



Where Should You Hold Your Company Retreat?

As remote and hybrid work have become more common, corporate retreats have surged in recent years. Some or all of your employees may now work from home and experience little in-person interaction with coworkers. A retreat can foster collegial relationships and, ultimately, greater productivity. But the first decision you'll likely need to make is whether your retreat will be a smaller-scale affair held in your office or an off-site retreat. There are ways to make either one affordable.

Your office

Staying on your company's premises can keep out-of-pocket costs in check. The most obvious is that you won't need to rent meeting rooms. And, assuming employees live in the area, you won't have transportation and lodging expenses. You'll also likely spend less on food and beverages. A local restaurant can cater your meals and snacks, and you could buy beverages in bulk.

On the downside, employees tend to view on-site retreats as just another day at the office. This can hamper creative thinking and team building and limit possible activities. Worse, employees may be distracted if they can frequently run back to their desks to check email and voicemail.

Off-site locations

In general, workers are better able to focus on a retreat agenda at an off-site location. They're in a new, "special" environment with no visual cues to trigger workday routines. So, even though you'll incur greater costs than if you'd stayed in your office, you may get a better return on investment.

The fact is, hotels and other facilities that host company retreats need and want your business! Many things may be negotiable, and you might be able to snag discounts by booking or paying early. Get several quotes and compare prices and services. You'll have more leverage if you avoid scheduling your retreat during seasonal peaks when local venues tend to be busy with weddings, trade shows and industry conferences.



Hotels earn their biggest margins on food, beverages and meeting setup fees, so they may be willing to provide complimentary or discounted rooms for guest speakers and out-of-town employees. Also, try to negotiate a flat food-and-beverage price for the entire retreat, rather than a per-person or per-event rate.

Possible tax relief

Here's another way to save: Some of your company retreat expenses may be tax-deductible. They need to meet IRS criteria as "ordinary and necessary" business expenses and can't be extravagant or include expenditures for employees' spouses. In general, business meals are only 50% deductible, and entertainment costs are nondeductible.

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