

**Krisztina Gulyás (SzE Rgdi, Győr):**

**Local Rural Perspectives on Disparities in a Digitalising (Post-COVID)  
Europe: the „boom“ of virtual assistance services in the Hungarian rural  
countries (quantitative research)**

I am Krisztina Gulyás, a PhD student at the Doctoral School of Regional Economics of the Széchenyi István University in Győr (HU). The topic of my doctoral dissertation research is the analysis and comparison of the responses to the everyday challenges of family businesses and small and medium-sized enterprises in Hungary, Austria and Italy.

Part of my research (one of the chapters) is an analysis of the digital challenges facing businesses in recent years and the solutions which have emerged for them (e.g., the proliferation of the virtual assistant -in following text: VA- service and its effects on businesses). So I managed to conduct a questionnaire survey in Hungary with the involvement of the client and the agent side (54 answers of an online questionnaire), and it has turned out that not only rural businesses, but also virtual assistants have been rising in the countryside on their own and self-organizing during the pandemic live and benefit from the digital revolution, for two years now.

Due to the COVID-19 pandemic the working processes and the life conditions has been radically changed all over Europe, in Hungary too.

Such as digitalisation, which was not very common before among the Hungarian little and medium sized companies or family-owned companies, first of all in the rural areas, have been accelerated, while others have just appeared. At the same time lots of employees –mostly women, mothers- had to face new and unknown challenges to be able to survive – these are also more in the rural areas, where there was not easy to find a job either with home office possibility or big flexibility to manage the children in homeschooling or the elderly relatives at home during the pandemic.

I wanted to put into spotlight through a little research the new Hungarian tendency of the virtual assistance: hundreds of high qualified women, from the rural country sides of Hungary, mostly mothers of children in school age, had to recreate their carrier in the last two years, due to the challenges of changed working conditions, missing job opportunities and school closures or the care of elder relatives. This kind of new dimension of digital revolution had not only saved hundreds of women from unemployment and so families with children of the destitution in the rural areas, but at the same time it saved and helped a lot of little and medium sized companies

and family business to survive the pandemic years. These companies had difficulties to cope with additional tasks (e.g. administration, organization, project management, webshops, marketing) in case of illnesses or family problems of their employees or of their owners themselves, but they would not be able to extract the wages of a full-time employee yet, or they would only need extra manpower on an ad hoc project basis, mostly with high multitasking abilities. It was also an excellent help for enterprises with 5-20 people, where the virus was present among the employees, so external help had to be involved periodically for current tasks and projects to be done. In the last two years a lot of companies had to open their mind in order to manage themselves into the digitalisation: little shops, also in the country side, were forced to sell online, to make an online shop, to get help in the administration, to learn to use for business and daily tasks (from contact with the suppliers to the bureaucratic) through internet. So, it opened the door, created a market for those women, who had to recreate their own carrier, and could offer professional tasks in different fields. The virtual assistants offer a solution to this need, who perform their work within the framework of a company, enter into an assignment contract with their clients, and issue an invoice for their work, which can be recognised/claimed as an expense.

Demand and supply met, digital frameworks helped the boom of the virtual assistance in our country in the last two years. There isn't any specific NACE "registration number of this profession by the Hungarian company registration, so these, mostly women had created self-help groups and professional digital forums.

I got in touch with one of the leaders and first virtual assistance (VA) of the country and with her help could make an online questionnaire of professional group of more than 100 people, to which 38 currently active virtual assistants responded. The second questionnaire was sent online and anonym to their clients, from whom so I had the evaluation of pro-and contra of this kind of working method (16 companies answered fully).

Some interesting data of the results: 97,4 % of the virtual assistants are women. 68,4 % are between 36 and 45 years. 84% are mother of children in school age. 50 % of them has at least one university degree; other +15% has more than one of degree. 24% of respondents started working as a virtual assistant in 2020, and more than 50% in 2021, which is also "due" to the Covid-19 virus, the changed labour market situation and processes. And more than half of them assume a confident level e.g., also working in English.

It is also an interesting aspect that one third of the respondents do not speak a foreign language, yet can successfully act as a virtual assistant, as everyone can create their own range of services

and select their clients, such as bookkeeping, graphic design, online shop management, online marketing etc.

More than 71% of the respondents have a home office in the country (only 29% in Budapest), also in cities and smaller settlements.

Almost 95% of the respondent VAs say their daytime management has become easier, 90% say their schedule is flexible, 79% feel free to choose their customers, and 76% have tremendous help to solve if their children are quarantined or if they are ill, 73.7% of them like to be able to perform a variety of tasks.

By the answers of the clients, who made experience with VAs, almost 69% of the respondents are self-employed and 19% are micro-enterprises (2-10 people).

Based on the size of the company, none of the respondents were a representative of any large company. More than half of the entrepreneurs work in family businesses.

(A family business is defined as a company that considers itself to be a family business, or where at least 51 percent of the business is owned by a family and the family is involved in running the business, or family members are involved in its operation, or management and ownership; intended to be transferred, in whole or in part, within the family. – Def.: Budapest LAB 2017)

43.8% of the respondents have their registered office in the county sides (only 31% in Budapest). It is interesting to see and experience that the clients come from areas further west of the Danube. Based on the VAs feedback, a parallel can be drawn between the economic development that is more characteristic of the western part of Hungary and the willingness to cooperate with the VA. While many people in Northern and Eastern Hungary have not even heard about the concept of virtual assistance, it is better known in Western Hungary.

When I asked them where they met with the term of virtual assistant, more than 62% answered that they had encountered the concept and activity on the Internet and 44% through LinkedIn and Facebook. 25% of respondents were informed about this way of working by a friend.

78% of them have been working with VA since the pandemic.

When asked why they decided to work with VA, 56% said they were no longer able to overcome the administrative burden alone and needed help with ad hoc tasks.

About 44% said it is cheaper to work with a VA than to pay a full-time employee, and 44% say they get fast and compact expertise at an hourly rate or project price.

In addition, it is important for them that their online staff be flexible in time and switching between tasks, work fast, be professionally experienced, and have professional experience in several fields areas (e.g. marketing, working in a foreign language, various software).

What is clear from the responses is that the physical distance between client and VA is not a relevant selection criterion, furthermore it is not such important whether has the assistant an own website or not, and professional knowledge is much more important than cheap pricing.

The insignificance of the physical distance between the client and the VA is also confirmed by the fact that more than 87% of the respondents said that it is not necessary to meet even occasionally, because the teamwork works well without any personal meeting.

Virtual assistants most often help with administrative tasks (94%) as well as provide personal assistance (56%) and perform organizational tasks (50%). But they also perform a multitude of tasks that require deeper professional knowledge, such as online marketing services (44%), graphic design (44%).

37.5% of the responding entrepreneurs do not pay more than HUF 20,000 to their VA per month.

It can be seen from the figures that for a couple of HUF 10,000 a month, busy entrepreneurs have the opportunity to receive complex, professional help, additionally 94% of the clients need help max. 20 hours per month.

What are the positive benefits of the interviewed entrepreneurs in terms of working with VA?

31% had 1-5 hours less work per month, 25% had 10-15 hours less. In the vast majority of cases, they could spend that free time on developing their own business, such as business development (81%), business expansion and customer acquisition 50-50%.

In addition, 31% of them can spend this free time on their family and their own further training.

Further feedbacks are:

- the clients are less tired,
- they save a lot of time, because they don't have to deal with such tasks what are not their speciality
- A service was returned that could not be performed due to lack of capacity
- There is order in their business because everybody do their own speciality

- they have time for value-creating, creative work, because administrative tasks have been decreased
- they can undertake more customers
- they became more balanced
- all love the common brainstorming

All clients would recommend working with virtual assistants.

Consequently, businesses can hugely benefit from this flourishing virtual assistant service, also for a specific period only.

Start-ups are always looking for smarter, cost-effective solutions that can help them get better results at lower prices. A virtual staff can help you save more money by eliminating the need for a larger office space. To be precise, they can save you up to 78% in operating costs every year. Additionally, their broad exposure to several industries and work practices help them develop diverse skills and business acumen. Incidentally, your business can utilize this quality to drive higher profits.

I can definitively confirm, based on the questionnaire feedbacks, that this kind of cooperation and art of digital solution (the VA) can help every business, every company deliver well even on a low budget, increase the profit margin for your services or products, and ultimately raise the own market share. As well as it definitively could help other hundreds of well qualified, talented „digital“ women and mothers to earn good money and can have a better work-life balance also living in the country side. First of all, the combination of the demand and supply in the rural areas have a lot of potential and perspective in the future for the development of the rural areas, for VAs and for the business development of little and medium sized companies.

In a bigger research (international, in Austria and in Italy) I will examine the same VA topic as a chapter in my dissertation to understand and evaluate the parallels and contradictions by the answers of the challenges and opportunities in all three countries (Hungary, Austria and Italy).