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Avoiding Ho, Ho, Ho-liday Party Liability

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It is the most wonderful time of the year! If your office is planning a company holiday party, however, be vigilant against these legal pitfalls that could ruin the holiday cheer.

One of the biggest pitfalls of a company-hosted holiday party is alcohol overconsumption. While alcohol can certainly liven up the party, it also can lead to a hangover for the company if employees overindulge. First and foremost, employers must ensure that intoxicated employees do not drink and drive. Any injury lawsuit arising out of such an incident could lead to liability against the company if it was determined that the employee was acting within the scope of his or her employment while at the company party.

To avoid any such alcohol-induced headache, the company should take steps to limit alcohol consumption such as offering drink tickets. The company should also consider offering rideshare credits to every employee to ensure that they do not drink and drive.

In the wake of the #MeToo movement, with sexual harassment claims on the rise, employers should also seek to reduce the risk of inappropriate holiday party behavior that might give rise to a sexual harassment suit. To do so, employers should spell out their expectations for employee behavior ahead of time. Setting firm guidelines is imperative to minimizing risk. Employers might also consider designating an employee as "party police" to watch for anyone who is intoxicated and behaving inappropriately.

Allowing guests of employees to attend the holiday party brings even more risk and uncertainty to the party. Employers must educate their employees that the employees' guests will be held to the same standard of behavior that is expected of the employees at the holiday party.

Another lesser known legal pitfall surrounding holiday parties are wage and hour issues. Do employers have to pay employees for attending the holiday party? It depends. If attendance at the party is mandatory or strongly encouraged, then it is likely employees must be paid. To avoid any wage and hour conflict, the employer should clearly state that attendance at the holiday party is optional. Ideally, the party should take place after office hours and preferably off site.

While the legal pitfalls of holiday parties are many and varied, most of them can be avoided with proper planning and clear guidance from the employer on its expectations of employee attendance and behavior.

Happy Holidays!