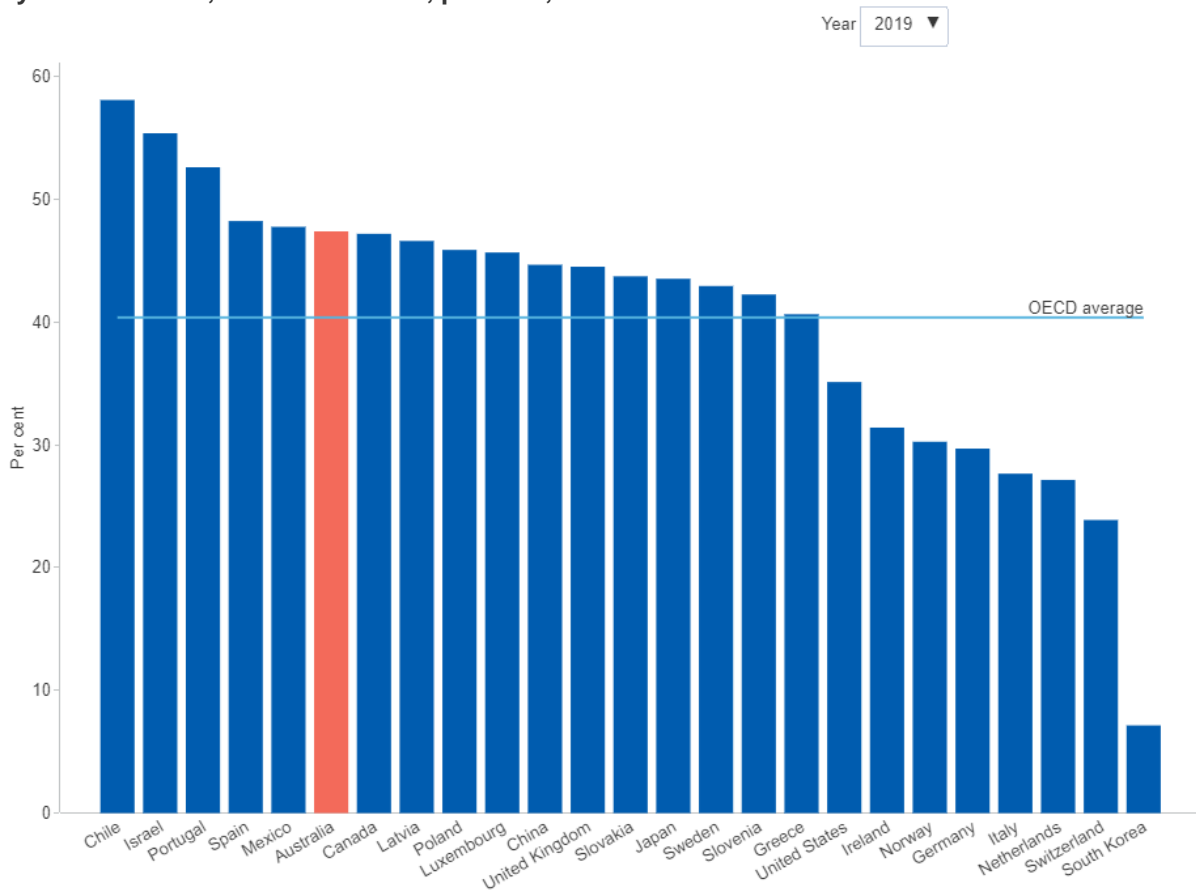


### 2.4.4 Adults prevented from starting a business by fear of failure

Despite the numerous positive features of Australia's entrepreneurship profile, the Global Entrepreneurship Monitor highlights some areas of concern. Reported fear of failure is at its highest level in *Australia* at 47.4 per cent in 2019 since the metric was first measured, well above the *OECD average* of 40.4 per cent. This metric measures the apprehension preventing prospective entrepreneurs from starting a business despite perceiving good opportunities to do so. *Australia's* reported fear of failure is well above countries such as *Germany* (29.7 per cent) and the *United States* (35.1 per cent).<sup>1</sup> The 2019 GEM Australian national report suggests that entrepreneurs outside CBDs have a lower fear of failure, but were also less likely to perceive start-up opportunities, citing high entrepreneurial potential in regional communities.<sup>2</sup>

**Figure: Early-stage entrepreneurial activity, share of adults prevented from starting a business by fear of failure, OECD countries, per cent, latest 2019**



<sup>1</sup> GEM Consortium (2020) *Global Entrepreneurship Monitor 2019/20 Global Report*, Global Entrepreneurship Research Association (<https://www.gemconsortium.org/report>)

<sup>2</sup> Renando C and Moyle C (2021) *Global Entrepreneurship Monitor 2019: Australia Report*, The Australian Centre for Entrepreneurship Research, QUT (<https://eprints.qut.edu.au/211612/>)