Social Entrepreneurship and Entrepreneurial Philanthropy: Their Contribution to a 'What Works' System in the Homelessness Field

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Introduction

Historically it has not been only (or even primarily) governments that have sought to respond to the complex challenge of homelessness. From alms-houses for the elderly funded through religious charity, to large-scale social housing provided by philanthropists, to refuges for women who are escaping domestic violence provided by non-profit organisations, private actors have intervened in diverse ways. Over the last decades there has been a significant re-emergence of such private action for public benefit across multiple fields of social action. Examples of this re-emergence include a global increase in non-profit associations, growing numbers of philanthropic foundations, and the emergence of hybrid organisations such as social enterprises that combine social purpose with commercial activities (Salamon, 1994; Defourny and Nyssens, 2017; Johnson, 2018). These developing phenomena have complex origins, but a consistent theme is awareness of the limits of government and the market to resolve persistent social problems (such as poverty), or tackle new ones (such as climate change).

This re-emergence has been characterised by a concurrent re-imagining of the function and approach of private action, including a sharpened focus on impact and evidence. This article explores two influential and interconnected examples of this reimagining of private action for public benefit – social entrepreneurship and entrepreneurial philanthropy – and reflects upon their potential contribution to an evidence-based system of innovation and intervention in the homelessness field. The paper first introduces the concept of social entrepreneurship, exploring its potential contribution to a what works system, and describes the role of entrepreneurial philanthropy in funding such approaches. It then makes tentative proposals about the specific functions of social entrepreneurship in the homelessness field.

A final section explores criticisms of social entrepreneurship and entrepreneurial philanthropy, especially with regard to the distribution of power, and identifies possible mitigations.

Social Entrepreneurship

Social entrepreneurship is an approach to social change that fuses social purpose with the behaviours and processes of commercial entrepreneurship. Its precise boundaries and characteristics are often unclear (Dacin et al., 2011), and narratives around social entrepreneurship can be prescriptive, uncritical, or celebratory. At the core of the concept, however, are a set of behaviours and approaches that have the capacity to add significant value to attempts to solve social problems. This section presents a short overview of key dimensions and processes of social entrepreneurship as a foundation for understanding its potential contribution to an evidence-based ecosystem.

What is social entrepreneurship?

Commercial entrepreneurs create private economic value. Social entrepreneurship is an activity that has an explicit intention to create social value or repair an 'unjust equilibrium' (Dees, 1998; Mair and Marti, 2006; Martin and Osberg, 2007, p.35). Social value is created explicitly through innovation and social change; social entrepreneurs are 'change agents' (Dees, 1998, p.4). It is, moreover, social change of a particular nature that is frequently emphasised: drawing on the classic description of commercial entrepreneurship as "creative destruction" (Schumpeter, 1942/1976, p.81ff), the focus is not on small-scale incremental change, but on the reconstruction of systems, long-term solutions, and "transformational benefit" (Martin and Osberg, 2007, p.34; Dees, 2012).

Descriptions of social entrepreneurship commonly identify five processes or dimensions:

1. *Opportunity identification:* social entrepreneurs identify opportunities through a strategic exploration of the field (Phillips and Tracey, 2007; Haugh et al., 2018); Martin and Osberg (2015, p.79) describe a process of "intensive understanding of a particular status quo". There is a suggestion that social entrepreneurs do not simply recognise opportunities to enact social innovation, but also in some cases actively create those opportunities by framing a problem differently (Tracey et al., 2011).

2. *Resource mobilisation:* commentators describe 'bricolage' – 'making do' with limited available resources, creating innovative new resource combinations, or applying existing resources to new situations or problems (Baker and Nelson, 2005; Janssen et al., 2018).

3. *Intervention design and business model:* social entrepreneurs design an appropriate product or service and, given both the nature of the intervention and available resources, select a business model. There is often a focus on action – a swift move to empirical testing of the key assumptions of the proposal, drawing on approaches such as the lean start-up or the rapid prototyping techniques characteristic of design thinking (Blank, 2013; Ideo.org, 2015).

4. *Organisational construction:* social entrepreneurs build organisations to implement their interventions. They may use either for profit or non-profit organisational forms, depending upon the nature of the social needs and other characteristics of the operating environment (Mair and Marti, 2006). Often social entrepreneurs may use hybrid organisational forms: the creation of a hybrid organisation, combining behaviours or processes from different sectors, or from different fields of activity, can itself be an important act of social innovation that enables new ways of working for social impact. Powell and Sandholtz (2012), for instance, describe the development of the biotech firm by entrepreneurial actors working across institutional boundaries.

5. *Scaling:* if an intervention or product is successful, the social entrepreneur seeks to move to scale, whether through open-source dissemination, collaboration, expansion in the market through organisational growth or social franchising, or through take-up by government (Heinecke and Mayer, 2012; Martin and Osberg, 2015). The focus on scale is not upon expanding an organisation's size, but upon increasing and maximising social impact (Martin and Osberg, 2015).

An important definitional question is whether social entrepreneurship necessarily involves the creation of economic value through market trading. Numerous commentators insist upon some degree of such economic value creation (for instance, Mair and Marti, 2006; Dacin et al., 2011). This firm link to commercial activity helpfully narrows the boundary of the phenomenon for the purpose of critical analysis. But it comes at the expense of limiting the range of possible solutions available to the social entrepreneur, pushing the practice of social innovation towards market solutions. This paper takes a broader view: its focus is on

entrepreneurial activity by private actors that intentionally seeks to create social change, and there is no requirement that solutions should include commercial activity as part of their business model.[1]

Social Entrepreneurship:
Its Contribution to a 'What Works' System

How can social entrepreneurship contribute to an evidence-based approach to tackling homelessness? To answer that question, we must first step back to consider the perceived weaknesses of traditional modes of resource allocation (government, market, non-profit sectors) in supporting evidence-based innovation. Meaningful innovation for social good can, of course, be created within traditional economic sectors: government can drive social innovation through funding and facilitation of partnerships (Mazzucato, 2021); civil society is a 'creative chaos' from which new ideas emerge, especially at the grass-roots level (Dahrendorf, 2000; Osborne, 1998); the market has contributed to social benefit through innovations ranging from hearing aids to energy-saving technology to developments in housing construction. There can, however, be specific barriers in each sector that constrain innovation or the pursuit of maximum social impact. In the homelessness field specifically, there can be a lack of experimentation, a failure to tackle the root causes of problems, and a tendency "to do what we have always done in the past" (Teixeira, 2020, p.3). Three specific problems can be identified – risk aversion, a focus on remedial interventions rather than lasting solutions, and the undersupply of social innovation in markets. For each of these problems there are arguments that the social entrepreneurship approach can provide a remedy.

First, there is the problem of *risk aversion*, especially within government. We look to government to tackle and solve social problems, but frequently its responses seem inflexible, slow, and unadventurous, including in the homelessness field. Part of this lack of innovation can be attributed to bureaucratic systems that lack agility and do not easily facilitate the development of new ideas. Perhaps more importantly, governments can be conservative and risk-averse (Rose-Ackerman, 1980; Howlett, 2014). Innovation risks failure, and failure risks accusations of wasted taxpayer funds and incompetence. Social entrepreneurs, by contrast, are willing to take risks to create social impact. Part of this risk-taking is attributable to an entrepreneurial mindset of innovation and disruption; it is supported by entrepreneurial

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[1]   There is no reason why the concept of social entrepreneurship should not include state actors creating change within the government sector. For the purposes of this article, however, the primary focus is upon private action for public benefit.

tools such the lean start-up and techniques from design thinking that encourage the swift testing of ideas and assumptions, and which limit the expense and cost of failure. The capacity to take on risk is further enabled where entrepreneurial initiatives are funded through philanthropic resources, as discussed further below.

Second, there can be a tendency to focus on *short-term remedies* rather than to innovate for long-term solutions for social problems. Government behaviour can be driven by the electoral cycle and crisis management. Third sector organisations have been criticised for focusing on remedial work and symptom alleviation, rather than solutions. Compassion and the charitable impulse may encourage help to those immediately in need, but does not support the rigorous and dispassionate work required to prevent need from occurring (Dees, 2012). Social entrepreneurship advocates, on the other hand, emphasise a focus on solutions and disrupting entrenched and ineffective systems (Dees, 2012; Martin and Osberg, 2015). As an example, consider homelessness in situations of natural disaster such as earth-quakes. The response by non-profit and state agencies is emergency humanitarian relief. Such interventions are of course vital in the moment of disaster – but they do nothing to break the cycle of vulnerability and crisis. The response of the social entrepreneur is to seek a solution. Thus the mission of NGO Build Change is to reduce deaths, injuries, and economic disruption when earthquakes strike by increasing the stock of disaster-resistant houses and schools in emerging economies (Build Change 2015). It does not undertake construction itself, but facilitates partnerships, trains local builders, engineers, and officials, and spreads knowledge about the latest developments in earthquake-resistant design. The organisation is seeking to disrupt the cycle of disaster through its work; we can note too that the focus is not on scaling the organisation, but on scaling impact through knowledge dissemination and transfer of expertise to local actors.

Finally, the *market can undersupply goods that are of benefit to society*. Social innovation is an example of a positive externality: some innovations may carry significant social benefits beyond the firm that produces them and the customer that receives them. The market actor, focused only on the extraction of private value through profit, does not consider wider social benefits in decisions about produc-tion or investment. Private profit alone may be insufficient to justify the risk of investment, and an opportunity to make social change is overlooked. But social entrepreneurs, because their motivation is social impact and not profit maximisa-tion, can push through market-based social innovation that would otherwise be undersupplied (Le Grand and Roberts, 2020). M-KOPA, for instance, is a for-profit firm that uses a combination of solar-powered technology and mobile phone finance systems to deliver affordable and sustainable electricity to off-grid homes and businesses in Africa. For conventional profit-making actors, the balance of risk and private financial return would be unfavourable for investment. Instead, the

founders of the firm were social entrepreneurs, and the initial funders were social investors and development finance institutions who sought social impact as well as financial return. Where a market-based approach is not feasible, the social entrepreneur can instead make visible the social innovation and its market under-supply to government, in the hope of government intervention through subsidy or other mechanisms (Santos, 2012).

Such arguments make a persuasive case for the role of social entrepreneurship as a driver of change. The mixing of social purpose with entrepreneurial energy and structure can generate innovation, disruption and experimentation with an intention to solve social problems. A central function of social entrepreneurship is to provide evidence and information about what works, and this evidence and information can be of different kinds. Social entrepreneurship activities can, of course, provide evidence about the effectiveness of a specific service, product, or therapy. But they can also establish the market viability of certain goods and services: by taking the role of first mover in a market, the social entrepreneur can provide evidence about the profitability or not of a new and potentially valuable product or service, informa-tion that may encourage the entrance of conventional market actors.

Resourcing Social Entrepreneurship: Entrepreneurial Philanthropy

Given the weaknesses of the state and mainstream market in supporting social innovation, funding for social entrepreneurship from these sources, while possible, can be limited. Social entrepreneurship can thus lean heavily on philanthropy. This section briefly describes the role of entrepreneurial philanthropy in supporting evidence-based social innovation and social entrepreneurship.

The concept of entrepreneurial philanthropy has two essential underpinnings. The first is a powerful analytic and normative case for the innovation or 'discovery' function of large-scale philanthropy (Anheier and Leat, 2006; Reich, 2018). Philanthropic foundations have an unusual freedom. They are constrained neither by electoral popularity nor by the pressure to make profit. They are, aside from broad tax regulations around public benefit, largely unaccountable. This lack of accountability presents opportunities to take risks and to wait patiently for impact without regard for short-term electoral and investment cycles – it is, in other words, an opportunity to fund innovation for public benefit. Complementing this discovery function, there is also a function of pluralism: philanthropy can support the needs of those marginalised in society, whose voices are not heard within a majoritarian political system, whether because of disadvantage, ethnicity, gender, or belief, or because they are a future generation not represented in present-focused elections

and markets (Anheier and Leat, 2006; Reich, 2018). Taken together, these proposed functions of pluralism and discovery create a powerful case specifically for philanthropic funding of innovation for social justice.

The second underpinning of entrepreneurial philanthropy is the emergence over the last three to four decades of outcome-based or strategic philanthropy (Brest, 2020). The outcomes-based movement responds to the perceived lack of impact of traditional philanthropic giving and its failure to attend rigorously to performance management, impact, or the root causes of social problems. Drawing tools and processes from fields such as business, finance, and social science, the outcomes-based approach privileges approaches and techniques that are largely consistent with a 'what works' and evidence-based system: a focus on solutions and, sometimes, large-scale systems change; clear delineations of intended outcomes and impact; a theory of change that provides an explanation of the predicted path to impact; impact evaluation and cost-benefit analysis; and a commitment to learning from interventions whether successful or not (Brest, 2020).

From these two underpinnings – the freedom to finance innovation and the commitment to rigour, impact, and solutions – comes the idea of entrepreneurial philanthropy: focused and rigorous grant-making (and sometimes investment) that takes risks, seeks to catalyse innovation, and aims at solutions, not remedies, to social problems. Taken together, the combination of entrepreneurial philanthropy and social entrepreneurship creates a powerful axis of risk-tolerant and impact-focused resourcing and innovative design and delivery for social impact.

Social Entrepreneurship and Homelessness: Multiple Inflection Points

How might social entrepreneurship approaches be applied in the homelessness field? The potential contribution to innovation and long-term solutions is broad. Homelessness is a diverse phenomenon with multiple causes and consequences; people experiencing homelessness have different and complex individual journeys. As a result there are multiple points in the system – or inflection points – where there are opportunities for significant entrepreneurial impact. A typology of different potential functions of social entrepreneurship in the homelessness field is offered below.

1. *Evidencing systems of injustice*
   An evidence-based approach to social change is not only about designing and testing interventions. It can also imply close examination of a social problem or an unjust equilibrium, so that strategies for social change are well-informed and appropriately framed. Polaris is a US non-profit organisation that seeks to

disrupt human trafficking, which can especially target young people experiencing homelessness (Murphy 2017; Chisolm-Straker, 2019). It operates a national human trafficking hotline to support victims and survivors of trafficking. The aspiration of Polaris, however, is not simply to offer remedial support, but to be "a movement that reduces, prevents and ultimately ends sex and labor trafficking" (Polaris, 2021). It does so by collecting data and evidence on trafficking operations and business models in the US, and mapping how these intersect with financial institutions and other mainstream institutions. The focus of information-gathering is not upon the extent and symptoms of suffering (although this is important); it is upon investigating and providing evidence about the systems that cause the suffering. The close mapping of (in this case) a criminal market of exploitation can inform efforts to disrupt it, and uncover new opportunities for social intervention.

2. *Creating interventions to tackle the root causes of homelessness*
   Social entrepreneurship can support innovation in the introduction and design of interventions that tackle the perceived root causes of homelessness. One such root cause, for instance, has been identified as dislocation from the labour market. Much attention has been focused on the work of social entrepreneurs in this area, especially in the development of work integration social enterprises that support those experiencing homelessness or those at risk of homelessness to return to mainstream employment (Teasdale, 2010; Tracey et al., 2011); work integration social enterprises may offer the possibility of a long-term solution to economic exclusion by providing individuals with a stable income, by acclimatising them to the world of work, and by providing training and psychological support packages (Tracey et al., 2011). These organisations are now a familiar phenomenon across Europe (Spear and Bidet, 2005); examples in England include Luminary, a bakery which supports women who have experienced domestic violence, and Brigade, a restaurant that supports and employs people who are deemed to be vulnerable (Luminary, 2020; Brigade, 2021). Work integration activities are only one example. Just as the root causes of homelessness are diverse and cut across spheres of public policy, so too the opportunities for social entrepreneurship approaches are multiple.

3. *Technological innovation*
   Much contemporary social entrepreneurship pushes forward technological solutions for social problems. Build Change, as described above, develops and disseminates technical knowledge about improving the resilience of houses in earthquake zones. Digital technology, such as blockchain, may have a particular function to play in supporting people who struggle to prove their identity to health or financial providers on account of homelessness (for instance, Mercer and Khurshid, 2021).

4. *Market development*

Social entrepreneurship can play a role in developing or repairing markets. The activities of M-KOPA, described above, have established both market viability and consumer demand for solar-powered off-grid energy; Muhammed Yunus famously established the viability of a market in microloans to disadvantaged women in Bangladesh (Yunus 2007). There may be potential for such market development in the homelessness field – for instance, in social housing or fintech products for those who are unbanked. By establishing the viability of a market for a social innovation, there is the possibility of taking the innovation to scale.

5. *New forms of organisation and governance*

Social entrepreneurship can create disruptive innovation not just at the micro-level of services or products, but also at the level of organisational or institutional structure. In particular, as described earlier, social entrepreneurs can combine mechanisms or characteristics from different economic sectors into hybrid organisations that can be better tailored to create specific social value. The market-based work integration social enterprise is an example of the emergence of one such hybrid within the homelessness field. Tracey et al. (2011) describe how social entrepreneurs in the UK fused together the contrasting processes and values of commercial retail and non-profit homeless support to form a for-profit business, Aspire, that employed people experiencing homelessness; they attempted to expand the organisation through a franchise model and, unusually, planned that it would be commercially sustainable. While the specific organisa-tion failed, the new organisational form – the commercial work integration social enterprise – became recognised and widely replicated as an innovative means of organising and resourcing work integration interventions. Innovative, complex and sometimes controversial hybrid organisations can be identified in particular in the provision of social housing. Nguyen et al. (2012) describe Charlotte Housing Association, a US government housing corporation that has both non-profit and for-profit subsidiaries, an arrangement that facilitates the provision of multiple services, enables flexibility in delivery, and creates the possibility of private investment.

6. *Disseminating and embedding evidence*

Creating innovative interventions and creating a rigorous evidence base of their effectiveness does not guarantee implementation. Social entrepreneurship approaches can support innovation in knowledge dissemination. A significant focus of Build Change, for instance, is both the dissemination of technical knowledge about disaster-resistant housing to communities, professionals, and government, and also the facilitation of collaborations for change between such actors. In the UK the Centre for Homelessness Impact has identified weak-

nesses in the dissemination of evidence in the homelessness field and in its use in policy and practice; its activities facilitate the generation, dissemination, and use of evidence by policymakers and practitioners.

Social and political activism too can play an important role in an evidence-based system. Activists can raise the profile of what works and pressure key decision-makers to enact necessary political change or scale a particular innovation. For some authors, activism is considered conceptually distinct from social entrepreneurship: the focus is on influencing, and not on designing and delivering direct social value (for instance, Martin and Osberg, 2007). In practice, however, there is often a blurred boundary between entrepreneurship and activism, with the two functions merging within the same organisation. SDI, for instance, is a global federated organisation that seeks to mobilise and give voice to residents of slums and informal settlements. Its local community organisations gather data to build a portfolio of evidence about the informal settlements as an informed baseline for change, and create innovative solutions for local communities, such as savings plans. Activism takes place through the mobilisation of local collective action and, where necessary, attempts to influence government and other institutional actors (SDI, 2016). US-based NGO Landesa has identified land rights as a fundamental solution for poverty in developing countries, creating economic empowerment, driving gender equality, and ensuring shelter for people experiencing disadvantage. The establishment of land rights demands structural change and political action: Landesa operates a diverse system of advocacy and consultancy across government, private sector investors, and civil society; it supports its advocacy with its own research activities (Landesa, 2021). Entrepreneurial activism, finally, may be directed not simply at political institutions, but also at normative social discourses that tolerate homelessness and act as barriers to the enactment of evidence-based solutions (Sparkes and Downie, 2020).

In sum, a 'what works' evidence-based system is multifaceted and multilevel. Innovation can be about the design and evaluation of products and services, but also extends to organisational and institutional structures for delivery. A 'what works' system also requires effective evidence dissemination, and campaigning and advocacy so that evidence-based solutions are enacted by decision-makers. Social entrepreneurship can be enacted across these diverse functions and levels; as the varied examples indicate, it can also be enacted across the multiple domains of action that affect homelessness, from support to access the labour market and freedom from human trafficking, to housing quality, land rights, and informal settlements.

We can note, finally, some evidence of entrepreneurial philanthropy in the homelessness field. Many of the social entrepreneurship ventures described above have been funded by philanthropic foundations or corporate philanthropy, including

Polaris, Build Change, Luminary, and Brigade. Such investments indicate a commitment to innovative solutions and in some cases systems change; the extent of rigorous impact analysis is, however, not always so clear, a point to which we return later. Particularly in the US, there is an explicit commitment among some philanthropic foundations to find solutions that will end homelessness, including emphasis on systems change, campaigning and knowledge dissemination, new preventative initiatives, and tackling broad root causes such as poverty and racism (for instance, Butler Family Fund, 2021; Melville Charitable Trust, 2020; Conrad N. Hilton Foundation, 2021).

Challenges and Ways Forward

Social entrepreneurship and entrepreneurial philanthropy are both contested approches. Criticisms arise from the perceived tension of *private* action for *public* benefit, and also from the particular mechanisms of private action that social entrepreneurs and outcomes-based philanthropists use. In this final section five such challenges, and possible mitigations, are presented, all of which have significant application to the homelessness field.

Power: the first challenge is around power. There can be uncomfortable and illegitimate power dynamics within both social entrepreneurship and philanthropy. The practice of social entrepreneurship suffers from the discourse of the heroic individual social entrepreneur, to whom spectacular narratives and a long list of enviable character traits are often attached. Such discourses encourage individual, not collective, action, and create a culture in which solutions are imposed top-down on communities by those who have little experience of a social problem (Dacin et al., 2011; Papi-Thornton, 2016). Philanthropy too can be top-down and paternalistic; it is accused in some circumstances of imposing ideologically-driven solutions to social problems against the wishes of local people and local civil society and outside the democratic process (Horvath and Powell, 2016). Such exercises of power are inappropriate for two reasons: they disempower the disadvantaged, and they are also likely to reduce impact, since interventions are not informed by the lived experience of the end user.

Such criticisms draw attention to the 'social' nature of social entrepreneurship: this is an act of collaboration between multiple stakeholders (Spear, 2006). The social entrepreneur has a responsibility to deeply engage with the lived experience of communities and of individuals experiencing or facing homelessness in order to understand the problem and in order to co-design effective solutions. This implies ethnographic approaches – observation, interviews, explorations of meanings and behaviours – in order to develop local and situated knowledge and to identify inter-

sections of social structures that affect actors' experiences. Increasingly too, there is attention to how power and decision-making can be devolved to disadvantaged communities and individuals. There are various mechanisms. The Olamina Fund, an impact investment vehicle, seeks to develop local entrepreneurship within the BIPOC (black, indigenous, and people of colour) community in the US by investing in small businesses, worker cooperatives, and low-income housing (Candide Group, 2019). Participatory grant-making enables communities to take part in decisions on the allocation of funds (Gibson, 2017). Trust-based philanthropy seeks to transfer power to disadvantaged communities by offering multi-year unrestricted grants (Trust-based Philanthropy Project, undated). There is, however, a tension here for a 'what works' system. Light-touch philanthropy can transfer power and may create conditions for flexibility and innovation, but it can be at the expense of establishing a rigorous evaluation mechanism and theory of change that supports evidence development.

Accountability and transparency: freedom from the accountability and governance systems of both the market and state is, as has been discussed, one of the essential advantages of social entrepreneurship and philanthropy that enables risk-taking and innovation. But the involvement of private actors and private funders in the resolution of social problems creates concerns about the privatisation of decisions about the public good and about the lack of accountability to users or to citizens (Reich, 2018). There are also concerns about transparency: social entrepreneurship interventions are often fragmented, and philanthropic foundations do not always disseminate information about their activities. Transparency is, of course, essential so that a full picture of what works and what does not can be constructed (Brown, 2020). The challenge is to create a sophisticated and constructive system of accountability that does not inhibit risk-taking, but enables openness about decision-making and transparency for mutual learning.

Marketisation and mission drift: a third challenge relates to the marketisation of social action. Social entrepreneurs frequently use market-based mechanisms to achieve change: such mechanisms can support financial sustainability through commercial income and investment; they can offer the opportunity to achieve scale through market expansion. But there is a concern about mission drift – that commercial objectives will drive an organisation away from its social mission. Thus, work integration social enterprises may choose only to support individuals who are easiest to help, because this reduces support costs and such individuals are more efficient as workers (Teasdale, 2012; Garrow and Hasenfeld, 2012). Protections against mission drift include emphasis on social objectives in the organisation's governance and constitution, and avoiding over-reliance on commercial income through continued philanthropic support or government subsidy.

Misunderstanding social change: a further criticism suggests that social entrepreneurship approaches obscure or misunderstand how impactful social change happens. By encouraging multiple, uncoordinated innovations, the social entrepreneurship movement risks fragmenting the response to problems that are complex and interconnected (Edwards, 2010). Moreover, an excessive focus on market approaches can drive out other productive and appropriate ways of achieving social change, including collective political action: the business mindset focuses on technological innovation and knowledge development, and neglects central issues of power and politics (Ganz et al., 2018). Work integration social enterprises, for instance, focus on making the individual ready for employment, but they do not address structural issues of pay and job security in the labour market that may contribute to homelessness and that require political action. In response there is growing emphasis on entrepreneurial approaches that focus on understanding and changing complex social systems and power relations (Rayner and Bonnici, 2021). Innovative philanthropic funding seeks to support collaborations of actors rather than isolated entrepreneurs (for instance, Co-Impact, 2021).

Rigour: a final challenge is rigour and the production of reliable evidence. Social entrepreneurship can be done well or badly. There are examples of energetic but poorly designed social entrepreneurship initiatives that have not failed swiftly, but have consumed considerable resources as they chased flawed ideas (see, for instance, the examples cited in McAskill, 2016). Problems include lack of knowledge of the complexity of a social problem; failure to engage with the existing evidence base, so that mistakes of the past are repeated; lack of evaluation; and confusion about causation. There is growing recognition, however, in the social entrepreneurship movement of the need for robust impact evaluation; organisations such as Build Change and M-KOPA incorporate social impact measurement into their programmes. There are also innovations in the process of evaluation and generation of evidence: Lean Data, for instance, is an evaluation process that seeks to obtain fast but useable information on the effectiveness of market-based social entrepreneurship ventures (Dichter et al., 2016).

Conclusion

Social entrepreneurship is a particular means of approaching a social problem. Financed by risk-taking entrepreneurial philanthropy, social entrepreneurship initiatives can be field laboratories of social innovation. It can respond to the failures of traditional approaches – whether the risk aversion of the state, under supply of social innovation in the market, or charities' failure to address the root causes of social problems. It is proposed here that there is potential for social entrepreneur-

ship to create innovation in the homelessness field across multiple functions at multiple levels – and by so doing to contribute powerfully to the production of evidence-based innovation.

Social entrepreneurship approaches have, however, been subject to significant challenge, much of it well-founded, around power, accountability, fragmentation of social action, marketization, and rigour. These challenges are not insurmountable. Thoughtful consideration of them can create a more thorough and robust approach to social entrepreneurship; as indicated briefly in the preceding section, various innovative responses and processes are emerging. But these criticisms do reveal tensions in the practice and theory of entrepreneurship – whether between devolution of power and the assurance of rigour and accurate measurement, between commercial and business practice and social impact objectives, or between individual action and complex systems change.

Is there, finally, rigorous empirical evidence that social entrepreneurship and entrepreneurial philanthropy work in supporting an evidence-based system? The answer is at present in the negative – the argument here is theoretical, supported by anecdotal examples. There is much more to be learned about what impact these approaches have, in what contexts, and in what sort of collaboration with actors from state, market, and non-profit sectors. The extent and pattern of social entrepreneurship and entrepreneurial philanthropy in the homelessness field is also likely to vary cross-nationally, depending on the different philanthropic traditions in different countries, and the level of tolerance for private, often market-based action for public good.

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