

iSolve Community Event  
July 2015  
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# THE COMPOUND EFFECT

## DARREN HARDY

# Principle

- Single \$3,000,000.00 cash payment now, or
- Single penny that doubles in value every day for 31 days

Day	Payoff
1	\$3M

or

Day	Payoff
1	\$.01
10	\$5.12
20	\$5,243
25	\$167,776
27	\$671,104
29	\$2,684,416
30	\$5,368,832
31	\$10,737,418

The compound effect is the principle of reaping huge rewards from a series of small, smart choices.

# Compound Effect of Retirement Savings

THE POWER OF THE COMPOUND EFFECT		
FRIEND		
Age	Year	Year-end Balance
23	1	\$3,221.48
24	2	\$6,483.30
25	3	\$10,133.89
26	4	\$14,087.48
27	5	\$18,369.21
28	6	\$23,006.33
29	7	\$28,028.33
30	8	\$33,467.15
31	9	\$39,357.38
32	10	\$45,736.51
33	11	\$52,645.10
34	12	\$60,127.10
35	13	\$68,230.10
36	14	\$77,005.64
37	15	\$86,509.56
38	16	\$96,802.29
39	17	\$107,949.31
40	18	\$120,021.53
41	19	\$129,983.26
42	20	\$140,771.81
43	21	\$152,455.80
44	22	\$165,109.55
45	23	\$178,813.56
46	24	\$193,655.00
47	25	\$209,728.27
48	26	\$227,135.61
49	27	\$245,987.76
50	28	\$266,404.62
51	29	\$288,516.07
52	30	\$312,462.77
53	31	\$338,397.02
54	32	\$366,483.81
55	33	\$396,901.78
56	34	\$429,844.43
57	35	\$465,521.31
58	36	\$504,159.35
59	37	\$546,004.33
60	38	\$591,322.42
61	39	\$640,401.89
62	40	\$693,554.93
63	41	\$751,119.64
64	42	\$813,462.20
65	43	\$880,979.16
66	44	\$954,100.00
67	45	\$1,033,289.83

YOU		
Age	Year	Year-end Balance
23	1	\$0.00
24	2	\$0.00
25	3	\$0.00
26	4	\$0.00
27	5	\$0.00
28	6	\$0.00
29	7	\$0.00
30	8	\$0.00
31	9	\$0.00
32	10	\$0.00
33	11	\$0.00
34	12	\$0.00
35	13	\$0.00
36	14	\$0.00
37	15	\$0.00
38	16	\$0.00
39	17	\$0.00
40	18	\$0.00
41	19	\$3,112.48
42	20	\$6,483.30
43	21	\$10,133.89
44	22	\$14,087.48
45	23	\$18,369.21
46	24	\$23,006.33
47	25	\$28,028.33
48	26	\$33,467.15
49	27	\$39,357.38
50	28	\$45,736.51
51	29	\$52,645.10
52	30	\$60,127.10
53	31	\$68,230.10
54	32	\$77,005.64
55	33	\$86,509.56
56	34	\$96,802.29
57	35	\$107,949.31
58	36	\$120,021.53
59	37	\$133,095.74
60	38	\$147,255.10
61	39	\$162,589.69
62	40	\$179,197.03
63	41	\$197,182.78
64	42	\$216,661.33
65	43	\$237,756.60
66	44	\$260,602.76
67	45	\$285,345.14

FRIEND

YOU

Total Accumulated =  
Total Amount Invested =

# Forcing a Positive Focus

- Choices: the root of all your results
  - Gratitude Assessment
  - Thanksgiving journal
    - focuses you on life's positive aspects
    - Consciously looking for what's going right
    - Causes you to show up differently
- Luck Formula:



Preparation  
+ Attitude  
+ Opportunity  
+ Action  
Luck



# Know Your Core Values



- All people are motivated.
  - by something they want or something they don't want
- Choices are meaningful when connected to desires and dreams.
  - aligned with your purpose, your core self, and your highest values.

# Know Your Why-Power



- Why-power access point > through your core values: who you are and what you stand for
  - Hows are meaningless until your whys are powerful enough.
  - Make why-power so strong it overwhelms the urge for instant gratification.

Whatever you vividly imagine and  
ardently desire, sincerely believe, and  
enthusiastically act upon...  
must inevitably come to pass.





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.

# Know Your Why-Power



Goal Formula:

You →

Choice  
+ Behavior  
+ Habit  
+ Compounded

Met Goals

# 3 Kinds of Influences

1. Input – what you feed your mind



2. Associations – the people with whom you spend time

- Combined average of the 5 people we hang around with most
  - quality of health, attitude, income



3. Environment – your surroundings



# Building Momentum

1. Make new choices based on your goals and core values
2. Put those choices to work through + behaviors
3. Repeat those healthy actions to establish new habits
4. Build routines and rhythms into your daily disciplines
5. Stay consistent over a long enough period of time

# Action Plan

- What concepts, tools or ideas will you put to use in your life?
- How will you cause that to happen?