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Entrepreneurial fear of failure and psychological well-being: a moderation analysis of resilience

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Abstract: Fear of failure in entrepreneurship research has been considered as the inhibitor of entrepreneurial activity. However, previous studies have primarily focused on non-entrepreneurs. This approach to examining the fear of failure in entrepreneurship does not gauge the actual experience of entrepreneurs while practising entrepreneurship. The purpose of the present study is to examine the effect of entrepreneurial fear of failure on the psychological well-being (PWB) of entrepreneurs and the moderating effect of resilience in the relationship. Data is collected from 129 practising entrepreneurs. For data analysis purposes, regression and moderation analyses have been executed. Results suggested that entrepreneurial fear of failure is inversely associated with PWB of entrepreneurs. In addition, a high level of resilience neutralises the negative effect of entrepreneurial fear of failure on PWB.

Keywords: Entrepreneurial fear of failure; resilience; psychological well-being; entrepreneurs; moderation analysis; stress and coping theory.

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1 Introduction

New business ventures bring value to society and other stakeholders (Fiol and Romanelli, 2012) on the pledge of taking the risk in an unpredictable environment. Like, paragliders, entrepreneurs take the plunge to jump into a risky profession of uncertainty, and that is why choosing entrepreneurship as a career manifested the act of courage. Consequently, in the entrepreneurial process, individuals need to make decisions with a consistent feeling of fear and need courage (Cacciotti and Hayton, 2014). Here, courage does not refer to the absence of fear instead, it is the ability to accomplish desired entrepreneurial goal, despite existence of fear (Kilmann et al., 2010). Therefore, being an entrepreneur is considered as one of the most stressful professions that have harmful psychological consequences (Chadwick and Raver, 2020). In entrepreneurship, previous research studies have attempted to demystify the psychological consequences of the feeling of fear of failure (Kollmann et al., 2017). For instance, in a qualitative study, Chua and Bedford (2016) stated that fear of failure negatively impacts the psychological state of mind of entrepreneurs that resulted in threat of deteriorated self-image in the eyes of others. Furthermore, in a recent study, Soomro and Shah (2021) studied fear of failure in relation with procrastination and found positive relation that conclusively effects subjective well-being of entrepreneurs. However, all these above discussed studies on fear of failure in business demonstrated fear of failure as a stable motive disposition that demotivates individuals to start a new business venture (Cacciotti et al., 2020). Furthermore, these studies (Tsai et al., 2016; Ng and Jenkins, 2018) examined fear of failure in hypothetical context where participants are non-entrepreneurs like students or employees where they show intentions to start new venture. This approach of measuring fear of failure does not capture the actual situation faced by practicing entrepreneurs and their psychological well-being (PWB).

In addition, the adaptability of the entrepreneurs in psychological adversities is another area of interest that catches attention of researchers. More specifically, the ability to adapt to unfavourable situations, despite experiencing consistent stress, trauma, or threat, is referred to as resilience. Empirical research (Korber and McNaughton, 2018) on 'resilience' and 'entrepreneurship' broadly defines resilience as coping strategy after experiencing traumatic event or a process to regain mental stability. Moreover, studies in the past (Oosthuizen, 2021; Li et al., 2019) highlighted the propensity of the construct resilience to use as moderator in reducing stress and anxiety after experiencing traumatic event. Likewise, different domains of knowledge (Psychology, Medical and Sports), recognised resilience as key moderating factor in deciding the performance of an individual while dealing with stressful situations (García-Izquierdo et al., 2018; Thurston et al., 2018). Studies have also demonstrated resilience as a vital factor in explaining entrepreneurial failure (Korber and McNaughton, 2018). However, these studies fall short in explaining the function of resilience as a moderator in performative environment of entrepreneurship and its consequences on the PWB of entrepreneurs. To fill this void, the present research study attempts to address this gap and focus on examining the effect of

entrepreneurial fear of failure on the PWB of entrepreneurs. In addition, this study also examines the interaction effect of resilience between the relationship of entrepreneurial fear of failure and the PWB of entrepreneurs. Furthermore, it is mentioned that the concerned constructs in the manuscript will be abbreviated as ‘FOF’ or ‘EFOF’ for fear of failure and entrepreneurial fear of failure, respectively, whereas PWB will be abbreviated as ‘PWB’.

1.1 Measures

1.1.1 Entrepreneurial fear of failure

In previous literature on entrepreneurship, FOF has been defined as a negative variable that hinders entrepreneurial start-up decisions and worked as an inhibitor in building entrepreneurial behaviour in individuals (Cacciotti and Hayton, 2015). Although there is always a debate in entrepreneurship literature regarding the dimensions of the construct ‘fear of failure’. Different authors have conceptualised fear of failure in entrepreneurship differently. For instance, Arenius and Minniti (2005) defined FOF as a personality disposition that entrepreneurs should avoid in their entrepreneurial journey. On the other hand, Ekore and Okekeocha (2012) explained it as an anticipated negative feeling that demotivates individuals about their probability of success if they start their business venture. As reported by Cacciotti et al. (2016) research on the construct fear of failure in entrepreneurship has been divided into two groups of studies. The first group explain the fear of failure pertaining to risk aversion (Hessels et al., 2011) that manifested the personological view of individuals. Here, personological view represents the individual differences in perceiving fear because risk propensity varies individual to individual. The second group delineate fear of failure as negative emotion associated with environmental cues (Patzelt and Shepherd, 2011), which means that people’s perception about failure is heavily influenced by the existence of social norms that directly links with their feeling of shame in the society (Hessels et al., 2011). However, both groups of studies agreed that experience of fear of failure inhibits entrepreneurial behaviour among individuals and considers it a negative feeling. Thus, EFOF defines as a “negative affective response based on cognitive evaluations of the possibility for failure in the uncertain and ambiguous context of entrepreneurship” (Cacciotti et al., 2020).

1.1.2 Psychological well-being

In entrepreneurship, business owners have to go through the rollercoaster of emotions, both positive and negative, because of the dynamic nature of the market environment, economic policies and changing taste and preferences of consumers. This dynamic environment leaves an unnoticed impact on the mental health of business owners. In previous literature, mental health has been used interchangeably with PWB (Wiklund et al., 2019). The construct PWB commonly referred to as positive mental state or happiness and life satisfaction, however Ryan and Deci (2001), made a distinction between all these related terms. They explained well-being as an optimum state of mind but does not necessarily mean the absence of mental illness. Ryan and Deci (2001) have categorised PWB into two approaches, namely: hedonic well-being (Subjective well-being) and eudaimonic well-being (meaning and purposeful effect of PWB). Hedonic approach or subjective well-being refers to positive emotions or, rather, feeling

happiness (Diener, 2000). It comprises of the presence of positive emotions and absence of negative emotions, which conclusively leads to happiness. Consistent with the views of Diener (2000), Sheldon et al. (2019) described hedonic well-being as state of pleasure or happiness of mind or as well as body. So subjective well-being is the outcome of the two components of the mind: cognitive and affective. The eudaimonic approach of PWB made distinction from hedonic approach because it is not necessary that all the desires or pleasure which a normal human being value yield mental happiness (Ryan and Deci, 2001). For example, taking drugs can give you temporary pleasure of mind but consequently deteriorate PWB. Ryff (1995) presented a multidimensional approach that explains eudaimonic well-being as combining six aspects; life purpose, personal growth, mastery, autonomy, self-acceptance, and personal relatedness. Thus, eudaimonic approach focuses on realising true self or in other words it can be described as the congruency between values and life's experiences. As stated by Aristotle "*Well-being isn't just about pleasure and enjoyment; it's also about striving for perfection, which signifies realizing one's full potential*" (Ryff, 1995).

1.1.3 Resilience

The construct 'Resilience' has become a buzzword for researchers and academicians. The term 'resilience' refers as the ability to cope up encountering stressful experiences without affecting psychological and physical functioning of body and maintaining balance between both (Southwick and Charney, 2012; Fino et al., 2020). The construct resilience has been studied in different disciplines like psychology, ecology, sociology, medical sciences or more specifically neuroscience but there are no common views found between these disciplines on the conceptualisation of the construct resilience (Brandstätter, 2011). Like in neurosciences, Wu et al. (2013) examined the factors (developmental, psychological and neurochemical) that contribute in the enhancement and development of resilience. In sociology, Aldrich and Meyer (2015) defined resilience as the ability to hold out against the breakdown of social infrastructure and further highlighted the importance of social resilience in global environmental change. Apart from this, author like Walker (2020) attempted to demystify the related concepts such as vulnerability, transformability and adaptability.

In the context of entrepreneurship, resilience has been conceptualised as a precondition that enables entrepreneurs or (the business) to effectively handle risk and obstacles in unpredictable and dynamic entrepreneurial processes (Korber and McNaughton, 2018). On the other hand, authors like Krueger et al. (2000) explained the importance of resilience in shaping entrepreneurs' entrepreneurial behaviour or intention and attempt to answer what makes an individual start a new business venture. However, even after differences in the conceptualisation of the construct resilience in different disciplines, there is conscience on the fact that the central focus of the term resilience revolves around bouncing back to normal situation after experiencing setbacks or potential crisis.

2 Theoretical framework and hypothesis development

2.1 *Entrepreneurial fear of failure and psychological well-being*

In contrast to paid workers, entrepreneurs must deal with emotional psychology at every stage of the business process. Apparently, emotions are ubiquitous in entrepreneurship because of their uncertain nature (Baron, 2008). Uncertainty in entrepreneurship gives rise to negative emotions, which consequently arouses the feeling of fear (Patzelt and Shepherd, 2011; Cacciotti and Hayton, 2015). An inherent effect of this fear of not succeeding in entrepreneurial goals indicates the detrimental impact on the PWB of entrepreneurs (Uy et al., 2017). This detrimental effect on well-being results in arousal of incompetency, which works as an inhibitor in taking entrepreneurial action (Engel et al., 2021). Entrepreneurs have to deal with different kind of negative emotions like fear, stress, anxiety and mood disorder, etc. As reported by Berger and Freund (2012) stressful experiences are susceptible to anxiety and mood disorder result in a negative effect on the well-being. However contrary to the above literature, some previous researches claimed that negative emotion like fear can work as a motivator instead of an inhibitor in entrepreneurship (Kim and Kim, 2010). Motivational nature of fear can be justified because the only way to avoid failure is to work hard towards achieving success, so this fear of failure provokes entrepreneurs to work hard to avoid failure in their business ventures. Despite its dual nature, most of the studies in entrepreneurship consider fear as a negative trait that detrimentally affects the PWB of entrepreneurs. So, it is hypothesised that;

H1: Entrepreneurial fear of failure has a significant negative effect on entrepreneurs' psychological well-being.

2.2 *Resilience and psychological well-being*

As an individual characteristic, resilience can be defined as the capability to withstand against the setbacks of life (De Vries et al., 2006; Smith and Yang, 2017; Foster et al., 2020). It is universally accepted that two individuals can't be the same in every aspect of personality whether it is behavioural, cognitive or affective. Conclusively the potential of facing crises varies from individual to individual. For instance, some individuals performed better in tensed and stressful environment while others get frustrated or become depressed. Now here the question arises, what is the phenomenon working behind this deviation of behaviour in the same tensed environment? Thus, this deviation could possibly be the outcome of different level of resilience among individuals which effects the mental health or PWB. As reported by Williams and Shepherd (2016) positive emotion after facing catastrophe, can assist in building resilience which indirectly helpful in reducing stress (Folkman and Moskowitz, 2004). In another study Davydov et al. (2010), have viewed resilience as a defence mechanism and highlighted the importance of resilience in enhancing PWB. Thus, it can be articulated that enhanced resilience could play an active role in enhancing PWB because reduced stress can in turn lead to enhance mental health. On the basis of the above arguments, it is hypothesised that;

H2: There is significant positive relationship between resilience and psychological well-being.

2.3 Moderating role of resilience between entrepreneurial fear of failure and psychological well-being

Resilience refers to the ability to bounce back with positive outcomes after facing stressful events or it can also be described as a tool that work as a buffer against negative life events (Rutter, 2012). Evidences from previous literature claims negative relationship of resilience with stressful or negative events of life (Liu et al., 2015), and positive relationship with psychological health (Arrogante, 2014). Similarly, Wu et al. (2015) argued that resilience could play an active role in alleviating psychological health by neutralising the effect of posttraumatic event. Furthermore, resilience has also been described as the ability of self-adjustment, which differentiate individuals in terms of recovery from adverse effect and returning to the normal psychological position (Li et al., 2018). So, we can say that entrepreneurs with high level of resilience tend to be more effective in dealing setbacks and challenges while practicing entrepreneurship. Duening (2010) states that resilience in entrepreneurial setting, as the ability to bounce back from entrepreneurial failure to normal functioning. Therefore, it is hypothesised that level of resilience in entrepreneurs may act as a moderator between feeling of fear while practicing entrepreneurship and PWB of entrepreneurs.

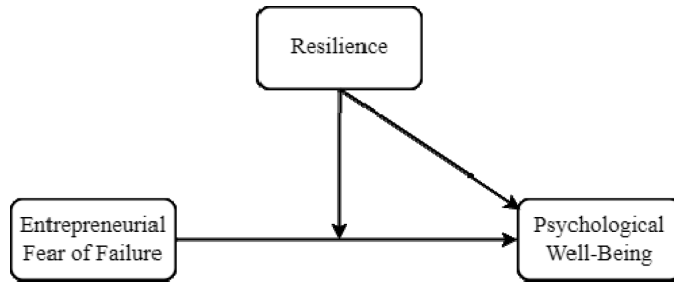
H3: Resilience has a moderating effect on the link between entrepreneurial fear of failure and psychological well-being.

2.4 Lazarus and Folkman's psychological stress and coping theory

The psychological stress and coping theory (Lazarus and Folkman, 1984) is one of the most prominent theories of stress and coping. According to the theory, stress is the outcome of the mismatch between the demand of the situation and available resources to the individual (Folkman, 1984). Folkman, argues that neither the adverse event nor individual's response to the event is the source of stress, rather it is the psychological situation of the individual. Therefore, psychological stress occurs when an individual appraises the encountered situation exceeds the psychological resources and ultimately threatening to their PWB (Biggs et al., 2017). Folkman (2008) states that appraisal process is divided into primary and secondary appraisal. The primary appraisal refers to the evaluation of the situation whether it is relevant or irrelevant to individual's life. While, secondary appraisal is the evaluation of the resources (internal or external) to cope with the stressor.

Based on the Lazarus and Folkman's (1984) theory, a conceptual model is developed that in entrepreneurship, entrepreneurs have to deal with variety of stressors that conclusively impact the PWB of entrepreneurs (Lerman et al., 2020; White and Gupta, 2020). One of those stressors is EFOF which tends to have detrimental effect on PWB of entrepreneurs and this detrimental effect can be neutralises with level of resilience of an individual. Hence, level of resilience is being considered as the psychological resource of the entrepreneur that buffers the impact of stressor (EFOF) on PWB. The proposed conceptual model is presented in Figure 1.

Figure 1 Conceptual model



3 Research methods

3.1 Sample and data collection

The present research study is based on web-based questionnaire administered through an online link via email to business owners of small and medium enterprises. Although the study has adopted convenience sampling method for the collection of data. The attempts have been made to reach suitable sample size and eliminate the limitations of the sampling procedure. Total number of respondents were 151, out of which 22 questionnaires were extracted from the study due to incompleteness. Thus, the study was carried out on 129 respondents. During the data analysis, missing values were treated with the method of median with nearby points using SPSS v26. Table 1 depicts the demographic profile of respondents. Among the total number of samples 62% of respondents were male and 38% female. Maximum number of respondents belong to the age group of 20–30 (65.9%). Most of the respondents in the study have an experience of 0–3 years (42.6%), while 18.6% of respondents have 4–8 years of experience in their businesses. As far as concerned about education, 45% of business owners have post-graduate degree and approximately 31% of respondents were graduate. While answering the question about entrepreneurial training, only 37% of respondents have gone under entrepreneurial training.

Table 1 Demographic profile of respondents

<i>Socio demographic characteristics</i>	<i>Frequency (n)</i>	<i>Percent (%)</i>
<i>Gender</i>		
Male	92	62
Female	37	38
<i>Age</i>		
20–30	85	65.9
31–40	22	17.1
41–50	13	10.1
50+	9	7

Table 1 Demographic profile of respondents (continued)

<i>Socio demographic characteristics</i>	<i>Frequency (n)</i>	<i>Percent (%)</i>
<i>Experience</i>		
0–3	70	42.6
4–8	24	18.6
9–12	14	10.9
13 or more	21	16.3
<i>Education</i>		
Intermediate or less	20	15.5
Graduation	40	31.1
Post-Graduation	58	45
Others	11	8.52
<i>Entrepreneurial Training</i>		
Yes	48	37.2
No	81	62.8

(*N* = 129).

3.2 Measures

Entrepreneurial fear of failure: EFOF is measured using the second order formative scale developed by Cacciotti et al. (2020). It consists of 18 items divided into six dimensions viz. ability to fund (3 items), potential of the idea (3 items), threat to social esteem (3 items), opportunity cost (3 items), personal ability (3 items) and financial security (3 items). All the items are coded on five-point Likert scale ranging from one for strongly disagree to five for strongly agree.

Resilience: Resilience is measured using six items of brief resilient scale developed by Smith et al. (2008). Items are rated on five-point Likert scale coded as one for strongly disagree to five for strongly agree. Some of the items in the scale includes “I tend to bounce back quickly after hard times” and “It does not take me long to recover from a stressful event” etc.

Psychological well-being: PWB is measured by using the shorter version of the scale developed by Hills and Argyle (2002). It consists of eight items coding as one for strongly disagree to six for strongly agree. Some of the items in the scale are “I feel that life is very rewarding” and “I am well satisfied about everything in my life” etc.

3.3 Validity and reliability of formative and reflective constructs

To confirm the validity and reliability of the constructs and structural model, partial least square structural equation modelling (PLS-SEM) is executed using SmartPLS 3.0 software (Ringle et al., 2015).

To measure the construct validity of formative construct, i.e., entrepreneurial fear of Failure, Hair et al. (2018) recommends that the dimensions of the formative construct should be highly correlated and each dimension represents the formative construct

independently. According to Hair et al. (2018), to measure formative construct the criteria of observing AVE, correlations, Cronbach’s alpha, factor loadings and cross loadings do not apply since formative constructs represent different dimensions of same construct and manifested multidimensionality. In formative constructs one need to examine convergent validity using redundancy analysis, collinearity statistics (VIF), *t*-statistics and outer weights (Hair et al., 2018). Table 2 depicts that the tolerance indicator (VIF) is below 3 and *t*-value of all the dimensions of the formative construct are significant and above the recommended level. Thus, low values of outer weight do not compromise the validity of the formative construct (Freeze and Raschke, 2007). Redundancy analysis is carried out through correlating formative construct with overall global measure (Hair et al., 2018). In Table 4, the correlation between formative measure and global measure (0.805) depicts and it is above the recommended level (0.70) that validate the convergent validity (Hair et al., 2018).

To assess the validity and reliability of reflective constructs average variance explained (AVE), Cronbach’s alpha, Composite reliability and factor loadings are concerned (Hair et al., 2018). Table 3 depicts the values that are above the recommended values suggested by Hair et al. (2018). Cronbach’s alpha of resilience and PWB is 0.713 and 0.811 respectively which ensures good internal consistency (Burton et al., 1998). AVE of resilience and PWB is 0.577 and 0.559 that exceeds the recommended level (0.50). Discriminant validity is measured by squaring the root of AVE (Table 3) and all the values are above the recommended level that ensures discriminant validity of the constructs.

Table 2 Construct validity of formative scale

<i>Construct (second order)</i>	<i>First order</i>	<i>Items</i>	<i>Scale</i>	<i>Weight</i>	<i>VIF</i>	<i>t-value</i>	<i>Decision</i>
Entrepreneurial Fear of Failure	Ability to fund	ATF 1	Formative	0.386	2.600	10.563	Supported
		ATF 2	Formative	0.361	2.515		
		ATF 3	Formative	0.371	2.104		
	Potential of the idea	PTI 1	Formative	0.412	2.146	11.477	Supported
		PTI 2	Formative	0.364	1.845		
		PTI 3	Formative	0.384	1.749		
	Threat to social esteem	TSE 1	Formative	0.438	1.276	12.021	Supported
		TSE 2	Formative	0.403	2.037		
		TSE 3	Formative	0.384	1.881		
	Opportunity cost	OC1	Formative	0.458	1.262	14.106	Supported
		OC2	Formative	0.398	2.417		
		OC3	Formative	0.395	1.729		
	Personal ability	PA1	Formative	0.383	1.558	14.106	Supported
		PA2	Formative	0.401	1.732		
		PA3	Formative	0.423	1.519		
Financial security	FS1	Formative	0.379	1.344	14.864	Supported	
	FS2	Formative	0.402	2.660			
	FS3	Formative	0.398	2.535			

t-value 2.58 (sig. level = 0.01).

Table 3 Construct validity of reflective scale

<i>Construct</i>	<i>Items</i>	<i>Scale</i>	<i>Outer Loadings</i>	<i>AVE</i>	<i>Composite Reliability</i>	<i>Cronbach's Alpha</i>
Resilience	Res1	Reflective	0.732	0.577	0.886	0.713
	Res2	Reflective	0.641			
	Res3	Reflective	0.698			
	Res4	Reflective	0.723			
	Res5	Reflective	0.791			
	Res6	Reflective	0.893			
Psychological well-being	WB1	Reflective	0.623	0.559	0.908	0.811
	WB2	Reflective	0.711			
	WB3	Reflective	0.826			
	WB4	Reflective	0.730			
	WB5	Reflective	0.807			
	WB6	Reflective	0.739			
	WB7	Reflective	0.739			
	WB8	Reflective	0.864			

Table 4 Discriminant validity, convergent validity and descriptive of formative and reflective scale

<i>Construct</i>	<i>Mean</i>	<i>Standard deviation</i>	<i>Overall fear</i>	<i>Fear of failure</i>	<i>Resilience</i>	<i>Psychological well-being</i>
Entrepreneurial fear of failure	64.40	17.36	0.805**	N/A		
Resilience	20.23	4.14	N/A	0.589**	<i>0.759</i>	
Psychological well-being	32.06	6.93	N/A	-0.408**	0.594**	<i>0.747</i>

Diagonals (italicised value) represent the square root of AVE (discriminant validity), value in bold represent the correlation between global item and formative construct (redundancy), while other values represent correlations, (sig. value = 0.01**).

3.4 Hypothesis testing

For testing hypotheses 1 and 2, regression analysis with bootstrapping technique with re-sampling of 1000, *t*-statistics and path coefficients were calculated using SPSS v.26. R^2 is used to analyse the predictive power of the relationships of the model. It explains the amount of variance caused by the independent (exogeneous) variable on dependent (endogenous) variable. In analysis R^2 accounts for 0.32 (32%) variation in dependent variable. Table 5 depicts the results of the analysis. The association between EFOF and PWB ($\beta = 0.30$, *t*-statistics = 3.412 $p < 0.01$) along with resilience and PWB ($\beta = 0.34$, *t*-statistics = 3.884, p -value < 0.01) found to be significantly related. Hence, hypotheses H1 and H2 are supported.

Table 5 Hypothesis testing

Relationship	Path coefficient	SE	t-value	p-value	Decision
Entrepreneurial fear of failure and psychological well-being	0.30	0.035	3.412	0.00**	Supported
Resilience and psychological well-being	0.34	0.147	3.884	0.00**	Supported

t-value 2.58 (sig. level = 0.01).

Moderation analysis

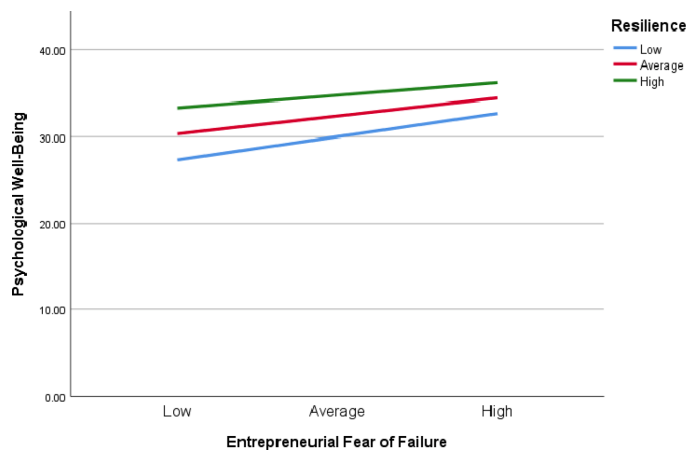
Moderation analysis is executed through PROCESS MACRO using SPSS v.26 for testing hypothesis 3. Results of moderation analysis is depicted in Table 5.1 and reveals that when EFOF, resilience and EFOF × resilience interaction were entered simultaneously to predict PWB, path coefficients of entrepreneurial fear of failure ($\beta = 0.11$, SE = 0.03, t-value = 3.421) and resilience ($\beta = 0.57$, SE = 0.14, t-value = 3.960) found to be significant at $p < 0.10$. Path coefficient of interaction term ($\beta = -0.008$) found to be negatively associated at $p < 0.10$. Simple slopes for the association between EFOF and PWB is significantly associated with low level of resilience ($\beta = 0.15$, SE = 0.03, t-value = 3.90, p-value < 0.10), average level of resilience ($\beta = 0.11$, SE = 0.034, t-value = 3.42, p-value < 0.10) and high level of resilience ($\beta = 0.08$, SE = 0.039, t-value = 2.11, p-value < 0.10). Figure 2 plots the interaction effect.

Table 5.1 Results of Moderation Analysis

Parameter	β	SE	t-value	p-value
Entrepreneurial fear of failure	0.119	0.03	3.421	0.008**
Resilience	0.577	0.14	3.960	0.001**
Intercept (Resilience*Entrepreneurial Fear of Failure)	-0.008	0.04	-1.84	0.067*

Sig. value = 0.05**, Sig. value = 0.10*.

Figure 2 Moderation effect of resilience between entrepreneurial fear of failure and psychological well-being (see online version for colours)



4 Discussion

This research study aimed to analyse the moderating effect of resilience between the relationship of EFOF and PWB. To begin, consistent with previous research studies (Berger and Freund, 2012), the inverse relationship between EFOF and PWB was confirmed via correlation and regression analysis. Findings indicated that EFOF is inversely connected with PWB, confirming the first hypothesis. Business owners having a high level of EFOF tend to be low on their PWB because persistent dread of getting failure in business can result in a high level of stress that would lead to a harmful influence on psychological health. Furthermore, our findings support (Folkman, 1984) psychological stress and coping theory in that business owners who are afraid of failure while practicing entrepreneurship acquire higher stress, which has a detrimental influence on their PWB.

Second, the association between resilience and PWB was found to be positively connected in conformity with prior study findings (Williams and Shepherd, 2016) and verified second hypothesis. Therefore, a high level of resilience would result in improved PWB. A resilient personality responds to unfavourable events in life positively and discovers new ways of fixing the problem. In accordance with Lazarus and Folkman (1984), psychological stress and coping theory, resilient business owners can adjust to unpleasant circumstances constructively to retain their PWB. Here, resilience acts as a psychological resource of business owners that fits the demand of the scenario, which in turn leads to positive mental health.

Lastly, resilience was shown to mitigate the association between EFOF and PWB that validated the third hypothesis. Consistent with earlier studies (Li et al., 2018), the findings indicate that resilience may play an important role in dealing with stressors such as entrepreneurial fear of failure. Consider company leaders who have a high level of resilience and can deal with adversity in their entrepreneurial path without negatively impacting their psychological health. As a result, in an entrepreneurial setting, resilience functions as a pleasant sensation that alleviates the stress caused by an unpredictable business environment.

4.1 Theoretical implications

The findings of the present study add to the literature of entrepreneurship and psychology in numerous ways. First, the study aimed to examine the nexus EFOF, resilience, and PWB. Adoption of the moderation approach enhances the understanding of high or low level of resilience in entrepreneurial settings. The findings indicate a method to evaluate and comprehend some of the similar findings from prior research on the effect of negative emotions on PWB (Huppert, 2009; Chavez et al., 2019). The results enable researchers to examine the transition process of negative emotions of entrepreneurial fear of failure related to stress, anxiety etc. inducing low level of PWB in entrepreneurs.

Second, the findings contribute to the debate over the most significant psychological stress and coping theory of Lazarus and Folkman (1984). In their transactional model, they stated about the imbalance between the situational demand and resources available that causes stress. The findings of the study suggested that the pressure of situational demand in entrepreneurial settings can cope with psychological resources in the form of a high level of resilience. As a consequence, entrepreneurs can reduce the negative effects of stress they encounter when running a business. Lastly, concerning the topic of

entrepreneurship research, the present study contributes to the literature of FOF in entrepreneurship. Contrary to the existing research on FOF in entrepreneurship (Kollmann et al., 2017; Ng and Jenkins, 2018), the present research study enables researchers to examine entrepreneurs while practicing entrepreneurship instead of asking hypothetical questions to assume the circumstances of entrepreneurs hypothetically.

4.2 Practical implications

Entrepreneurs and potential entrepreneurs will benefit from the findings of this research. Entrepreneurs who use inappropriate coping techniques to deal with stress caused by entrepreneurial fear of failure, for example, may suffer from poor mental health and a desire to give up entrepreneurship as a vocation. As a coping technique, entrepreneurs needed personal or environmental resources. This constant FOF can have a detrimental influence on entrepreneur's well-being or their business performance (Farrington, 2017). As a result, entrepreneurs and wannabe entrepreneurs must invest their efforts in developing personal resources, such as resilience, to help them deal with chronic fear of failure as they go through the phases of entrepreneurship. Practitioners and business coaches may also assist entrepreneurs in overcoming their fear of failure by using cognitive behavioural strategies. Furthermore, the current study's consequences are not restricted to the field of entrepreneurship. The findings of this study may be useful to students, academics, and athletes, because these disciplines are prone to contextual and individual level pressures such as familial pressure, threat to social esteem, and other factors that induce stress and hamper performance in a performative setting.

4.3 Limitations and future research

The current study is one of the few that looks into the effect of EFOF on PWB of entrepreneurs. Despite being a preliminary investigation, findings of study generated useful information about resilience as a coping mechanism between the relationship. However, the study is not free from limitations. First, the moderation effect of resilience could be got strengthened by extending the present model through adding endogenous and exogenous variables like self-efficacy, and self-belief. This will open up new avenues for future researcher to further explore the model through executing mediated-moderated technique. Second, the findings cannot be generalised to a large number of population due to small number of participants. Therefore, future studies will benefit from a quantitative assessment of entrepreneurial fear of failure and related coping strategies in a larger sample size. Third, the current study has adopted only resilience as a coping strategy to deal with harmful effect of entrepreneurial fear of failure. Researchers can extend the model by adding related psychological construct like emotion regulation, emotional intelligence and other coping strategies that potentially mitigate the loss caused by negative feelings, etc. Fourth, researchers are invited to examine the individual level personality constructs in relation with EFOF that will give better understanding of the EFOF phenomenon in entrepreneurship domain.

4.4 Conclusion

This study attempts to provide a comprehensive understanding of the effect of entrepreneurial fear of failure on PWB through interaction effect of resilience as a moderator. The results of moderation analysis enable researchers in entrepreneurship to reconsider the concept of fear of failure in performative settings. Specifically, this research offered empirical evidences that practicing entrepreneurs are more prone to poor quality of psychological health due to persistent feeling of failure, contrary to those who intended to start new business venture at future point of time. This study not only provides empirical consequences for business owners, but also provides practical value to academicians.

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