reveal that 95 percent of everything we feel, think, do, and achieve is a result of a learned habit! We’re born with instincts, of course, but no habits at all. We develop them over time. Beginning in childhood, we learned a series of conditioned responses that led us to react automatically (as in, without thinking) to most situations.
4. In your day-to-day life, living “automatically” has its definite positives. If you had to consciously think about every step of each ordinary task—making breakfast, driving the kids to school, getting to work, and so on—your life would grind to a halt. You probably brush your teeth twice a day on autopilot. There’s no big philosophical debate; you just do it. You strap on your seatbelt the minute your butt hits the seat. No second thoughts. Our habits and routines allow us to use minimal conscious energy for everyday tasks. They help keep us sane and enable us to handle most situations reasonably well. And because we don’t have to think about the mundane, we can focus our mental energy on more creative and enriching thoughts. Habits can be helpful—as long as they’re good habits, that is.
5. If you eat healthfully, you’ve likely built healthy habits around the food you buy and what you order at restaurants. If you’re fit, it’s probably because you work out regularly. If you’re successful in a sales job, it’s probably because your habits of mental preparation and positive self-talk enable you to stay optimistic in the face of rejection.
6. I’ve met and worked with many great achievers, CEOs, and “superstars,” and I can tell you they all share one common trait—they all have good habits. That’s not to say they don’t have bad habits; they do. But not many. A daily routine built on good habits is the difference that separates the most successful amongst us from everyone else.

### **Instant Gratification:**

1. Start by Thinking Your Way Out of the Instant Gratification Trap
2. We understand that scarfing Pop-Tarts won’t slenderize our waistlines. We realize that logging three hours a night watching Dancing with the Stars and NCIS leaves us with three fewer hours to read a good book or listen to a terrific audio. We “get” that merely purchasing great running shoes doesn’t make us marathon-ready. We’re a “rational” species—at least that’s what we tell ourselves. So why are we so irrationally enslaved by so many bad habits? It’s because our need for immediate gratification can turn us into the most reactive, non-thinking animals around.

3. If you took a bite of a Big Mac and immediately fell to the ground clutching your chest from a heart attack, you might not go back for that second bite. If your next puff of a cigarette instantly mutated your face into that of a weathered eighty-five-year-old, chances are you'd pass on that, too. If you failed to make that tenth call today and were immediately fired and bankrupted, suddenly picking up the phone would be a no-brainer. And, if that first forkful of cake instantly put fifty pounds on your frame, saying "no thank you" to dessert would be the true piece of cake.
4. The problem is that the payoff or instant gratification derived from bad habits often far outweighs what's going on in your rational mind concerning long-term consequences. Indulging in our bad habits doesn't seem to have any negative effects at all in the moment. You don't have that heart attack, your face doesn't shrivel up, you're not standing in the unemployment line, and your thighs aren't thunderous. But that doesn't mean you haven't activated the Compound Effect.
5. It's time to WAKE UP and realize that the habits you indulge in could be compounding your life into repeated disaster. The slightest adjustments to your daily routines can dramatically alter the outcomes in your life.

### **What is your why?**

1. So, what is your why? You've got to have a reason if you want to make significant improvements to your life. And to make you want to make the necessary changes, your why must be something that is fantastically motivating—to you. You've got to want to get up and go, go, go, go, go—for years!
2. So, what is it that moves you the most? Identifying your why is critical. What motivates you is the ignition to your passion, the source for your enthusiasm, and the fuel of your persistence.
3. 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 you connect them to your desires and dreams. The wisest and most motivating choices are the ones aligned with that which you identify as your purpose, your core self, and your highest values. You've got to want something, and know why you want it, or you'll end up giving up too easily.
4. So, what is your why? You've got to have a reason if you want to make significant improvements to your life. And to make you want to make the necessary changes, your why must be something that is fantastically motivating—to you. You've got to want to get up and go, go, go, go, go—for years! So, what is it that moves you the most? Identifying your why is critical. What motivates you is the ignition to your passion, the source for your enthusiasm, and the fuel of your persistence. This is so important that I made it the focus of another book, *Living Your Best Year Ever: A Proven System for Achieving BIG GOALS* (SUCCESS Books, 2011). You MUST know your why.
5. 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:

### Is your why-power great enough?

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."

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.



Why is it that the first time I asked you to cross that sky-high plank, you said no way, yet, the second time you wouldn't hesitate? The risks and the dangers are the same. What changed? Your why changed—your reason for wanting to do it. You see, when the reason is big enough, you will be willing to perform almost any how.

### Goals:

1. The one skill most responsible for the abundance in my life is learning how to effectively set and achieve goals. Something almost magical happens when you organize and focus your creative power on a well-defined target. I've seen this time

and again: the highest achievers in the world have all succeeded because they mapped out their visions. The person who has a clear, compelling, and white-hot burning why will always defeat even the best of the best at doing the how.

2. In one of my interviews with Brian Tracy, he put it this way: “Top people have very clear goals. They know who they are and they know what they want. They write it down and they make plans for its accomplishment. Unsuccessful people carry their goals around in their head like marbles rattling around in a can, and we say a goal that is not in writing is merely a fantasy. And everybody has fantasies, but those fantasies are like bullets with no powder in the cartridge. People go through life shooting blanks without written goals—and that’s the starting point.”
3. I suggest that you take some time today to make a list of your most important goals. I recommend considering goals in all aspects of your life, not just for your business or finances. Be wary of the high price of putting too much focus on any single aspect of your life, to the exclusion of everything else. Go for whole-life success—balance in all the aspects of life that are important to you: business, finances, health and well-being, spirituality, family and relationships, and lifestyle.
4. Okay, now it’s your turn. Get out your little notebook and write out your top three goals. Now make a list of the bad habits that might be sabotaging your progress in each area. Write down every one.

#### **Health:**

1. If you want to eat more healthfully, clean your cupboards of all the crap, stop buying the junk food—and stop buying into the argument that it’s “not fair” to deny the other people in your family junk food just because you don’t want it in your life. Trust me; everyone in your family is better off without it. Don’t bring it into the house, period. Get rid of whatever enables your bad habits.

#### **Run a Vice Check**

1. 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.
2. 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.

### **Set Yourself Up to Succeed**

1. Any new habit has to work inside your life and lifestyle. If you join a gym that's thirty miles away, you won't go. If you're a night owl but the gym closes at 6 p.m., it won't work for you. Your gym must be close and convenient, and fit into your schedule.
2. If you want to lose weight and eat healthier, make sure your fridge and pantry are stocked with healthy options.
3. Want to make sure you don't binge on vending machine snacks when you get midday hunger pangs? Keep nuts and healthy snacks in your desk drawer. The easiest thing to grab when you're hungry is empty carbs. One strategy I use is to have protein on hand. I cook up a bunch of chicken on Sunday, and package it and have it ready for the week.
4. One of my most distracting and destructive habits is my e-mail addiction. Seriously, this is no laughing matter. I can lose hours of focus every day with the massive amounts of e-mail flooding my inbox if I'm not vigilant about staying organized and focused. To set up the discipline of my new habit of only checking e-mail three times a day, I turned off all alarms, all automatic-receive functions, and shut the program down when I'm not in one of those three windows of allocated time. I have to build the walls around that time vortex, lest I keep falling in all day.

### **Breaking a bad habit of watching too much TV:**

1. I'll laugh along and watch a sitcom, but afterward, I feel the same as if I ate fast food—bloated and malnourished. And I can't get over how commercials prey on our psychology, our fears, pains, needs, and weaknesses. If I walk through life thinking that I'm not enough just as I am—that I need to buy this, that, and the other thing to be okay—how can I expect to create amazing results?
2. It's estimated that Americans (twelve and older) spend 1,704 hours watching TV per year. That averages out to 4.7 HOURS per day. We're spending almost 30 percent of our waking hours watching TV. Almost thirty-three hours per week—more than one whole day each week! It's the equivalent of watching TV for two solid months out of every twelve! WOW! And people wonder why they can't get ahead in life?
3. A friend of mine wanted to break his bad habit of wasting too much time watching TV. To help out, I asked him what he'd like to do with three hours of free time if he had it. He said he would play with his kids more. I also asked him to pick a hobby he'd always wanted to explore. His choice was photography. A total techie, he went out and got all this high-tech editing equipment, which he happily toted along on more family outings so he could take great photos of his kids. Then he'd spend hours in the evening editing and putting together slide shows and photo albums for the whole family to enjoy. They ended up spending time together, laughing and remembering how much fun they'd had. Because he was so focused on his kids and photography, he no longer had the time nor the desire to sit around and watch TV at night. He realized he'd been zoning out on it because it was an easy mental escape from his workday.
4. By replacing TV viewing with his new habit of playing games with his kids and working on his photography hobby he discovered passions with far more power and far bigger payoffs.

5. What can you choose to “add in” so you can enrich your life experience?

**Find a Success Buddy & Accountability or “Peak-Performance” Partner:**

1. There are few things as powerful as two people locked arm and arm marching toward the same goal. To up your chances of success, get a success buddy, someone who'll keep you accountable as you cement your new habit while you return the favor. I, for example, have what I call a “Peak-Performance Partner.”
2. Every Friday at 11 a.m. sharp, we have a thirty-minute call during which we trade our wins, losses, fixes, ah-has, and solicit the needed feedback and hold each other accountable. You might seek out a success buddy for regular walks, runs, or dates at the gym, or to meet to discuss and trade personal-development books.
3. 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.
4. 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.
5. 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 think, “Oh, crud! I have to do this.” But often in the middle of the call, I'll think, “I'm so glad we're having this conversation!” Even in preparing for it, and thinking of my big wins and losses for the week, I learn about myself. This week I told Landon, “You know, I'm in the middle of so many things. I'm writing my book. I'm having a lot of realizations, and so many ah-has, but not one thing that's really compelling.”

**Patience:**

1. Be Patient. When it comes to breaking old bad habits and starting new ones, remember to be patient with yourself. If you've spent twenty, thirty, or forty years or more repeating the behaviors you're now trying to change, you've got to expect it's going to take time and effort before you see lasting results. Science shows that patterns of thoughts and actions repeated many times create what's called a neuro-signature or a “brain groove,” or a series of interconnected neurons that carry the thought patterns of a particular habit. Attention feeds the habit. When we give our

attention to a habit, we activate the brain groove, releasing the thoughts, desires, and actions related to that habit. Luckily, our brains are malleable. If we stop giving attention to the bad habits, those grooves weaken. When we form new habits, we drive new grooves deeper with each repetition, eventually overpowering the previous ones.

2. Creating new habits (and burning new grooves into your brain) will take time. Be patient with yourself. If you fall off the wagon, brush yourself off (not beat yourself up!), and get back on. No problem. We all stumble. Just go again and try another strategy; reinforce your commitment and consistency. When you press on, you will receive huge payoffs. Speaking of payoffs, the next chapter is where we really start breaking away from the herd, where the multiplying effect really takes shape. With all the disciplined effort you've applied from the fundamentals of the first three chapters, here's where you get rewarded—big time!
3. Of all the high-achievers and business owners I've worked with, I've seen that, along with good habits, each has developed routines for accomplishing necessary daily disciplines. It's the only way any of us can predictably regulate our behavior. There simply isn't any way around it. A daily routine built on good habits and disciplines separates the most successful among us from everyone else. A routine is exceptionally powerful.

### **The Power of Big Mo:**

1. Big Mo is what happens when you get momentum. Like a train going 50 mph, it's hard to stop it. When you consistently do things for 21 days, it's hard not to stop, and then Big Mo kicks in, and you keep going and going, developing a new great habit.
2. How do you get Big Mo to pay you a visit? You build up to it. You get into the groove, the "zone," by doing the things we've covered so far:
  - a. Making new choices based on your goals and core values
  - b. Putting those choices to work through new positive behaviors
  - c. Repeating those healthy actions long enough to establish new habits
  - d. Building routines and rhythms into your daily disciplines
  - e. Staying consistent over a long enough period of time
3. Then, BANG! Big Mo kicks in your door (that's a good thing)! And you're virtually unstoppable.

### **Bookend Your Days & Building a Great Morning & Nightly Routine**

1. The key to becoming world-class in your endeavors is to build your performance around world-class routines. It can be difficult, even futile, to predict or control what will show up in the middle of your workday. But you can almost always control how your day starts and ends. I have routines for both.
2. **Morning Routine:**

- a. 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.
- b. 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.
- c. 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).
- d. 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 greatest results in moving me closer to my big goals?"
- e. Then, and only then, do I open e-mail and send out a flurry of tasks and delegations to get the rest of my team started on their day. I then quickly close down my e-mail and go to work on my MVPs.

### **3. Nightly routine:**

- a. In the evening I like to "cash out"—something I learned from waiting tables in my youth. Before we could go home, we had to cash out, meaning turn in all our receipts, credit card slips, and cash. Everything had to add up, or there was big trouble!
- b. It's important to cash out your day's performance. Compared to your plan for the day, how did it go? What do you need to carry over to tomorrow's plan? What else needs to be added, based on what showed up throughout the day? What's no longer important and needs to be scratched out?
- c. Additionally, I like to log into my journal any new ideas, ah-has or insights I picked up throughout the day—this is how I've collected more than forty journals of incredible ideas, insights, and strategies.
- d. Finally, I like to read at least ten pages of an inspirational book before going to sleep. I know the mind continues to process the last information consumed before bedtime, so I want to focus my attention on something constructive and helpful in making progress with my goals and ambitions.
- e. That's it. All hell can break loose throughout the day, but because I control the bookends, I know I'm always going to start and finish strong.

**Weekly Routines:**

1. Every Friday night is “date night,” and Georgia and I go out or do something special together. At 6 p.m., an alarm goes off on both our iPhones, and no matter what we’re doing, date night is on!
2. Every Saturday is FD (Family Day)—which means NO working. Essentially sundown on Friday night until sunup on Sunday morning is time we devote to the marriage and family. If you don’t create these boundaries, one day has a tendency to flow into the next. Unfortunately, the people who get shoved aside are often the most important.
3. Every Sunday night, also at 6 p.m., we have our RR (Relationship Review). This is a practice I picked up from relationship experts Linda and Richard Eyre during an interview I did with them for our October 2009 SUCCESS Audio Series. During this time, we discuss the previous week’s wins, losses, as well as the adjustments we need to make in our relationship. We start the conversation by telling each other a few things we have appreciated about the other during the previous week—it’s helpful to start with the good stuff. Then, using an idea I picked up from my interview with Jack Canfield, we ask each other, “On a scale of one to ten (ten being the best), how would you rate our relationship this week?” This gets the discussion of wins and losses flowing—oh, boy! Then we discuss the adjustments that need to be made through this follow-up question: “What would it take to make your experience a ten?” By the end of the discussion, both of us feel heard and validated, and we have made our observations and wishes clear moving into the next week. This is an incredible process. I highly recommend it... if you dare!

**Registering your Rhythm:**

1. I want to share with you something I created for myself that helps me keep track of the rhythm of a new behavior. I call it my “Rhythm Register,” and I think you’ll find it extremely helpful.

**Influences:**

1. Everyone is affected by three kinds of influences: input (what you feed your mind), associations (the people with whom you spend time), and environment (your surroundings).
2. If you want your body to run at peak performance, you’ve got to be vigilant about consuming the highest-quality nutrients and avoiding tempting junk food.
3. If you want your brain to perform at its peak, you’ve got to be even more vigilant about what you feed it. Are you feeding it news summaries or mind-numbing sitcoms? Are you reading the tabloids, or SUCCESS? Controlling the input has a direct and measurable impact on your productivity and outcomes.
4. You get in life what you create. Expectation drives the creative process. What do you expect? You expect whatever it is you’re thinking about. Your thought process, the conversation in your head, is at the base of the results you create in life. So the question is, What are you thinking about? What is influencing and directing your thoughts? The answer: whatever you’re allowing yourself to hear and see. This is the input you are feeding your brain. Period.

5. Your mind is like an empty glass; it'll hold anything you put into it. You put in sensational news, salacious headlines, talk-show rants, and you're pouring dirty water into your glass. If you've got dark, dismal, worrisome water in your glass, everything you create will be filtered through that muddy mess, because that's what you'll be thinking about. Garbage in, garbage out. All that drive-time radio yak about murders, conspiracy, deaths, economy, and political battles drives your thinking process, which drives your expectations, which drives your creative output. That IS bad news. But just like a dirty glass, if you flush it with clean, clear water under the faucet long enough, eventually you'll end up with a glass of pure, clear water. What is that clear water? Positive, inspirational, and supportive input and ideas.
6. 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.

### **Enroll in Drive-Time University:**

1. It's not enough to eliminate negative input. To move in a positive direction, you must flush out the bad and fill up on the good. My car won't move without two things: gasoline and an ever-present library of instructional CDs I listen to as I drive. The average American drives about twelve thousand miles a year. That's three hundred hours of flushing potential right there! Brian Tracy taught me the concept of turning my car into a mobile classroom. He explained to me that by listening to instructional CDs as I drive, I gain knowledge equivalent to two semesters of an advanced college degree—every year.

### **You create your own environment:**

1. Additionally, when you're creating an environment to support your goals, remember that you get in life what you tolerate. This is true in every area of your life—particularly within your relationships with family, friends, and colleagues. What you have decided to tolerate is also reflected in the situations and circumstances of your life right now. Put another way, you will get in life what you accept and expect you are worthy of.
2. If you tolerate disrespect, you will be disrespected. If you tolerate people being late and making you wait, people will show up late for you. If you tolerate being underpaid and overworked, that will continue for you. If you tolerate your body being overweight, tired, and perpetually sick, it will be.
3. It's amazing how life will organize around the standards you set for yourself. Some people think they're the victims of other people's behavior, but in actuality, we have control over how people treat us. Protect your emotional, mental, and physical space so you can live with peace, rather than in the chaos and stress the world will hurl upon you.

**Pushing through your walls and mental barriers:**

1. Let's say you're weight training and your program calls for you to do twelve repetitions of a certain weight. Now, if you do the twelve, you're fulfilling the expectation of your program. Great job. Stay consistent, and ultimately, you will see this discipline compound into powerful results for you. Yet, if you get to twelve, even if you've hit your max, and you push "out another three to five reps, your impact on that set will be multiplied several times. You won't just add a few reps to the aggregate of your workout. No. Those reps done after you hit your max will multiply your results. You've just pushed through the wall of your max. The previous reps just got you there. The real growth happens with what you do after you're at the wall.
2. Arnold Schwarzenegger made famous a weight training method called "The Cheating Principle." Arnold was a stickler for perfect technique. He contended that once you reached your maximum number of lifts in perfect form, adjusting your wrists or leaning back to recruit other muscles to assist the working muscles (cheating a little) would allow you to do five or six more reps, which would significantly improve the results of that set. You can also achieve this by having a workout partner who assists the last few reps you couldn't have done on your own.