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Labor Letter



Top Ten Ways To Hold A Company Party – Without Getting Sued

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With the Holiday Season in full swing, many employers ask us about the wisdom of holding company parties where alcohol will be served. They generally want to know about the risk involved if an employee drinks too much at the party and misbehaves, or worse injures or kills someone on the way home. In the interest of answering these questions generally, and with apologies to David Letterman, we are re-running here an article which has appeared in our newsletters several times over the years.

There is always a risk involved in holding any company-sponsored function. Serving alcohol compounds the problems. According to one study, 36% of employers reported behavioral problems at their most recent company party. These problems involved everything from excessive drinking to off-color jokes to sexual advances to fist fights. As a result, about 30% of employers now hold alcohol-free parties.

Since most employers still want to hold holiday parties, you can reduce your legal liability by observing as many of the following recommendations as possible:

- 10. If possible, don't serve alcohol. This is easier to do if you simply have a catered lunch at the company's offices.
- 9. Invite spouses and significant others so that there will be someone there to help keep an eye on your employees and, if necessary, get them home safely.
- 8. Always serve food if you serve alcohol, and always have plenty of non-alcoholic beverages available.
- 7. If your party is a dinner, consider serving only wine or beer (plus non-alcoholic alternatives) with the meal.
- 6. If you do serve alcohol, do not have an "open bar" where employees can drink as much as they want. Instead have a cash bar or use a ticket system to limit the number of drinks. Close the bar at least an hour before you plan to end the party. Switch to coffee and soft drinks from there on.
- 5. Let your managers know that they will be considered to be "on duty" at the party. They should be instructed to keep an eye on their subordinates to ensure they do not drink too much. Instruct managers that they are not to attend any "post party" parties.

- 4. Consumption of alcohol lowers inhibitions, and impairs judgment. This can result in employees saying and doing things that they would not ordinarily do. Remind employees that, while you encourage everyone to have a good time, your company's normal workplace standards of conduct will be in force at the party, and misconduct at or after the party can result in disciplinary action.
- 3. Hire professional bartenders (don't use supervisors!) and instruct them to report anyone who they feel has had too much. Ensure that bartenders require positive identification from guests who do not appear to be substantially over 21.
- 2. Arrange for no-cost taxi service for any employee who feels that he or she should not drive home. At management's discretion, be prepared to provide hotel rooms for intoxicated employees.
- 1. Never, never, never hang mistletoe! Yep, we're not kidding. Take a look at item number 4 again, and you'll see why.