

ENGAGE PEO

TODAY IN HR



ENGAGING YOUR EMPLOYEES: HOLIDAY PARTIES – 2021

Holiday parties are a great way to boost morale and show appreciation to employees. Nevertheless, there are a few general considerations that employers should be aware of, notwithstanding the current pandemic environment.

Many companies will serve alcohol at a holiday party, which can lead to employees drinking too much and can also lead to inappropriate behavior. In addition, some states have enacted what are called “dram shop” laws or social host laws, which, depending on the statute, can make those responsible for providing alcohol liable for incidents when someone has been overserved. Thus, while the holiday party is a time for employees to have fun and enjoy themselves, companies should also keep an eye on employees’ alcohol consumption while hosting the party. There are many ways that companies can help limit alcohol consumption during the holiday party, including issuing drink tickets, as well as limiting the type of alcohol served at the event. Furthermore, the time leading up to the party is a good opportunity to refresh employees’ memories about your anti-discrimination and anti-harassment policies and remind them that they are encouraged to have a good time but are still expected to conduct themselves appropriately.

There can also be pay and compensable time issues when it comes to the holiday party. The general rule is “if you’re made to party, you have to be paid to party.” Thus, companies who make attendance at the holiday party mandatory would have to pay hourly employees for attending it. Consistent with that, hours spent at the party would also be considered hours worked for purposes of calculating overtime.

Companies should also make sure that employees don't injure themselves while enjoying the party as it could implicate the company's workers' compensation policy. Some of the factors relevant to whether it would be a covered injury include whether it was mandatory and the extent of company sponsorship, among others. Thus, when planning a holiday party, companies will want to make sure to keep employees' safety in mind. Things like dance competitions or other activities might sound fun for employees, but it is important to acknowledge the risks associated with those activities as well.



Finally, while COVID-19 concerns may be waning as vaccination rates increase and employees return back to their offices, companies should still take appropriate precautions when considering hosting in person events this holiday season. Large organizations may consider having mini departmental holiday parties to facilitate social distancing, awarding larger discretionary bonuses in lieu of a holiday party, or holding virtual parties. Virtual holiday parties have grown in popularity as companies adapt to the changing needs of their organization. Many organizations have implemented unique and engaging virtual activities to bring employees together in a different way that doesn't increase employees' risk of contracting or spreading the virus.

No matter how a company decides to celebrate, taking the time to show appreciation for the work that employees have done all year helps to boost morale and spirits during the holiday season.