

CAPABILITIES AND FAILURE: CAN SUPPORT A PERSON TO START A BUSINESS?

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Abstract: *The first step for a person to become an entrepreneur is to have entrepreneurial intention. Entrepreneurial intention is an individual manifestation of their intention to start their business and become entrepreneur. Fear of failure is considered as a psychological factor that act as a barrier in entrepreneurial intention. Another factor that affected entrepreneurial intention is perceived capability. If fear of failure is suspect as barrier, then perceived capability is suspect as supporting variable. Understanding the effect of fail of failure toward entrepreneurial intention can help to reduce the fear in entrepreneur' candidates, also we need to understand the role of perceived capability toward entrepreneurial intention too. Hence, the aim of this study is to examine the impact of fear of failure level and perceived capability level toward the entrepreneurial intention. The data in this study is based on the GEM report from 2017 until 2019. This study was conducted using the cross-section and time series data, therefore this study analysed using panel data regression in Stata. The examination is conducted in stages, starting from examining the impact of fear of failure on entrepreneurial intention, followed by examine perceived capabilities which allows to control the impact of fear of failure on entrepreneurial intention. Result of this study shows that first of all, fear of failure does not have a significant impact to entrepreneurial intention. Second, fear of failure processed together with the perceived capability toward entrepreneurial intention, the result showed that fear of failure and perceived capability have a positive and significant impact toward entrepreneurial intention. When entrepreneurs' candidates have fears that they may fail in the process of start-up business, using their capabilities to decrease the future risk and make their dream come true. This finding provides a warning that although fear of failure and perceived ability have a positive effect on entrepreneurial intentions, it is necessary to be careful to control the fear of failure because the higher the fear of failure can have a negative impact on perceived abilities.*

Keywords: *Fear of failure, perceived capabilities, entrepreneurial intention*

Introduction

Since the 1980s, entrepreneurship has become a worldwide movement (Kirby, 2003). Entrepreneurship is the ability to perceive new opportunity, create a value using innovative way (Kirzner, 1973; Drucker, 1985). Entrepreneur is someone who transforms dirt and scrap to gold (Ciputra, 2009). Based on the meaning, entrepreneurs is individual or group of people ability to found opportunity and doing their way to achieve that opportunity. Therefore, people state that entrepreneurship is one answer for countries to be able to develop their economy and reduce the unemployment problem. Currently, data from Global Entrepreneurship Monitor shows that entrepreneurship helps the society to improve quality of life, be it for developed country as well as developing country (Bosma & Kelley, 2019). This shows that entrepreneur has an important role, be it for a country or its individuals.

The first step for an individual in becoming an entrepreneur is through having entrepreneurial intention. Kruger, Reilly, & Carsrud (2000) stated that entrepreneurial activity is essentially intention that appears from the behavior of a potential entrepreneur. By having entrepreneurial intention, an individual will be interested in starting a business, in accordance with statement by Guzman-Alfonso & Guzman-Cuevas (2012) that confirmed that intention is the first step of entrepreneurial behavior in building a business. Individual with entrepreneurial intention can be said as having the first step to becoming an entrepreneur. By having entrepreneurial intention, the individual can arrange their next steps to lead him/her to reach his/her goal (Bird, 1988).

Fear of failure is an interesting topic related to entrepreneurial intention. Several studies on the impact of fear of failure on entrepreneurial intention have not been conclusive. Result of study by Jekwu (2016) stated that fear of failure does not reduce entrepreneurial intention. Student with high fear of failure still has entrepreneurial intention to build his/her business. But on the other hand, fear of failure also gives negative impact on entrepreneurial intention, whereby a person might possibly choose to not continue with his/her intention because he/she is afraid to face failure (Bogatyрева et al., 2019; Tsai, Chang, & Peng 2016). Therefore, this study tries to explore further on the impact of fear of failure on entrepreneurial intention.

Elliot & Church (1997) that in general, humans will avoid failure, and would therefore tend to feel threatened and avoid uncertainty. That statement also supported by Mitchell & Shepherd (2011). In relation with uncertainty avoidance, figure 1 shows the data comparison from Culture Compass (2019) and Schwab (2018) on the condition of uncertainty avoidance in year 2017 in 10 countries with the highest intellectual capital. Based on figure 1, it shows that the 10 countries with the highest intellectual capital can be under the situation of high uncertainty avoidance or relatively low. South Korea, Germany, Japan and Israel have high level of uncertainty avoidance, and on the contrary Sweden, Norway, China, and Denmark have levels of avoidance that are relatively not high. This is interesting since those countries have high intellectual capital or capabilities, even in the midst of relatively high fear. Therefore, capability needs to be taken into consideration as a study that is related to entrepreneurial intention.

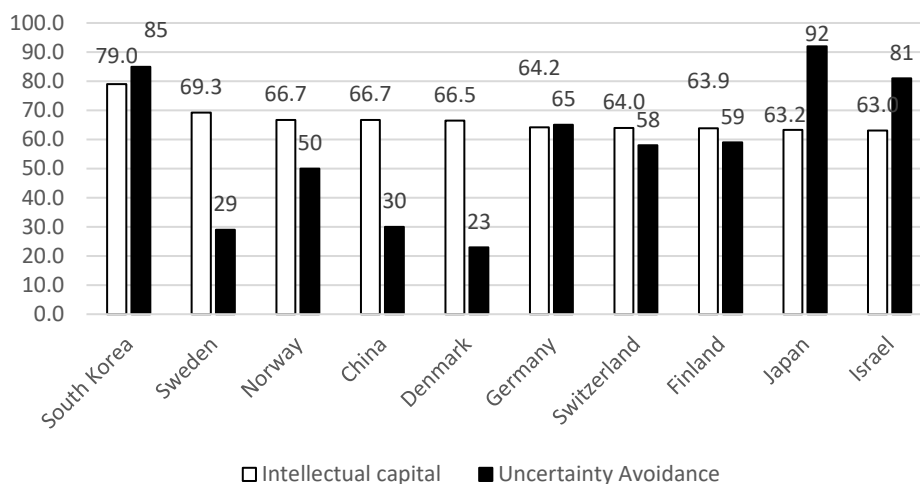


Figure 1. Uncertainty avoidance in the 10 countries with the highest intellectual capital in 2017

Source: Culture Compass (2019) and Schwab (2018)

Capability is one of the factors that have impact on a person's intention. By having capability, and individual has the belief to develop him/herself and achieve his/her dream. In relation to entrepreneurship Khalid & Bhatti (2015) stated that the capability of an entrepreneur is related to his/her ability to arrange relationship in a company. Obschonka, Silbereisen, Schmitt-Rodermund & Stuetzer (2011) further strengthened study by Khalid & Bhatti (2015) by stating that in order to build a new business, capability to obtain and manage resources is very needed in order to capture existing opportunity. Therefore, having capability is an important matter in relation to entrepreneurial intention. An individual that believes in his/her ability as an entrepreneur will have the courage to build a business. Therefore, the impact of perceived capability and fear of failure in entrepreneurship intention is worth researching, whether perceived capability can support the emergence of entrepreneurial intention; whether the existence of fear of failure causes society to doubt themselves or becomes motivation to move forward together with their perceived capability.

This research used data from Global Entrepreneurship Monitor for the period of 3 years from 40 countries. The variable used is taken from GEM report for those three years, which are entrepreneurial intention score of each country, perceived capability that represents self efficacy of the individuals in each of those countries, and fear of failure. The goal of this study is to determine the role of fear of failure and perceived capability on entrepreneurial intention. It is expected by understanding further about the relationship between fear of failure, perceived capabilities and entrepreneurial intention, individual's view on failure and capability itself on intention will be clearer. The structure of the paper is divided into literature review, methodology, finding and discussion, and conclusion.

Literature Review

Intention is an individual's state of mind that desires to achieve a certain specific target (Bird, 1988). Intention is also linked with desirability and feasibility of individual to realize his/her goal (Prodan & Drnovsek, 2010). Intention becomes the foundation for an individual to have courage to take a step to achieve his/her expected goal.

In relation to entrepreneurship, intention is a complex relationship between idea and expected result that can be achieved from said idea. According to Gollwitzer (1999), entrepreneurial intention is an individual's tendency to realize specifically the idea that him/her has in order to achieve the goal (Fayolle & Linan, 2014). Therefore, without intention, an individual will not move forward to realize his/her idea.

Entrepreneurial intention is an individual's behavior to start a business (Mathur & Nathani, 2020). This behavior leads the individual to walk in the path of entrepreneurship. Therefore, entrepreneurial intention can be considered as the first step for a person with interest to be an entrepreneur in his/her effort to achieve the goal. Entrepreneurial intention, be it in Theory Planned Behavior approach by Ajzen (1991) or model of entrepreneurial event by Shapero & Sokol (1982) is basically started from desirability and feasibility that is seen from attitude, subjective norms and perceived behavioral control (Lakovleva & Kolvereid, 2009), and this shows that entrepreneurial intention is fundamentally an individual's own behavior. This is because entrepreneurial intention is more self-dependent, therefore, in order to grow it also depends on the individual him/herself. One thing that plays a role in the emergence of entrepreneurial intention is perceived capability that according to Brush, Ali, Kelley, & Greene (2017), is self-efficacy associated with individual's capability, especially relating to entrepreneurs. Aside from perceived capability, fear of failure also has impact on entrepreneurial intention, however, the impact of fear of failure on entrepreneurial intention is still debatable. Tripopsakul (2018) found that fear of failure has a different impact on entrepreneurial intention in two different countries. Therefore, the relationship between fear of failure and entrepreneurial intention is interesting to be studied.

Fear of Failure and Entrepreneurial Intention

Belief on a person's self ability is an important factor in entrepreneurial intention, but fear of failure can't be ignored as well. Bandura (1983) stated that the negative view of failure causes a person to be unable to achieve his/her performance, but they are able to manage this feeling of fear towards failure and make it a motivation to grow and able to achieve the expected performance. Kim, Han, & Lee (2016) stated that fear of failure has a negative impact on entrepreneurial intention. This proves that the relationship in the study by Bandura (1983) and entrepreneurship, whereby the negative view from fear of failure causes entrepreneurial intention to be reduced. Study by Lim, Park, Li, & Kang (2018), on the other hand, showed a different point of view from Kim et.al. (2016), positive view towards failure can improve entrepreneurial intention. This research showed that fear of failure, when taken as motivation, can give positive impact on intention that an individual has. Thus, fear of failure is fundamentally not to be avoided, but should be faced with in order to move forward, especially in building a business.

Other study showed that fear of failure has negative effect on entrepreneurial intention, more dominant in relation to entrepreneurship (Kollman, Stockmann, & Kensbock, 2017; Mathur & Nathani, 2020). This is to be expected, but when the role of fear of failure is viewed in sports

such as in study by Sagar, Busch, & Jowett (2010), fear of failure helps athletes achieve success, since they try harder to overcome their fear. According to Cacchiotti & Hayton (2014) Fear of Failure can be both a positive and negative impact, depending on the personal characteristic of the individual in responding to it, and finally that characteristic will manifest in the behavior in facing fear of failure. Whether the individual chooses to avoid it or to face the problem. An entrepreneur is expected to be able to overcome problem related to failure such as fear of losing contract or fear of losing investment.

Eklund, Levratto, & Ramello (2018) further strengthened the hypothesis that failure basically has two sides. One side is the fear of failure that makes an individual afraid, but on the other side, their having the fear of failure in conducting business makes them strengthen their competitive advantage and manage their existing resources well. Study by Motaghi-Pishe (2008) also state that fear can destroy people self esteem, it can make them change their career. Study by Wyrwich, Stuetzer, & Sternberg (2015) compared fear of failure and start up activity in two different regions by showing that view on failure can yield different results in start up's moves in the two regions. This research further affirmed that fear of failure indeed has positive and negative sides, therefore its relationship with entrepreneurial intention needs to be studied further.

By understanding the role of fear of failure in entrepreneurial intention, whether fundamentally fear of failure indeed gives negative impact as stated in studies in general, or if fear of failure can become a motivator for an individual, will give a new input to face the feeling of fear. Individual that would like to walk in the path of entrepreneurship can choose his or her own view in facing fear of failure to achieve success as entrepreneur, starting with building his/her entrepreneurial intention.

H1: Fear of Failure has significant effect towards entrepreneurial intention

Perceived Capabilities and Entrepreneurial Intention

Perceived Capabilities is one of the factors that affect entrepreneurial Intention (Mathur & Nathani, 2020). A person's confidence in his/her ability is one contributor in shaping intention to achieve his/her goal (Bandura, 2010; 1984). Self efficacy consists of cognitive, motivational, emotional and selection processes that helps an individual control his/herself, reduce stress and improve capability. Self efficacy represents the capability that an individual has in facing change (Bandura, 2010; Boyd & Vozikis, 1994). Self efficacy develops through an individual's experience in shaping capabilities, which would finally contribute to an individual's achievement in the coming future. Capabilities that emerge become strength for an individual, this gives the capability a role in a person to direct the individual in making choices in life. The individual's belief in his/her ability will become the main support in achieving his/her life goal. By having confidence in his/her own ability, an individual can determine the career that he/she would like to achieve.

Schmitt-Rodermund (2004) found that an individual's ability in his/her teenage days has impact on career that he/she chooses and would eventually affect his/her success. This study supports results of other studies, whereby capabilities will develop and help individual to achieve his/her goal (Baum & Locke, 2004; Boyd & Vozikis, 1994). Having perceived capabilities would affect individual in building his/her business in the coming future, helps individual to find intention

in his/herselves in career that is suitable. Armuna, Ramos, Juan, Feijoo, & Arenal (2020) found perceived capabilities to have impact on entrepreneurial intention. Women that have lower perceived capabilities than men also have lower entrepreneurial intention. Tsai et.al. (2016) also found that perceived capabilities have impact on entrepreneurial intention, be it in China or in Taiwan. The difference is when gender is inserted as moderator, the impact of perceived capability on entrepreneurial intention in China and Taiwan became different. However, this research further affirmed the indication that be it for male or female, perceived capabilities have impact on entrepreneurial intention. The result of this study emphasized that perceived capabilities and entrepreneurial intention basically have positive and significant relationship, therefore, perceived capabilities should have impact on a person's intention to become entrepreneur.

Individual with high perceived capability will have good performance in entrepreneurship (Wennberg, Pathak, & Erko, 2014; Brush, Ali, Kelley, & Greene; 2017). This research emphasized the importance of perceived capabilities in an individual to trigger his/her intention in becoming an entrepreneur. This is because the more a person is sure in his/her ability, the more the individual has confidence in building a business. Therefore, it can be concluded that having perceived capabilities become support for individual to start a business, thus perceived capability is a variable that impacts the emergence of entrepreneurial intention in an individual.

H2: Perceived capabilities have significant effect towards entrepreneurial intention

Theoretical Gap in This Study

Based on the literature review, fear of failure has two side toward entrepreneurial intention. Previous hypothesis testing found that fear of failure has negative or not related to entrepreneurial intention, but qualitative method using interview and observation found that fear of failure have positive impact toward entrepreneurial intention. Based on this indication, the first stage in this study was built. Perceived capability on other hand, always found as supporting variables to entrepreneurial intention, but the role of perceived capability together with fear of failure toward entrepreneurial intention need further research. Therefore the second stage is to testing together fear of failure and perceived capability toward entrepreneurial intention. Perceived capabilities and entrepreneurial intention will be tested to determine whether they have a positive and significant impact according to previous studies that are tested. Fear of Failure and entrepreneurial intention have opposing result in the previous studies, therefore, it is expected that by testing the relationship between these two variables, it will give clearer perspective into the role of fear of failure, especially in entrepreneurial intention. Figure 2 describe the model in this study.

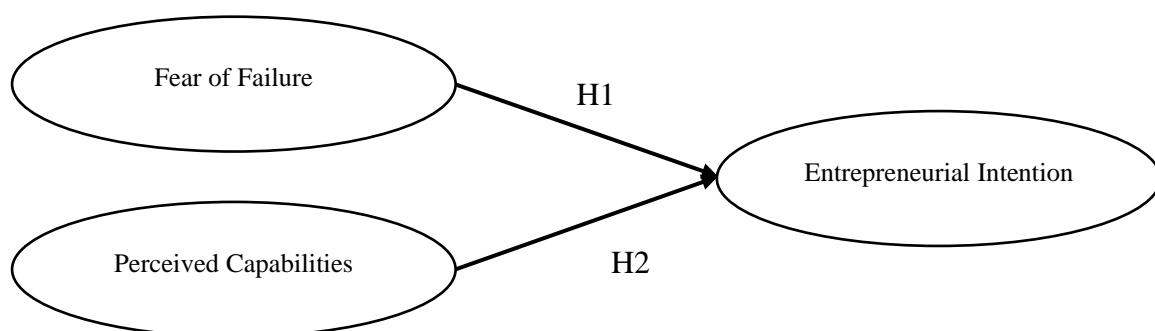


Figure 2. Analysis Model

Methodology

This research used data from GEM report from year 2017 to year 2019 from 40 countries. The data used in this study is cross section and time series data, hence, the approach used in this study is panel data regression. The test in this study was conducted in stages, by conducting initial test on model 1 to determine the impact of fear of failure on entrepreneurial intention. Model 2 was the next stage, by adding the independent variable perceived capabilities. In model 3, researcher added test on the impact of fear of failure on perceived capabilities.

$$EI_{it} = \alpha + \beta_1 FOF_{it} + \varepsilon_{it} \quad (1)$$

$$EI_{it} = \alpha + \beta_1 FOF_{it} + \beta_2 PC_{it} + \varepsilon_{it} \quad (2)$$

$$PC_{it} = \alpha + \beta_1 FOF_{it} + \varepsilon_{it} \quad (3)$$

Note: EI= Entrepreneurial Intention.

FOF = Fear of Failure

PC = Perceived capabilities

Panel data regression in general consists of pooled ordinary least squares (OLS), fixed effect, and random effect. The selection of more suitable model between random effect model and fixed effect model was evaluated using F-test and Hausman (Dang, 2019; Das, 2019). If the results of the F-test and Hausman test show that random effect model is more suitable, then the test will be continued using LaGrange Multiplier to select the model that is more suitable between pooled OLS or random effect (Shawtari, 2018). Wald test for group-wise heteroscedasticity was used to test heteroscedasticity problem (Tran & Vo, 2018), and was used in this study to test the heteroscedasticity problem in fixed effect and pooled ordinary least squares models. Autocorrelation problem and heteroscedasticity can be solved using robust standard errors (Hoechle, 2007).

Findings and Discussion

This section is divided into two, which are finding and discussion. Finding will describe the findings from the data processing conducted. Discussion will focus on the analysis from the data processing results.

Finding

Table 1 is the summary of descriptive statistic, whereby the average for entrepreneurial intention is 22.0867, and varies from 3.9 to 63.8. The average for fear of failure is 36.7867, with minimum value of 17 and maximum value of 64.2. The average for perceived capabilities is 49.2267, with range from 24.2 to 83.4.

Table 1 Descriptive Statistics

Variable	Mean (1)	Std Dev (2)	Min (3)	Max (4)
EI	22.0867	14.5010	3.9	63.8
FOF	36.7867	9.6555	17	64.2
PC	49.2267	11.5606	24.2	83.4

Table 2 shows the selection of the suitable model and model testing, model 1 is the model for the impact of fear of failure on entrepreneurial intention. The results of Chow test and Hausman test showed significant result, therefore, the suitable model to be used is fixed effect

model. Wald test for group-wise heteroscedasticity shows that there is heteroscedasticity problem, therefore, the panel data regression evaluation was conducted using robust standard errors to resolve heteroscedasticity problem. Model 2 is the model of impact of fear of failure, perceived capabilities on entrepreneurial intention, result of chow test shows significant result, and Hausman test shows insignificant result, hence, Lagrange Multiplier shows significant result. Therefore, panel data regression evaluation used is random effect model. The average of variance inflation factor (VIF) in model 2 is 6.74 or below 10, so it can be concluded that there is multicollinearity problem. Model 3 is the model of impact of fear of failure on perceived capabilities, the result of chow test shows significant result and Hausman test shows insignificant result, and the Lagrange Multiplier test shows significant result. Therefore, the panel data regression evaluation used is random effect model

Table 2 Chow test, Hausman tests, Heteroscedasticity and Variance Inflation Factor

	Model 1	Model 2	Model 3
Prob > F (Chow Test)	0.0000 ***	0.0000 ***	0.0000 ***
Hausman Test	0.0322 **	0.2168	0.0529
LaGrange Multiplier	-	0.000 ***	0.000 ***
Wald test for group-wise heteroscedasticity	0.000 ***	-	-
VIF (Variance Inflation Factor)	-	6.74	-

Note: *** significant at the 0.01 level, ** significant at the 0.05 level

Data evaluation was conducted in stages, the initial evaluation in table 3 model 1 was intended to test fear of failure on entrepreneurial intention. The panel data regression result shows p-value of more than 0.05, which is 0.225, which means that fear of failure has no impact on entrepreneurial intention. Based on the panel data regression result for model 1, therefore hypothesis 1 is rejected and hypothesis 0, whereby fear of failure has no significant impact on entrepreneurial intention, is accepted.

Table 3 Panel Data Regression Results for Model 1, Model 2, and Model 3

Variable	Model 1	Model 2	Model 3
	EIN	EIN	PC
FOF	0.1560 (0.225)	0.1704 (0.022) **	-0.1580 (0.047)**
PC	-	0.5045 (0.000)	-
Constant	16.3472 (0.001) ***	-9.0163 (0.122)	55.03836 (0.000)
R Square	0.0284	0.2512	0.1110

Note: *** significant at the 0.01 level, ** significant at the 0.05 level, * significant at the 0.10 level

Evaluation on Table 3 in model 2 added perceived capability variable, which is the second independent variable in the research model. The result of model 2 evaluation shows difference from the evaluation result of model 1, whereby the model 1 evaluation showed fear of failure to not have significant impact on entrepreneurial intention. Evaluation result for model 2 shows that fear of failure has significant impact on entrepreneurial intention, whereby p-value of fear

of failure is 0.022, which is smaller than 0.05, which means that hypothesis 1, which is that fear of failure has significant effect towards entrepreneurial intention can be accepted. The coefficient value for fear of failure is shown to be 0.1704, which means that the impact of fear of failure on entrepreneurial intention is significant and positive. Based on the panel data regression result in model 2, hypotheses 1 and 2 are accepted and hypothesis 0 rejected, fear of failure and perceived capabilities have significant impact on entrepreneurial intention.

Discussion

Betchthold & Huber (2019) showed that the relationship between fear of failure and entrepreneurial intention is basically a pretty complex relationship. Study by Wyrwich et.al. (2015), that compared fear of failure and start up activity of two different countries, yielded different research results from the two countries. This study stated that fear of failure do not always have positive or negative impact. Cacchiotti & Hayton (2014); Eklund et.al. (2018) stated that fear of failure basically has two sides, one side gives positive impact such that the individual will try to overcome fear of failure in him/herself, and the other side causes the individual to step back even when having the intention to achieve his/her dream. Based on study results by Kim et.al. (2016); Kollman et.al. (2017); Mathur & Nathani (2020), fear of failure is shown to have negative impact on entrepreneurial intention, which shows that fear of failure doesn't always become a support towards entrepreneurial intention. The varied research results illustrate the complexity of fear of failure as a part of an individual and his/her behavior.

Testing result from model 1 shows that fear of failure does have impact on an individual in his/her behavior, especially relating to entrepreneurial intention, when there is perceived capabilities in a person or in the society. The test result of model 2 is in accordance with Lim et.al. (2018), that showed that if a person has positive view on failure, then he/she will make the fear of failure as strength to move forward. Fear that an individual has will make said individual encouraged to pursue his/her intention to become an entrepreneur. The result of this study also shows that countries with high fear of failure need not be too worried or pessimistic, because fear of failure can be a positive impact to entrepreneurial intention, if fear of failure is balanced with perceived capabilities, therefore fear of failure will not be a hindrance in building start up business.

Having fear of failure that is simultaneously balanced with perceived capabilities will evoke the spirit in potential entrepreneur to start the path on becoming an entrepreneur. Bird (1988) stated that basically intentional process is started from having personal need, values, wants, and beliefs that he/she can pursue his/her dream. This shows that individual that is sure with his/her ability can overcome the dilemma in him/herself and move forward to build a business. Country with high income per capita does not become a guarantee that entrepreneurial intention will also be high.

From the GEM data used in this study, one of the countries with the highest income per capita but lower entrepreneurial intention is Italy. The fear of failure trend level in Italy is higher, with lower level of perceived capability, which further affirms the result of this study that without having perceived capability, fear of failure will be higher, thus, individual will be more afraid to choose entrepreneurship as his/her career. High level of fear of failure, as long as balanced with perceived capability, can become encouragement to be entrepreneur, such as in Republic of Korea and Canada. In those two countries, level of entrepreneurial intention experienced

increase, fear of failure that their citizens have is relatively high but is balanced with having perceived capability that increases from year to year. This shows that their fear will become encouragement to develop perceived capability in his/herself, hence, supporting their intention of becoming entrepreneur.

The result of this study affirms that basically, fear of failure will exist, however, it's a matter of how to overcome it so that it would encourage individual to achieve his/her dream of becoming an entrepreneur. By having fear of failure, together with perceived capability, an individual can build entrepreneurial intention in his/herself. Mitchell & Shepherd (2011) also supported the result of this study with their study result, whereby fear of failure can basically be a motivation in pursuing entrepreneurial action. Here, it can be seen that having fear of failure, when viewed as a challenge that needs to be faced and not avoided, can become a strong motivation. Fear of failure can make an individual develop him/herself so that he/she can move forward towards success, and it is shown that countries with high level of fear of failure can in general motivate their citizens to have courage in facing fear and take a step towards pursuing their dream by starting entrepreneurial activity (Cacciotti & Hayton, 2015).

Baum & Locke (2004) stated that capabilities in an individual can grow, so that the individual can achieve success. Perceived of capability developed to pursue his/her life goal would shape the courage to move forward. Without having perceived capability, people will not be interested to be entrepreneurs. If the individual has the awareness that he/she has the ability, even if there is fear of failure, entrepreneurial intention would still emerge. Potential entrepreneur that only has fear of failure in his/herself will choose to bury the dream of becoming entrepreneur, so the intention that he/she has will not grow. By having perceived capability, said potential entrepreneurs will have the faith that they can achieve their dream, therefore, entrepreneurial intention level will increase. However, without having fear of failure, the individual will be in a comfortable condition, and would thus not have the willingness to develop his/herself, due to the perceived capability also experiencing decrease. United Arab Emirates and Panama are two countries that can be considered as having high income per capita, whereby the fear of failure level and perceived capability level keep on decreasing, which show decreasing entrepreneurial intention too. This further affirms the result of this study that fear of failure is basically necessary so that the society will walk out of their comfort zone and would like to develop themselves, and thus the entrepreneurial intention level in the country can be increased.

Conclusion

The result of this study shows that fear of failure and perceived capability have significant impacts on entrepreneurial intention. High level of fear of failure and high level of perceived capability can impact entrepreneurial intention. However, without perceived capability, fear of failure won't have impact on entrepreneurial intention level. So that an individual can have the intention to be an entrepreneur, having perceived capability is necessary. Fear of failure affects an individual in terms of entrepreneurial intention only when together with perceived capability, because having perceived capability will make the individual sure of him/herself when choosing to build a business.

Further analysis in this research showed that fear of failure has negatively significant impact on perceived capability. Having fear of failure doesn't always have negative meaning. Individual that is able to control fear of failure in his/herself and make the fear of failure as motivation for

him/her to develop his/her capability would gain the opportunity to improve his/her potential. By having the increase in potential, he/she can achieve the dream.

Next researches can test whether perceived capability has a role as mediating variable in the relationship between fear of failure and entrepreneurial intention. This study is interesting to be conducted, considering the result of this research shows that fear of failure has significant impact on perceived capability and perceived capability has significant impact on entrepreneurial intention. Research with focus on fear of failure is generally very interesting to be conducted due to the complexity of fear of failure itself. The addition of risk and culture variable is one thing that can be done, considering the level of risk and culture in different countries will be different, and would thus impact individual's behavior in overcoming fear of failure.

As entrepreneurs or entrepreneurs' candidate, this study show that people should not have avoided their fear of failure but using their fear of failure to advancing themselves to achieve their dream as entrepreneur. Teach themselves to developing capability to reduce their fear and keep moving forward even though they face their failure.

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