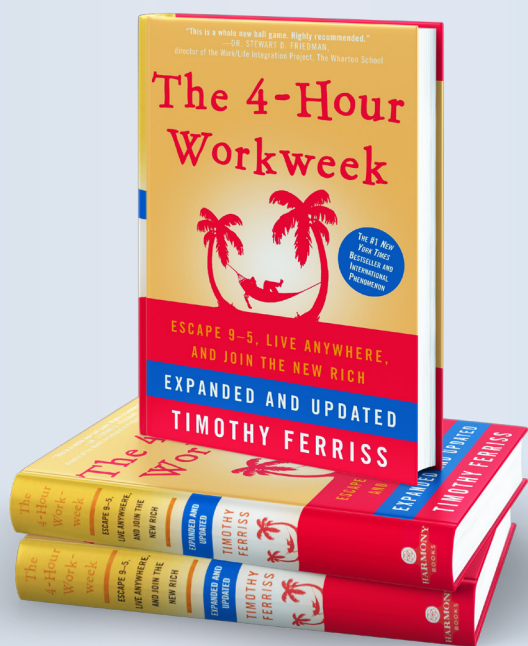


BOOK SNAPS™

Zooming In On Your Next Read



The 4-Hour Workweek

by Timothy Ferriss

Tim Ferriss has been listed as one of *Fast Company*'s "Most Innovative Business People" and one of *Fortune*'s "40 under 40." He is an early-stage technology investor/advisor (Uber, Facebook, Shopify, Duolingo, Alibaba, and 50+ others) and the author of five #1 *New York Times* and *Wall Street Journal* bestsellers, including *The 4-Hour Workweek*, *The 4-Hour Body*, *The 4-Hour Chef*, and *Tools of Titans*. The *Observer* and other media have called Tim "the Oprah of audio" due to the influence of The Tim Ferriss Show podcast, which is the first business/interview podcast to exceed 100 million downloads and has now exceeded 400 million downloads. fourhourblog.com

Copyright © 2007, 2009 by Carmenere One, LLC • Harmony Books • An imprint of Crown Publishing, PRH, LLC.

No Need to Delay, Live Large Now

The 4-Hour Workweek: Escape 9-5, Live Anywhere, and Join the New Rich by Timothy Ferriss first hit the *New York Times* bestseller list in 2007 and remained there for two years. It has been published in 35 languages and sparked a worldwide movement in "lifestyle design." If you yearn to work less and live life now, rather than deferring it to retirement, *The 4-Hour Workweek* can show you how.

Is Lifestyle Design for You?

Tim Ferriss helps readers discover if this way of life is for them by addressing some of the "common doubts and fears that people have" before taking the leap into lifestyle design. He assures doubters that they do not have to quit their jobs, take big risks, or be a single twenty-year-old to become Newly Rich. He asserts that this lifestyle is for anyone who has a desire to start living life to the fullest now rather than take the traditional "deferred-life plan" inherent to working long, hard hours into the so-called Golden Years. These people create the lifestyle they want now, not later, using the currencies of time and mobility.

You don't have to be someone who wants to travel because travel is not a necessary to this lifestyle; it is merely an option. You also don't have to be a member of a privileged group, born rich or an Ivy Leaguer. Ferriss claims that anyone can work less than four hours a week and make more money per month than they used to make in a year, just like he does, by following "an uncommon set of rules." This book is all about how you can become a part of a "quiet subculture called the New Rich" by implementing "an art and science referred to as "Lifestyle Design."

DEAL: The Process Used in Becoming a Member of the New Rich

Ferriss teaches readers the steps to radically increase income while cutting work hours significantly, using the acronym DEAL.

- **D for Definition:** Explains the overall recipe for Lifestyle Design, including key ideas, rules, and objectives.
- **E for Elimination:** Discusses how to completely change your notion of time management.



- **A for Automation:** Teaches how to use specific tools to increase income.
- **L for Liberation:** Shows how you can free yourself from being tied to a single location.

Step 1: D is for Definition

The New Rich have goals and philosophies that differ from the majority. With just a slight differentiation in wording, Ferriss reveals the stark contrast between the groups: New Rich and Deferred. For example, Deferreds want to work for themselves. The New Rich want to have other people work for them. Deferreds want to buy everything they ever wanted. The New Rich want to experience all the things they can dream up. Deferreds want to retire early. The New Rich want to have mini-retirements throughout life, instead of a long period of inactivity at the end.

One of the first tenets of Lifestyle Design is leveraging choice to use and maximize your money to get the experiences you desire. Ferriss explains that there is a difference between being an actual millionaire and living like one. The latter is attainable, even with modest financial wealth. He writes, “Money is multiplied in practical value depending on the number of W’s you control in your life: what you do, when you do it, where you do it, and with whom you do it.” He calls this the “freedom multiplier.” Someone earning \$500,000 annually working 80 hours per week is, by this definition, less free and “powerful” than someone who works only 20 hours a week to earn \$40,000. It’s all about what you do with the time and money you have. People have more options than they realize to make more money working less, such as:

- Negotiating a remote work agreement that allows someone to get the required work done in a small fraction of the time, thus having more time for other things.
- Choosing which customers to work with as a business owner and getting rid of those that take the most time for the least profit.
- Outsourcing all operations of a business while working from locations around the world for mere hours per week.

Ferriss says all of this is possible. The first step, no matter the option you choose, is to remove the assumptions you have about time and work. You have to challenge the status quo in order to evolve. A new lexicon must be learned, you must change your direction completely, and accept a new set of rules. The New Rich follow a set of rules that are uniform amongst that group, but very different from what the rest of the world does. Key differentiators include:

- 1. Retirement should not be the goal.** Retirement planning should be viewed as insurance; protection from the “absolute worst-case scenario.”
- 2. People’s interest in something and energy levels are cyclical.** “Alternating periods of activity and rest is necessary to thrive, much less survive.” Mini-retirements distributed throughout life keep life more enjoyable and work more productive.

3. American culture tends to reward sacrifice over productivity. Spending fewer hours to achieve greater results is not laziness. It is actually far more meaningful.

4. Forget trying to achieve your dreams “when the time’s right” or you will never achieve them. “Someday is a disease that will take your dreams to the grave with you.”

5. Instead of asking for permission to do something, ask for forgiveness. Do the thing you want and find a way to justify it. The exception is doing something that will be devastating to the people in your life.

6. Focus on the things that you are good at rather than attempting to fix your weaknesses.

7. Too much of anything, be it time or possessions, can have the opposite effect on life than intended. Too much free time is “poisonous” while the positive use of it is productive.

8. Money is not the answer to all problems. Of course, money is powerful and necessary but the simple attainment of more of it is not the solution to fulfillment.

9. Income should be viewed relatively, or how you can use it, rather than absolutely, how much of it you have. Relative income uses dollars and time, not just dollars.

10. There are two types of stress: distress and eustress. Distress is harmful and destructive. Eustress comes from the root Eu-, meaning “healthy.” You experience it when pushed to break through limits. The New Rich actively remove distress and find eustress.

Step 2: E is for Elimination

A critical step to Lifestyle Design is changing your understanding of time management. Ferriss says that most people try to fill all of the time with a “work fidget of some type.” He says that busyness is often the goal for those that want to move up the corporate ladder. However, eliminating tasks and freeing up your time is a key component to becoming a member of the New Rich. Ferriss calls this *elimination*. The intention of elimination is to “increase your personal productivity between 100-500%” thereby freeing up your time to pursue the activities that interest you.

As an employee, the goal is to increase your productivity so that you have greater negotiating leverage for things like remote working arrangements and pay raises. You want to make yourself so valuable that the company is willing to grant you more pay and more freedom rather than see you leave. For entrepreneurs, the goal is to decrease the time you spend working while increasing the amount of money you make. How can you accomplish this? By using two approaches that increase productivity.

Firstly, the 80/20 principle is based on Pareto’s Law, which says that 80% of all the wealth in a society is held by 20% of the population of that society. Ferriss applies that principle to time management to eliminate busy work that does not produce results. He recommends dissecting your work and home life through the lens of the following two questions:



With the right systems in place, the business automates, and you are free to do what you wish with your time.

- Which 20% of sources are causing 80% of your problems?
- Which 20% of sources are resulting in 80% of your desired outcomes?

Once those sources are identified, eliminate the problem-causers and focus your time on the sources that get the results you seek.

Secondly, Parkinson's Law "dictates that a task will swell in perceived importance and complexity in relation to the time allotted for its completion." Whether you have a month to complete a project or merely 24 hours, the result will be roughly the same. However, given a month, you will spend much more time on the project than you would if you only had 24 hours from the start. Ferriss says that the New Rich use both of these approaches together to "identify the few critical tasks that contribute most to income and schedule them with very short and clear deadlines."

Step 3: A is for Automation

After spending time eliminating fruitless busy work from your life, it is time to automate. The end goal here is to build a system that replaces you. You want to trim any remaining redundancy from your schedule and outsource tasks to virtual assistants and outsourcing companies. There is an expense to this process, naturally. However, freeing up your time to focus on more important things is priceless. Also, Ferriss argues, you will more than make up for the expense in the very near future, both in terms of recaptured time and income generated.

Ferriss asserts that you should get a virtual assistant, even if you don't think you really need one. Why? Having an assistant will help you become comfortable with commanding, rather than being commanded. They can take over tasks that are time-consuming but not directly income-generating. Further, you can maximize working hours by choosing to work with assistants in other time zones, such as in India or China, who perform tasks during their working hours while you are asleep.

Over time and with a carefully constructed scalable system, you can become completely removed from the equation of running your business. With the right systems in place, the business automates, and you are free to do what you wish with your time. The main principles for building this "self-sustaining virtual architecture" include:

- Use outsourcing companies that have groups of trained people that can step in for one another seamlessly to avoid interruptions to your business.
- Allow your outsourcers to communicate with each other and make decisions autonomously within defined criteria, such as a maximum cost.

Step 4: L is for Liberation

The tide is changing. The New Rich refuse to be bound to one place. That is a constraint that will define the future middle class. The New Rich want "unrestricted mobility." This liberation is not just available to entrepreneurs or freelancers, either. Ferriss says that employees can have it too, and in fact, many big companies are offering it. With lower costs and improved productivity, there are plenty of compelling reasons for employers to get on board with remote work. How can you get your company on board? There are two points of leverage: "demonstrate the business benefit of remote working and make it too expensive or excruciating to refuse a request for it."

Employees can set themselves up for permanent remote working by proving themselves and the benefits to their boss on a trial basis first. Documentation of your increased output and performance can then be presented as a case for more opportunities to work remotely. The idea is to make yourself so highly valued by your employer that the company cannot do without you. If they refuse your request when you have performed well and made a compelling case, Ferriss says you should move on. Find a company that offers what you want.

The expanded and updated version of *The 4-Hour Workweek* was published just two years after the original in 2009. It differs from the first edition in a variety of ways, but most importantly it was written to reflect a very different economic landscape than the one that existed during the original's publication. The revised edition hit shelves during the Great Recession that started in 2008. Questions that Tim Ferriss posed in pre-crash lectures were suddenly no longer hypothetical. People were facing retirement account wipeouts, currency devaluations, and income loss in staggering proportions. "How would your priorities change if you could never retire?" "When everything and everyone is failing, what is the cost of a little experimentation outside of the norm?"

Ferriss encourages readers to "see the infinite possibilities outside of your comfort zone. This period of collective panic is your big chance to dabble." Think differently about your future with a focus on lifestyle design—rather than retirement planning—and have the luxury of navigating market fluctuations that you cannot control.

The currencies of time and mobility are the new gold. Ferriss's process teaches readers how to exchange "9-to-5 drudgery" and "keep-it-short-or-get-fired vacations" for a life of mini-retirements and rewards usually reserved for end-of-life retirement. Today, this message is just as meaningful and relevant.