



## 5 things to beware of at company parties

October 18, 2010 | [Curtis Smolar](#)

The holidays are starting to get close. That means office party season is about to kick off in full force. Too often, though, companies spend weeks securing the right venue and booking the right band – but don't give a lot of thought to liability.

While stories about the project manager who drinks too much, then starts hitting on the programmers or the normally reserved receptionist who busts her ankle while she busts a move on the dance floor might seem like office clichés come true, they happen all too frequently. Most of the time, they'll be humiliating moments for people to deal with when they get back to work – but they can also put your company at risk for legal action.

Here are a few ways to avoid these and other potential trouble spots while celebrating the season or some milestone event in your company's history.

**Don't assume a corporate event isn't part of work.** – Many people think if they're meeting with colleagues after work or at another venue, then it's not part of work and therefore anything goes. That's generally wrong. If it's a company-sponsored event, employees may be able to claim that the event is company-endorsed as well, making you liable.

**Don't go into this without insurance.** – "Insurance?," you may be thinking. "For an office party? C'mon What could possibly go that wrong." Maybe nothing – but do you really want to tempt fate that badly? Call your

insurance broker and get a policy for the event. If nothing else, it's a good security blanket.

**Get releases from your employees.** – It's not festive in any form and, admittedly, might take some of the fun out of the early part of an event, but under many circumstances, you can get your employees to sign a release. This is basically a document that says the employee is attending or undertaking an activity on their own free will and that they are assuming the risks that may be involved. This makes sense, especially when the company is only tangentially involved (like with a group activity of some sort, rather than a traditional office party). A liability release can help insure that you can have a good time and team build, but still protect the company from costly lawsuits.

You have to be careful, however, not appear to be coercing the employee. It's important to consult an attorney to draft an effective release.

**Avoid ultra-hazardous activities.** – This advice is less for holiday parties and more for team-building exercises, but it's worth including. I get that helicopter skiing or bungee jumping is fun. But it's going to be a hard sell to your insurance carrier that they should have to cover accidents from high-risk events. In some instances, even getting a liability release from participants isn't enough, since the activity is seen as needlessly reckless.

**Don't endorse activities that might exclude groups** – Again, this is more focused on team-building outings, but given how many startups offer non-traditional holiday parties, it's a critical point. Several activities are built so they focus on a specific gender, age group or some other group. That makes them a bad idea for an office outing – no matter how “edgy” you consider your company. The best rule of thumb to consider is ‘would this activity be acceptable at work’? If not, scrap it.

In general, remember that any corporate event – party or otherwise – is just an extension of work, even if it's a fun one. It's important to So you should just follow the same rules you would if you were at the water cooler.

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