

# Commuter & frequent flyer assignment policy design

Flexible forms of global mobility include commuter and rotational assignments. Organisations are increasingly developing policies to address the terms and conditions that apply to these 'flexpatriate' assignments. International business travel also requires organisational policy.

## COMMUTER ASSIGNMENTS

Commuter assignments may be used for short-term and long-term global mobility. These assignments refer to when an employee undertakes an international assignment but does not relocate to the host country. Instead, the assignee commutes regularly to and from the host country from their home base, usually on a weekly or monthly basis.

Typically commuter assignments are used for short-haul, intra-regional moves. They can be used for long-haul, inter-regional moves but, if so, longer periods

are usually spent in the host country with less frequent home visits made.

Commuter assignments are not the same as cross-border working. Commuter assignments are international assignments; cross-border working refers to where an assignee lives in a neighbouring country and works across the border and their role is not an international assignment.

## ROTATIONAL ASSIGNMENTS

Rotational international assignments are common in the extractive industries. They are used in remote or hostile locations. Assignees undertake regular working patterns in the host country, followed by time off in their home country. For example, 28 days on-shift abroad, followed by 28 days off-shift at home.

Rotational assignments are not the same as rotational working. Global mobility is not involved in rotational working as this is where a home country employee works on-shore or off-shore in their home country (for instance, in a remote mining area or on an oil rig).

## INTERNATIONAL BUSINESS TRAVEL

Individuals who fly regularly to and from their home country to conduct business abroad but who are not on an international assignment are classed as business travellers. A separate business travel policy applies. Business travel exceeding a three month stay abroad typically falls under the short-term assignment policy.

## REMUNERATION ISSUES

A home-based approach to pay is usually taken for flexpatriate assignments and these are undertaken unaccompanied. Allowances/benefits provided reflect this.

However, flexpatriate assignments and business travel policies have different

content with respect to allowances and benefits. For example, while commuter assignees usually use serviced apartments and self-cater, business travellers may use hotels and require restaurant meals. Rotational assignees typically live on company premises and have meals, utilities and recreational facilities provided.

## ALLOWANCES & BENEFITS

Besides salary, commuter assignment policies typically include allowances/benefits in relation to: housing (serviced apartments); travel and local transport; medical, health, security and welfare issues; and living cost and mobility allowances.

For rotational assignments, travel costs are met, local transport, accommodation and meals are provided, and a rotational premium usually applies.

For business travel, policy typically addresses the costs of flights to and from the host location, local transport, accommodation (hotels or serviced apartments), and incidental expenses while abroad.

## COMPLIANCE

Tracking of days spent in the foreign location(s) is crucial for tax and immigration purposes. Policy should address this for all of these assignment types. Technological solutions are helpful to ensure tracking is accurate.

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