



From Idea to Launch:

Why Millions of Would-Be Founders Haven't Started



Introduction

More than half of U.S. adults — 54%, or 145 million people — have seriously considered starting a business, yet only one-third of them are currently working toward one, according to a new survey conducted by Morning Consult on behalf of Gusto in September 2026.

People are drawn to entrepreneurship by the opportunity to pursue a passion, control their schedule, and build financial security for their family, but uncertainty around the process of starting a business is making it harder for many aspiring owners to achieve those goals.

Much of the gap between aspiring to be an entrepreneur and taking a step toward starting a business may be due to uncertainty about what steps to take, what might happen if they mess up, or incorrect assumptions about how long it takes to launch a business. These are process and knowledge gaps, which were among the most common obstacles to moving forward with launching a business.

Many aspiring entrepreneurs are trying to solve these questions themselves. Forty-three percent of adults who have seriously considered business ownership have used AI for something related to getting started, such as investigating requirements or estimating costs.

Clearer guidance could help more people act on their ambitions. When asked to imagine a single service that would walk them through choosing a legal structure, registering a business, and getting a tax ID, 41% of aspiring entrepreneurs said they would start a business sooner.



Key Findings



More than half of U.S. adults have seriously considered starting a business, yet only one-third of them are currently working toward one.

Fifty-four percent of U.S. adults have considered starting a business at some point in their life, representing 145 million people. Interest is particularly strong among Gen Z and Millennials, at 66% each.



Process and knowledge gaps are among the leading obstacles to moving forward.

When asked why they had not moved beyond a sticking point, 28% of aspiring entrepreneurs cited a process or knowledge barrier. This leads to a real misunderstanding of how long it will take to overcome these obstacles: aspiring entrepreneurs expect 50 hours of administrative work versus the 32 that owners who recently launched businesses report spending.



Aspiring entrepreneurs are turning to AI for advice and encouragement.

Forty-three percent of people who have seriously considered starting a business have used AI in the planning process. Within that group, 28% have talked to AI about their doubts or sought encouragement, and about two-thirds say it prompted them to make a different choice than they would have if they hadn't consulted it.



Many prospective owners say guided support would help them start a business sooner.

Forty-one percent of aspiring business owners said they'd start a business sooner if they had access to a service that walked them through key setup tasks.

Prospective Owners Want More Control Over Their Careers

Aspiring entrepreneurs are driven by the desire for more freedom and agency in their working lives. Turning a passion into a business is the most common motivation, at 30%, followed by the ability to control their schedule (26%) and build long-term financial security for their family (24%). Just over one in five (21%) want to stop working for someone else.

Aspiring entrepreneurs are looking to launch their businesses to advance their lives and careers. Few aspiring entrepreneurs say they want to start a business out of financial necessity, though financial pressure plays a role for some. Eighteen percent of aspiring business owners said they need more income than their job provides, and 16% want to be paid what they believe their work is worth. Concern about losing a job to technology such as AI is relatively uncommon, with just 7% of aspiring entrepreneurs citing it as a reason they're considering starting a business.

Why do you want to start a business?

Among all aspiring entrepreneurs

Reason	Share (%)
To turn something I'm passionate about into a business	30
Control over my own schedule	26
To build long-term financial security for my family	24
To create something that is mine and can't be taken away	23
To stop working for someone else	21
I need more income than my job provides	18
To be paid what my work is actually worth	16
To build something I could eventually sell or pass on	15
I already do this work on the side and want to make it a real business	14
To see if my specific idea will work	13
To do work that matters in my community	11
I feel stuck with no path to grow where I work	10
My current job feels unstable or replaceable	8
I'm worried about losing my job to technology (e.g., AI) and I want to future proof	7
Something else	1

Respondents were asked to choose up to three reasons
Source: Gusto; Morning Consult

Two-Thirds of Gen Z and Millennials Have Considered Business Ownership

Interest in ownership is especially strong among younger generations. Two-thirds of Gen Z and Millennials have seriously considered starting a business at some point in their lives, compared with 52% of Gen X and 34% of Baby Boomers. The extent to which younger generations act on their interest in business ownership in the coming decades will shape where Americans work and how new jobs are created.

Share of people in generation who have ever considered starting a business

Among all U.S. adults in each generation

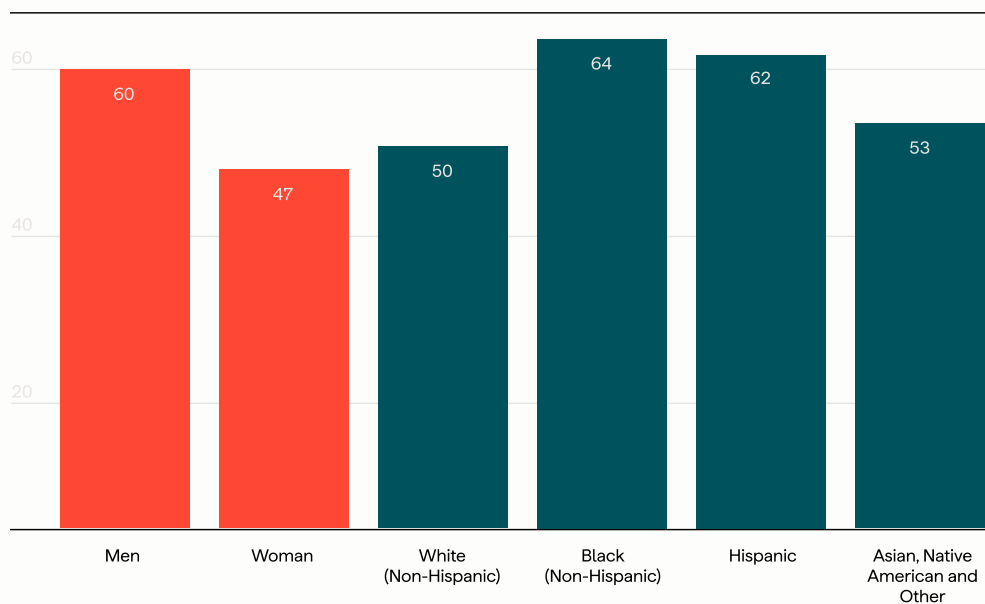


Source: Gusto; Morning Consult

Interest in entrepreneurship extends across demographic groups. Nearly two-thirds of Black (64%) and Hispanic adults (62%) have considered starting a business, compared with 50% of White adults and 53% of Asian, Native American, and other groups. Men are more likely to have considered ownership than women, at 60% versus 47%.

Share of people in each demographic who have ever considered starting a business

Among all U.S. adults in each demographic

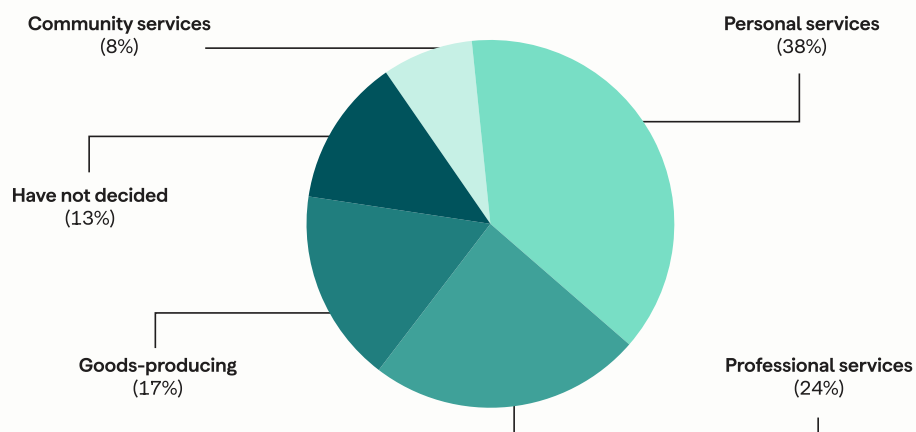


Source: Gusto; Morning Consult

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The businesses people hope to build span much of the economy. Among those pursuing a business, personal services is the largest intended sector (38%), followed by professional services (24%), goods-producing businesses (17%), and community services (8%).

Share of planned businesses by sector



Source: Gusto; Morning Consult

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Many Prospective Owners Are Already Making Progress

Many prospective owners have already taken concrete steps toward building a business. Even among those who say they are thinking about starting a business but have not yet begun working toward it, 39% have written a business plan or outline, and 37% have researched a legal structure.

Aspiring entrepreneurs described their own progress toward starting a business. Some had offered goods or services even though they said they had not yet begun working toward establishing a formal business.

Among those actively working toward a business, 23% have opened a business bank account or credit card, 22% have registered a name or applied for a license, and 19% have applied for or obtained an employer identification number.

Specific steps taken to start a business

Separated by business start status

Steps taken	Say they are actively working (%)	Say they have not started (%)
Written a business plan or outline for a business idea	42	39
Researched what legal structure to use (LLC, sole proprietorship, corporation, etc.)	41	37
Offered goods or services to customers	38	29
Purchased equipment, inventory, or software for the business	28	14
Explored or applied for a business loan	27	15
Opened a credit card or bank account for a business license	23	13
Registered a business name or applied for a business license	22	11
Applied for or obtained an EIN (Employer Identification Number)	19	10
Found or paid for professional help (e.g., accountant, lawyer, business advisor)	18	6
Started the process to hire an employee or contractor (posting a job, interviewing candidates, or researching payroll)	15	7
Hired someone (either an employee or contractor) to work for pay at my business	11	7

Those actively working are those who say they are executing on their business idea; those who have not started say they have not started executing their business idea.
Source: Gusto; Morning Consult

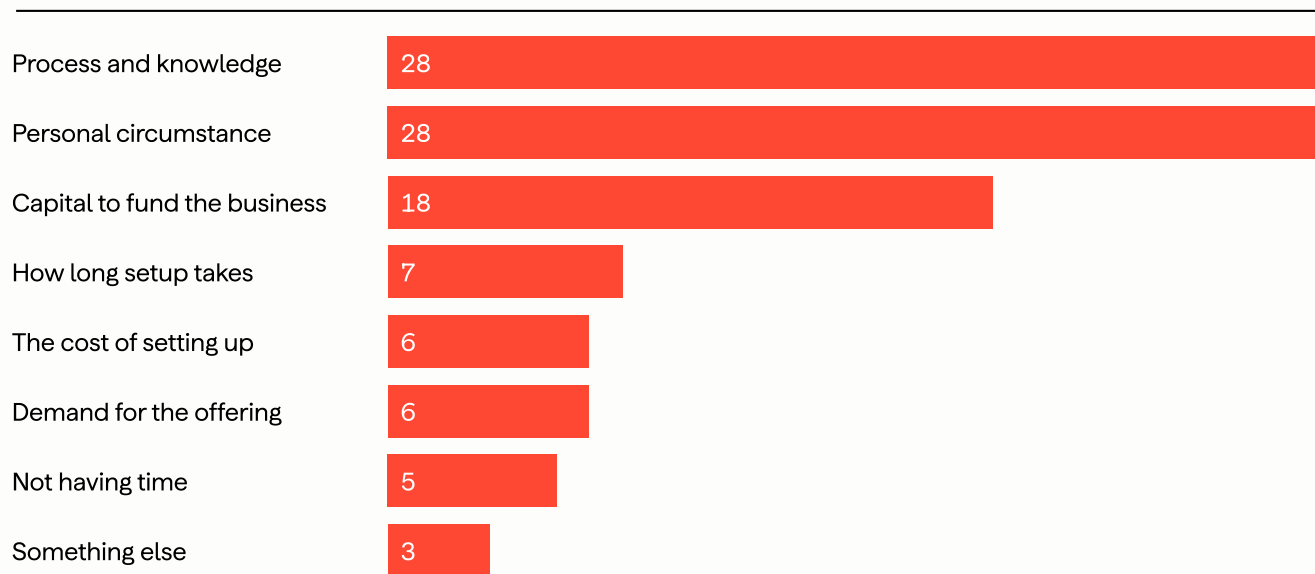
Paid work and formal setup can happen at different times. Someone who has already found customers may still need help understanding which setup tasks they still need to complete.

Process and Knowledge Gaps Make Next Steps Unclear

For many aspiring entrepreneurs there's a straightforward path to starting a business: knowing the ins and outs of their industry, knowing the product or service they want to sell, and finding their customers. Our survey finds that more than half of people who have taken a step to build their business (53%) are already being paid for their work. Forty-two percent have written a business plan, while 41% say that they've researched appropriate legal structures. These entrepreneurs know the steps that they need to take to turn their passion into a business, but they run into difficulty when it comes time to formalize their work.

A lack of knowledge around the process of starting a business is a common obstacle. When aspiring entrepreneurs were asked why they had not moved beyond a sticking point, 28% cited a process or knowledge barrier. These include not knowing which steps to take, finding requirements scattered across websites, and worrying about getting something wrong with taxes or the law.

Main barrier to starting a business



Rounding results in total summing to more than 100
Source: Gusto; Morning Consult

A lack of knowledge and knowing the next steps in the process may be why aspiring small business owners over-estimate the length of time it will take to do the administrative work associated with starting a new business by more than 50%. Recent business owners estimated spending 32 hours on administrative work setting up their business, while aspiring business owners expect that they'll need to spend at least 50 hours doing that work.

Process and knowledge gaps are solvable problems. Forty-one percent of aspiring business owners said they'd start a business sooner if they had access to a single service that could walk them through choosing a legal structure, registering their business, and getting a tax ID. Another 27% said such a service would lead them to start a business they otherwise wouldn't. Reducing uncertainty around starting a business could significantly boost entrepreneurship.



Aspiring Entrepreneurs Are Turning to AI for Practical Guidance

Many prospective owners are already seeking help as they work through the questions that come with starting a business. Forty-three percent of aspiring entrepreneurs have used AI for something related to the start-up process.

Among these AI users, 37% have used it to investigate legal requirements, and the same percentage have used it to estimate start-up costs. About a third (34%) have asked whether their idea is worth pursuing.

How those starting a business are using AI to launch

What people use AI for	Share of AI users considering starting a business (%)	Sharing of everyone considering starting a business (%)
Finding out what's legally required to start	37	16
Estimating what it would cost to start	37	16
Working out whether the idea was worth pursuing	34	14
Finding out what licenses or permits I need	33	14
Developing my product or service	32	14
Understanding which legal structure to choose or what taxes I'd owe	32	14
Drafting documents, contracts, or filings	29	12
Talking through doubts or getting encouragement	28	12

Those actively working are those who say they are executing on their business idea; those who have not started say they have not started executing their business idea.

Source: Gusto; Morning Consult

Many prospective owners say the assistance they've received from AI has led them to adjust their approach. Two-thirds of those considering starting a business who used AI for something related to starting a business say it prompted them to make a different choice than they would have if they hadn't consulted it. Among that group, 38% said it gave them an ordered list of steps, and the same share said it answered a question they'd been stuck on.

How AI helped aspiring entrepreneurs

Among aspiring entrepreneurs who used AI

	Share (%)
It gave me a clear list of what I needed to do, in order	38
It answered a question I'd been stuck on for a while	38
It helped me better understand the financial side of starting a business	33
It showed me I could do something myself instead of paying someone	32
It showed me the process was simpler than I thought	32
It gave me confidence the idea was good enough	30
It gave me a deadline or a plan I felt accountable to	27
It walked me through an actual form or filing	26

Source: Gusto; Morning Consult

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In addition to seeking help with practical steps of starting a business, aspiring entrepreneurs are using AI to discuss their judgment and confidence. More than a quarter of potential business owners who are consulting AI (28%) have turned to the technology to talk through doubts or get encouragement. A clearer understanding of the personal and practical sides of running a business can make the prospect of starting it feel more manageable.

Conclusion

Entrepreneurial ambition is widespread in the U.S., but there's a substantial gap between the percentage of adults who are considering business ownership and the percentage who are actively pursuing it. Not understanding the processes and requirements to turn their passion into a business is among the most common barriers, and it's the one that's most easily solvable. Many are already working for their business, but do not know how to proceed when it comes to formalizing.

These prospective owners have already done the work. They've written plans, researched requirements, or even found customers. Getting clearer information and stronger support around the setup process could help aspiring entrepreneurs build on those initial steps and ultimately experience the full benefits of business ownership.



Methodology

This report is based on the results of a survey of U.S. adults conducted by Morning Consult on behalf of Gusto. The survey was conducted from September 1 to September 8, 2026, among 6,105 US adults, weighted to the U.S. adult population.

At the full sample, the margin of error is plus or minus 1.25 percentage points at the 95% confidence level. Every subgroup and crosstab in this report draws on a smaller base and carries a wider margin of error.

Margins of error here are design-adjusted for the survey weighting, which widens them near 50% and narrows them at the extremes relative to the vendor's published figures. They cover sampling error only. Coverage error from an online panel is a separate, unquantified source of uncertainty.

We do not report any cell sizes with fewer than 100 respondents.

We grouped the survey's fifteen industry options into four sector groups, approximating 2-digit NAICS sectors. They map as follows:

- Goods-producing: Construction, trades, or contracting; Transportation, delivery, or logistics; Manufacturing or wholesale
- Personal services: Retail or e-commerce; Food service, restaurants, or catering; Personal services (salon, fitness, cleaning, childcare, pet care); Arts, entertainment, or events
- Community services: Health care or wellness services; Education, tutoring, or training
- Professional services: Professional services (consulting, legal, accounting, marketing); Creative or media work; Technology or software; Real estate