

Company Holiday Parties Can Pay ‘Dividends’

By Holly Culhane, Contributing Columnist



Fewer businesses will be throwing holiday parties for their employees this year, according to a nationwide survey of American companies.

For nearly a quarter of a century, Amrop Battalia Winston, an international executive search firm, has conducted its holiday party survey. The results of this year’s survey, released on Nov. 17, revealed only 74 percent of the companies polled will have parties this year.

This was down from 79 percent in 2010, 81 percent in 2009 and 2008, 85 percent in 2007 and 95 percent in 2006. The all-time high for the survey was 97 percent recorded in 1996 and 1997.

The following reasons were given for axing 2011 holiday celebrations: 44 percent said the expense was not in the budget; 37 percent said parties are not appropriate in these dire economic times; and 19 percent said their employees were not interested.

But even the businesses still planning to host a holiday party revealed their celebrations will be more modest than in past years.

Holiday parties benefit businesses in many ways: They can be morale boosters; build staff camaraderie; show appreciation; and demonstrate confidence in the future. Even in these dire economic times, it may be worthwhile to include a holiday celebration in a company’s budget. But it may take creativity to afford a party.

This true story of a local company doing a lot, with less provides a good example for us all. While the party this company throws may not fit every company’s needs, the choices made are beneficial for all to weigh.

Like most companies throughout the United States, this medium-sized family-owned company was slammed by the economy. The company had to lay off workers and repeatedly “retool” itself just to keep its doors open and its remaining employees paid.

Years ago, the company treated its employees and their families to holiday “bashes” – dinners, drinks, prizes, you name it – at upscale restaurants. The events were blends of holiday celebrations and pep rallies. Most, but not all employees attended. Those who stayed home ranged from the “loners” to the young families that couldn’t afford babysitters.

Partly for financial reasons, but also to be more accommodating to all of its employees, the company “retooled” its holiday party.

The night-time bash was replaced by an employee-only luncheon buffet in the company’s office building. Rather than glitz, the company invests in delicious catered food – and a lot of it. To really show appreciation for the employees’ hard work, the company’s owners and managers serve the food.

Who doesn't like a free meal, especially if it tastes really good? Who doesn't feel "loved" when the boss is scooping out potatoes, gravy and other mouth-watering dishes?

Here is what makes this company's holiday party a really good idea:

The owners and managers are personally thanking the workers. What are you trying to accomplish with a holiday party? "Appreciation" should be on the top of the list. The managers serving up a bountiful table also helps with team building. And this party likely gives the desired message that the business is financially doing well, or at least holding its own. That's a message every employee wants to hear in this uncertain economy.

It's convenient. The party is being given at a time and location that is the most convenient for the most employees. Babysitters do not have to be hired and "free time" sacrificed to attend what often becomes an awkward "mandatory" company party when held in the evening.

Alcohol is not being served. This party is being held at lunch and on company property. The serving of alcohol is not expected, nor would it be considered appropriate. Serving alcohol at company parties adds greatly to the cost. It also poses legal liabilities to employers if partygoers get drunk, act inappropriately or are injured in traffic accidents.

It's popular. Judged by the turnout every year, the employees seem to like and appreciate this event.

It's cost-effective. The cost of this celebration is much less than earlier "bashes." Because of the personal touches, it achieves this company's employee-appreciation goals.

In its annual survey, Amrop Battalia Winston also sampled business optimism. The responses may provide a clue as to why more holiday parties are being eliminated from budgets. Fewer companies (36 percent) responded this year that they expected to grow and increase hiring in 2012. In contrast, 55 percent of the companies surveyed last year said they expected growth and hiring in 2011.

According to a news release about survey results, "There was uncertainty about the speed of the recovery in 2010. That has been replaced by the certainty that the recovery has a long way to go. Now, companies appear to be resigned to the fact that we'll be facing globally challenging economic times for the foreseeable future."

And that means that companies and their employees must work together to dig out of this economy.

Now, more than ever, companies need to find sincere ways to thank and show appreciation to their partner-employees. A well-planned, cost-effective holiday party may be one of those ways. So, decide what works best for your organization...and enjoy this holiday season together!

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