Reciprocity: Matching 'Asks' and 'Resources' for Entrepreneurs

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Every entrepreneur knows that a large part of their success depends on their ability to find advice, connections, and resources that will help them on their journey (Davidsson & Honig, 2003; Hallen & Eisenhardt, 2012). In this article, I discuss some of the problems educators and community leaders encounter in matching entrepreneurs with the resources they need. And I share the story of an innovative tool designed to facilitate these kinds of connections.

Even now, there are certain questions that you just can't Google, like: "Who do I know who is an expert on emerging markets?" or "What would the past alumni of this cohort say to people entering it now like me?" Alternatively, an inventor might want help using 3D printing technology to make a prototype of a new product and might not know exactly who has the knowledge they need. Much of the unique value that accelerator programs, investors, and professors provide to entrepreneurs is by facilitating access to such resources, whether that be directly or by connecting people in their networks to each other for mutual gain.

Such connections are doubly important during the Coronavirus pandemic. Because online interactions have replaced in-person collaboration, it's much harder to identify needed help online. The friction of speaking up is measured in keystrokes amidst one's busy virtual life, as opposed to simply sharing news and gossip around the watercooler during downtime.

Modern Community Platforms Fall Short

Modern online community platforms are often too clunky for such fruitful interactions. Most are messenger or forum platforms, built to maximize engagement by notifying every member of every action, or to start discussions of various topics, as opposed to action-oriented introductions.

On such platforms, it is difficult for community managers to figure out who needs what. It is also difficult to monitor whether their own activities are providing value to the group at large. Even admins who are adept at connecting people become overwhelmed with many requests, and may forget to capture their learnings in a document, relying instead on imperfect memory.

Once they leave, the insights are gone. And these are crucial oversights, given that the job description of most community managers entails connecting people and documenting lessons learned!

Introducing Reciprocity

Amit Kumar, the founder of Reciprocity, experienced these exact problems as the Communications Chair of his Stanford Graduate School of Business class. The class's email listserv was inundated with people asking for advice and introductions, with high noise and little way to preserve the archives of what had been offered in the past.

As a solution, he developed a web application that accepted only posts tagged as Asks or Offers, with associated keyword tags around the content of the post. Posts would then be matched to other posts with the same keywords, which reduces the need for a human middleman to match needs with potential resource providers.

We decided to name the project Reciprocity, for the Reciprocity Ring (https://www.psychologytoday.com/us/blog/the-healing-crowd/201308/what-is-the-reciprocity-ring) exercise common in mentorship and entrepreneurship programs, in which members use Post It notes on a board to share what they can offer or what they need. This solution allowed members to instantly connect with relevant members without spamming the entire group with a notification, and allowed other members to easily

browse through archives tagged by keyword.

The streamlined notification system also meant that external mentors could engage privately with an individual without having the entire group clamor for their attention. Members benefited from being able to see who could help with what, and admins benefitted from observing the network graph of their group and their greatest needs at a glance.

An Associate Director of an entrepreneurship course at Stanford took notice of Amit's fledgling web app and asked him to build it out for his students. Until then, the director had been facilitating students' asks and offers in a Google spreadsheet where people added rows for what they needed, along with their contact info to follow up. Students complained that the spreadsheet was difficult to navigate, and surveys revealed that only around 10% of them managed to get value from it.

We tested Reciprocity by asking the students to conduct their asks and offers on it as homework. After the course ended, students were polled about the platform and 38% of them reported getting value, with almost half agreeing they'd want to use it again. The director was ecstatic at this 400% increase in value, and eager to add new functionality like rewarding the most helpful users with reputational or real-world prizes. Since then, we've built out the app to include announcements functionality and are looking at calendar and Slack integration next.

Takeaways

- Entrepreneurship educators may benefit from these tools. Educators may find that Reciprocity helps them create a space that is conducive to giving people the help they need without giving up oversight. The tool allows the host to view what is happening and respond appropriately.

- Think - and link - beyond the classroom. Although Reciprocity was launched with classrooms in mind, there are other settings in which community members exchange "asks" and "offers" like those we've described. For example, regional economic development professionals are often looking for ways to connect entrepreneurs with the resources they

need, as this recent EIX article illustrates (https://eiexchange.com/content/Connecting-entrepreneurial-enablers-who-strengthen-communities) . This need is especially great in rural areas where long distances and sparser populations make it harder to find the right connection locally.

- Users can become innovators. The story of Reciprocity's founding is an instance of what has been called "user entrepreneurship." As a user of the prevailing technology -- a listserv -- Kumar saw the shortcomings of that tool and took it upon himself to create a better one. Analogous instances have been documented across a range of industries (Shah & Tripsas, 2007). Apart from taking advantage of the technology described, entrepreneurs, educators and others can learn from the example of Kumar and ask themselves how they might be able to improve products and services they're currently using in ways that would benefit others as well.

References
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