

Reduce Your Exposures During Work Events

Businesses host parties for a variety of reasons, including the holidays and organizational accomplishments. While these events are fun, team-building opportunities, they can create a number of risks for the hosting company. In fact, in the event that an employee is injured at the party or causes property damage, the employer is usually the one held responsible. This can lead to costly litigation and reputational harm that can affect a company for years.

To avoid major losses, it's not only important for employers to secure the right insurance coverage for every individual risk, but to also have a thorough understanding of common holiday party exposures.

Alcohol

Anytime you provide alcohol to individuals in a non-commercial manner, you are considered a social host. This is important to note, as a social host may be responsible for the acts of their guests should their conduct create harm. These risks are compounded when alcohol is served, and employers may be liable for damages following a drunken driving accident or similar incident.

While the best way to reduce alcohol liability risks is to avoid serving it altogether, this isn't always feasible. To promote the safety of your employees and guests at company-sponsored events, consider the following:

- Hold the event off-site at a restaurant or hotel.

- Provide plenty of food and non-alcoholic beverages throughout the night.
- Serve drinks to guests rather than offering a self-serve bar. Limit the amount of alcohol you will serve. Require servers to measure spirits.
- Set up bar stations instead of having servers circulate the room. Place table tents at each bar that remind employees and guests to drink responsibly.
- Don't price alcohol too low, as it encourages

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overconsumption. Offer a range of low-alcohol and alcohol-free drinks at no charge.

- Close the bar an hour before the scheduled end of the party. Do not offer a "last call," as this promotes rapid consumption.
- Entice guests to take advantage of safe transportation options by subsidizing taxis or promoting a designated driver program.

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Marijuana Consumption

Similar to alcohol use, marijuana and other drug consumption can directly affect the safety of your party guests. In fact, according to the most recent federal data, 44 percent of vehicle crash deaths can be linked to drug-impaired driving, up from 28 percent a decade earlier.

Marijuana contains hundreds of chemicals, many of which act directly on the body and brain. Individual sensitivity to marijuana can vary, but the general effects include the following:

- Dizziness, drowsiness, light-headedness, fatigue and headaches
- Impaired memory, concentration and ability to make decisions
- Disorientation and confusion
- Suspiciousness, nervousness, anxiety, paranoia and hallucinations
- Impaired motor skills and perception
- Dry mouth, throat irritation and coughing
- Increased heartbeat

These health effects can last long after an employee smoked, increasing the potential for accidents or major health concerns. In addition, federal, state and local laws may prohibit marijuana use in certain areas, making it all the more important to educate employees on behavior expectations.

To keep your party guests safe and avoid any liability concerns, consider making clear rules for marijuana use at your party. Remind employees that even though they are at a social event, they are still attending a work function and workplace policies on the use of marijuana still apply.

Workplace Harassment and Discrimination

Even when holding company-sponsored events off-site, employers are expected to enforce their workplace policies and safeguard their employees. In particular,

employers must pay extra care to prevent issues of harassment and discrimination at their events, as they can lead to employment claims and costly litigation.

To help keep employees safe at company parties, employers should ensure all of their policies related to harassment, violence, discrimination and code of conduct are up to date and account for company-sponsored events. Policies should be specific as to what is and is not tolerated, and redistributed them as thoroughly as possible.

In addition, employers should:

- Consider making the event a family party where employees can bring their spouse, significant other, children or a friend. This can help deter inappropriate behavior.
- Keep event themes and decorations appropriate. Parties should be neutral and not make reference to specific religions or beliefs. In addition, plan your party on a day that does not conflict with religious holidays.
- Consider having just one entrance to your party. This will allow you to control who enters the venue and ensure that uninvited guests do not attend.
- Have supervisors and managers chaperone the event, looking closely for inappropriate behavior. Hire third-party security personnel as needed.
- Avoid making attendance for company-sponsored events mandatory.

Food Exposures

Food is a staple of many company-sponsored events, and can actually be a useful way to keep party guest sober and limit alcohol-related liability (starchy foods can help reduce the absorption of alcohol). However, when serving food, there are a number of risks employers should consider.

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For instance, employers need to be wary of potential food allergies. In the event that a guest gets sick from the food, they could sue the employer for negligence.

To help protect against this, employers should ask party guests to disclose any of their allergies, either in their RSVP or by contacting the event coordinator directly. In addition, you should specify what ingredients are in every food item, both on the menu and on display cards near the food itself.

For added protection against illnesses, it's critical that employers promote safe food preparation and handling practices. Moreover, when working with a third-party provider, employers should do their due diligence to ensure they are securing reputable vendors.

Property Damage

Property damage can occur at just about any kind of party, even small, company-sponsored events. As the host, it's your job to ensure your guests remain safe, behave appropriately and respect the venue and its contents.

To do so, employers should:

- Set behavior expectations before the party.
- Have supervisors and managers chaperone the event, looking closely for inappropriate behavior. Hire third-party security personnel as needed.
- Remove valuable items from the party area wherever possible. Make sure any areas that you don't want guests to enter are locked, roped off or secured in some way.
- Review your liability insurance and know what it covers.
- Ensure the venue is equipped to handle the number of individuals invited to the party.

Secure the Coverage You Need in Advance

Even if you take all the appropriate precautions, incidents can still occur. As such, it's important for all organizations to secure adequate insurance.

Each business is different, and may require additional policies to account for all of their exposures. Contact SilverStone Group today to learn about your coverage options when it comes to hosting a party.