

Holiday Party Liability: Keep Your Employees Off The Naughty List

'Tis the season – that is, Holiday Party Season. The end of the calendar year is a time of celebration marked by holiday office parties and events designed to express gratitude to employees, promote collegiality and boost employee morale. However, what is supposed to be the most wonderful time of the year can quickly turn into a legal headache for employers, when the celebration – mixed with alcohol – spurs inappropriate or irresponsible behavior on the part of employees. In this Employment Note, we provide a few quick tips to help avoid trouble and keep your employees off the Naughty and on the Nice List.

HAVE ESTABLISHED POLICIES AND PROCEDURES

It is imperative for employers to have written policies and procedures that establish standards of conduct for employees to follow, as well as provide for disciplinary action when their conduct falls below standards. Having such policies and procedures in place – e.g., in an employee manual or handbook – not only benefits employers, but also employees by ensuring a safe and enjoyable environment for all. Employers should remind employees that these policies and procedures apply in any work setting, including at a holiday party, which is an extension of the office environment. Accordingly, the same rules regarding non-discrimination, anti-harassment, non-fraternization, and drug use that apply in the office also apply at the holiday party.

LIMIT ALCOHOL CONSUMPTION AND DESIGNATE MONITORS

One reason holiday parties pose additional risks of liability to employers is alcohol consumption. Adding alcohol to the mix of any employer-sponsored event may cause employees to forget that they are in fact at work and may blur the lines between management and employees, as well as among employees themselves.

There are many ways employers can limit alcohol consumption at a holiday party. First, employers should consider their beverage options. Employers can choose not to serve alcohol at all, limit hard liquor selections, implement a drink voucher system, offer a cash bar, restrict the serving of alcohol to certain times and/or hire experienced bartenders who can determine when employees have had too much to drink. Second, employers should make plenty of food and water available to decrease the effects of alcohol consumption. Buffets are a great option because they offer a wide range of dietary selections for an extended period of time. Water and soda should be offered at locations other than the bar, so that employees are encouraged to drink non-alcoholic beverages. Finally, employers should shift the focus away from alcohol consumption at the holiday party by providing entertainment or offering raffles and games.

In addition to limiting alcohol consumption, employers should also appoint designated monitors to oversee employees at the holiday party. Like designated drivers, designated monitors should not consume alcohol and are responsible for ensuring the safety of employees and supervising their behavior. Designated monitors should consist of managerial-level employees, who are familiar with the policies

and procedures of the employer and have the authority to take charge in a situation that requires it.

HOLD THE EVENT OFF-SITE AND OFFER TRANSPORTATION TO AND FROM

While holding an event off-site at a properly licensed facility and offering transportation to and from that facility might seem expensive at first, doing so will pay off in the long run. An on-site holiday party held during business hours may subject employers to claims, including for underage drinking and workers' compensation. Providing transportation to an off-site event directly from the office may reduce the risk of employees consuming alcohol prior to arrival, and providing transportation from the event will reduce the risk of employees drinking and driving or continuing their revelries with co-workers. At the very least, employees who are visibly intoxicated and impaired should always be provided a safe means of transportation home.

ATTENDANCE SHOULD BE VOLUNTARY

While employees may be encouraged to attend a holiday party outside of working hours, it should be clear that attendance is voluntary. Employers should also be mindful of giving bonuses or substantive work-related presentations at the holiday party. If attendance at a holiday gathering is mandatory non-exempt employees must be paid for their time.

For more information about holiday parties and corporate culture, please see our latest [HRMinute](#).

If you have further questions regarding the topic, please contact any member of the Employment Law practice of Tannenbaum Helpert or your Tannenbaum Helpert contact.

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