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BLUE CHRISTMAS

LOVE OR LOATHE THEM, OFFICE HOLIDAY FESTS ARE TAKING A HIT THIS YEAR

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In the stretch between Thanksgiving and Christmas, the markers of the holiday season arrive as dependably as waves hitting the shore: the tree in Rockefeller Center, the sidewalk evergreen vendors, the holiday sales reports.

For wage slaves everywhere, add another item to the list: the office holiday party, an annual ritual that's been going on since the cavemen used stone dividers to build the first office cubicles. But this year things are different. Citing tight budgets and worries about sending the wrong message by partying as the economy tanks and pink slips pile up, companies are canceling their holiday shindigs faster than executives dropping their stock options.

A study by executive search firm Battalia Winston Amrop found that fewer companies are offering holiday activities in 2008 than at any time in the 20 years Battalia has conducted the survey. "Nobody feels like celebrating," says Jo Bennett, a partner at Battalia, adding that she expects the number of firms cutting back to grow.

In New York City, firms putting the kibosh on their bashes include many giants in finance - including Morgan Stanley, Merrill Lynch, Barclays, UBS, Citigroup and American Express - and the media, including ABC and Viacom.

Throw in scores of major advertising agencies, law firms and manufacturing concerns, along with hundreds of smaller businesses, and there are tens of thousands of workers who next month will be deprived of the chance to get hammered in the presence of senior management, make inappropriate comments to their bosses, put the moves on quietly longed-for co-workers, or just stand around stiffly with a drink in hand, making small talk with colleagues who look vaguely familiar from the break room. Given the strong feelings both pro and con that holiday parties tend to arouse, whether that's a good or a bad thing for workers is in the eye of the beholder. Not all employees will be crying in their nog over nixed and downsized hoedowns.

"I can't stand them," says "Abby," a muckety-muck for a major Manhattan firm, who says she's not the only one in her office who was secretly glad to hear that her company's annual bash was being deep-sixed.

Abby's complaint is typical of the sentiments of the naysaying crowd: She can't handle the manufactured frivolity and "forced camaraderie."

"There's always a kind of 'Death of a Salesman' quality to them," she says.

Jonathan Parker, an attorney and financial adviser, says he doesn't miss the holiday parties he was forced to attend during his years as an exec at Wachovia and Prudential. "They were pretty uptight events," he says.

While the office shindig has been touted as a prime opportunity to put yourself on the radar of the powers that be, Parker instead likens them to an investment where you can break even at best. "The only thing that can happen is [maintaining the] status quo or screwing up somehow, like forgetting a co-worker's name as you stare at his wife's breast implants," he says. "You're certainly not going to get a promotion after knocking back a few."

But there are plenty of workers sorry to see an ax taken to the holiday fests. Among them is "Jessica," who's always welcomed the annual bash thrown by her employer, a Manhattan media firm. "Everyone drank entirely too much, and I'd end up dancing with random people I would never talk to" in the workplace, she says. She fondly remembers the scandals that invariably occurred each year, including illegal drug use and interoffice hook-ups, adulterous and otherwise - like the colleagues who memorably ended the night lip-locked on the dance floor, jamming their tongues down each others' throats as if their larynxes produced diamonds.

But it wasn't just scandal that made Jessica dig the fete. There was an alcohol-fueled camaraderie that enhanced her sense of community.

"The bosses - they kind of hung out with the lower peons," she says.

As for whether terminating parties is smart business judgment, again, the verdict is split. Some argue that holding a bash is essential for bucking up workers' spirits, which at many companies are comparable to those of the Japanese army in the waning days of Iwo Jima.

"What message do you send when you cancel it entirely? It's not quite like canceling Christmas, but it sort of sends that message," says David Lewis, president of HR consulting firm OperationsInc. "It's not a time to perpetuate doom and gloom. You've got to do something for morale."

Laurent Duperval, president of Duperval Consulting, in the IT field, calls canceling parties a penny-wise, pound-foolish move. "When things are bad, you need to invest more time and resources with your employees, and one of those resources is the Christmas party," he says. "It's a way for a company to advertise and promote itself in the eyes of the employees, and a good time to show gratitude toward your staff."

But the prevailing view among companies seems to be that, as a spokesman at Citigroup put it, holding a party is simply "not the right thing to do this year."

The spokesman cited the "very tough cost environment," but there's another big factor, of course - the potential public perception that businesses are fiddling while Rome burns. A UBS executive who asked not to be named says the firm can afford to throw the usual rager but is donating the money to charity, knowing it would look bad holding a swanky bash when it and others are looking for taxpayer bailout money.

"AIG has gotten into such hot water," says the exec. "Everyone is going to be scrutinized very closely."

Many companies are seeking a middle ground, finding low-key, rather than booze-fueled, ways to mark the holidays. A survey by the business consultant firm Watson Wyatt found that the trend this year is to "downgrade" holiday festivities, with one in three firms saying they're either doing this or considering it.

Citigroup, for instance, is offering employees a half-day off to volunteer at a charity, while UBS is hosting more modest affairs for individual departments that are characterized as "thank you for all the hard work for the year parties" rather than holiday events.

Money worries and other hand-wringing aside, not everyone is shifting gears, to be sure.

"It's one of the last things we'd really cut," says Vince Ashton, executive director of HealthPass, a Manhattan nonprofit health insurance purchasing co-op, of their annual holiday dinner. "I look at this as an annual reward workers should almost be entitled to."

But Yomesh Shah, CEO of B2CJewels, an online jewelry retailer in Manhattan, believes his employees can see the logic behind his decision to save \$15,000 by holding a luncheon at its offices rather than the dinner out it hosted last year.

"They understand the environment they're in," he says.

WAYS TO SPREAD THE SPIRIT

No need for long faces around the office just because the office shindig was canceled.

Here are @work's Top 10 suggestions for boosting holiday cheer during these times of woe:

- 1 Join together in a rousing chorus of newest holiday carol, "The 12 Days of Severance."
- 2 Institute the Bob Cratchit Award for Meritorious Overtime during the holiday season. The winner keeps her job. There is no second prize.
- 3 Take out a second mortgage on your secretary's gingerbread house.
- 4 Instead of hanging mistletoe over the conference room entrance, hang up a mock subpoena.
- 5 Foster teambuilding by substituting awkward "Secret Santa" gift exchange with year-round "Secret Psycho" speculation.
- 6 Find a scrap-yard that pays cash and give your office a yuletide copper inventory.
- 7 Make layoffs fun by revealing names via Advent calendar.
- 8 Dress up interns as Santa's elves. Keep their "pay" the same.
- 9 Who needs a yule log? Build a roaring holiday fire using your company's worthless stock options.
- 10 Make it a "white Christmas" by handing out blank pieces of paper in lieu of bonus checks.