

Challenging times for DEI

SQUARING the CIRCLE

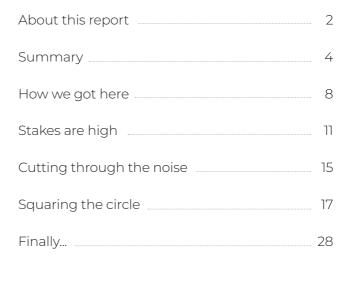
How to break the loop, reduce the risk and get the most from your diversity, equity and inclusion communications

About this report

At Bladonmore, we work with some of the largest and most high-profile businesses to shape and share their story with the people who matter most. Diversity, equity and inclusion (DEI) has become one of the most challenging areas for businesses to talk about in the current political climate, but it also presents opportunities if approached in the right way. This report shares what we've learned in our work and through our research to help you navigate the challenges and grab the opportunities.

This isn't a guide to DEI strategy. It's a guide to communicating DEI in a polarized and politicized world, inside and outside your business. The practical recommendations will help you move forward today. The analysis will help you think about how things may unfold in the future.

Contents





3



Summary

DEI communications risk going round in circles

Communications teams are caught in a bind. When it comes to DEI communications, whichever way they turn, criticism will likely follow.

Continuing to communicate DEI as before means looking outdated and getting criticism from those who think it's gone too far. Tone your approach down and you'll be criticized by those thinking you're pulling back. Go the other way and you'll be called out by those saying you're going too far again. Round and round we go.

DEI is riddled with circular contradictions

DEI critics claim they want a fair system based on merit. But this 'pure meritocracy' they want to return to has never actually existed. They argue programs that might help specific groups are unfair, but these programs exist because society is already unequal. People start life with different advantages and disadvantages, so to create fair opportunities, people need different types of support based on what they need to succeed.

This criticism is getting traction because DEI is being framed as a zero-sum game. This framing assumes the 'winnings' are finite, so one only wins if another loses. In fact, DEI is about growing the overall winnings by enabling more people to perform better, so there's more success to be shared around. As wealth inequality keeps rising, more and more people will feel like they're losing, which means this framing's potency will only increase.

Contradictions exist in the practice of DEI too, which impacts how communications are received. Many common DEI practices of the past have been counterproductive. Some data reveals that approaches like unconscious bias training and other common interventions might actually increase division and bias.

Thankfully, most people agree on the values that underpin DEI, like equal opportunity, fairness and respect. But they are split in their support for DEI practice.

Is DEI divisive and discriminatory, or inclusive and additive? It depends on the framing.



Stakes are high

A growing legislative divide between the US and the rest of the world could have costly legal and compliance consequences for companies depending on how they position DEI. The same may be said for governmental and some corporate contracts that explicitly require or exclude supplier DEI practices.

The decision on how to position DEI will have an impact on employee engagement and talent pipelines, but with people split on support for the practices of DEI, how this plays out remains to be seen. Consumers have started calling for boycotts of those backtracking on DEI. Some have followed through, but on the whole, consumers have a habit of saying one thing and doing another. Investors have been very clear when exercising their vote on anti-DEI proposals put forward by activist investors. 97%-99% vote in favor of DEI.2 Clearly, there's a role for DEI being a thread in every consumer, employee and investor communication. The question is: how?

The gap between support for DEI outcomes and the programs that achieve those outcomes is a communications opportunity.



DEI communications create real value

87% of Americans surveyed agreed that people from all backgrounds should be treated the same and have the same opportunities³, but only 55%⁴ think others feel the same and 49% support programs to achieve this when they're labeled DEI programs. With the size of shareholder support, getting your communications right is a way to boost engagement, improve reputation, and strengthen your equity story.



Squaring the circle

The high stakes and the heat of the situation increases the stress for senior leaders. This puts even more pressure on communicators to reconcile seemingly irreconcilable positions, satisfy divergent stakeholder expectations, and navigate a polarized communications environment. All while maintaining coherence with corporate values and business objectives.

It's a situation that the phrase 'squaring the circle' could have been written for. Thankfully, through our research and experience we've identified three steps to moving forward with clarity and confidence:

Re-establish your foundation. In the face of confusing contradictions, it's essential to revisit why diversity, equity and inclusion are intrinsically, strategically essential for your business. And you need a clear-eyed view of what changes need to be made to reposition in line with that foundation, while ensuring legal compliance.

Rebuild your positioning. Carefully crafting the right framing for your positioning will avoid the worst criticism and strengthen your broader story. By re-engaging internally with those who have the highest stake in DEI for their input, you will shape a stronger plan and enlist crucial internal advocates.

Finally, **roll out your communications** with careful rewording that increases clarity and minimizes the opportunities for criticism. Be careful with the chosen words – don't go for ones that are too abstract, like 'belonging', because the same challenges can still be leveled. At the same time, train leaders and managers to make sure they know what to say and can say it with the confidence that comes from real understanding.

Following these steps will not only ease the pressure, but will help make DEI a positive part of your story that strengthens your relationship with stakeholders. Bladonmore can help if you need it – **hello@bladonmore.com**.



1964. The DEI conversation starts

In the US, the summer of 1964 saw race riots and the passing of the Civil Rights Act. US Xerox CEO Joseph Wilson was one of the first businesses to act on diversity. He began working with black employees to discuss their experiences and hear ideas for business changes.

80s and 90s. Globalization spreads the word and increases complexity

Through the 80s and 90s, globalization birthed the idea of multiculturalism. In step with broader culture, companies started diversity targets, programs and training initiatives. Around the early 2010s the more complex ideas of equity⁵ and intersectionality⁵ gained prominence.

2020. Tensions ramp up and cancel culture kicks in

The tragic murder of George Floyd on May 25, 2020 becomes a global symbol in the fight against racial injustice. It also leads to businesses being called on like never before for action and support. Companies responded resoundingly with more training, bold commitments and initiatives, often with a heavy focus on race and without evaluating the scale of change they could realistically

make. At the same time, people contributing constructive criticism of DEI practices, based on data showing not everything was working, found themselves shouted down or 'canceled' with accusations of being racist.

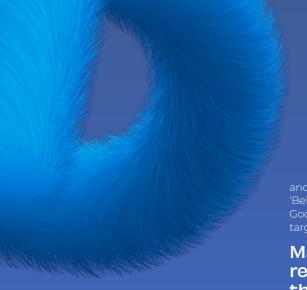
Early 2020s. Public and legal tensions explode

In late 2020, the Republican administration issues Executive Order 13950, which prohibited DEI in federal agencies. In 2021, the new Democratic administration repeals this order.

In May 2023, Target launched LGBTQ+ Pride merchandise. It's met with fierce criticism from some. Bomb threats, vandalized stores and legal warnings⁷ cause the company to pull back. A move that's then fiercely criticized by others. The next month the U.S. Supreme Court strikes down affirmative action in college admissions.⁸

2024. Targeted campaigns cause some businesses to pull back

Activists use the court ruling against affirmative action to claim DEI wastes funds and exposes shareholders to severe risks, and argue for a 'return' to meritocracy. Through the summer of 2024, several firms are targeted. John Deere, Harley Davidson, Lowes, Tractor Supply Outlet, Walmart, Brown-Forman (Jack Daniels' owner) all roll back DEI programs, goals and data publication.



2025. New Executive Orders position DEI against meritocracy

In early 2025, the new US administration issues Executive Order 14151 to end all DEI programs in US Government agencies and Executive Order 14173 to introduce 'illegal DEI'. The US Equal Employment Opportunity Commission published guidance making it explicit that "DEI initiatives, policies, programs, or practices may be unlawful if they involve an employer or other covered entity taking an employment action motivated – in whole or in part – by an employee's or applicant's race, sex, or another protected characteristic".9

DEI roll-back continues

Following activist pressure, McDonald's cuts some targets, discontinues supplier programs but maintains data tracking. The DEI team became the 'Global Inclusion Team', 10 Its UK business kept targets for senior leadership representation and inclusive supply chain practices. 11

Other firms act preemptively. Accenture ended its global DEI goals and demographic-specific career programs.¹² Citigroup renamed DEI to Talent Management and Engagement and ended its diversity hiring goals.¹³ Target canceled its DEI goals

and programs, and rebranded DEI to 'Belonging'. Amazon, American Airlines, Google, Meta, PepsiCo and others removed targets, programs and web copy too.

Many reframe and restructure, rather than roll-back

Warner Bros renamed DEI as 'Inclusion' and restated the importance of diversity to the business.¹⁵ The Walt Disney Company restructured programs into its Talent Strategy.¹⁶ McKinsey announced it will keep diversity targets in its pursuit for a 'diverse meritocracy'. J.P. Morgan renamed DEI to DOI – diversity, opportunity and inclusion, and moved some programs into HR.¹⁷ Cisco, Coca-Cola, P&G, TK Maxx, Verizon and others maintained DEI efforts, stating having diverse, equal and inclusive workplaces are important for business success.¹⁸

Divides opening up

In contrast to the US Government's position where anti-DEI activist shareholder proposals go to the shareholder vote, they lose 97, 98, 99 to 1. This happened at American Express, Apple, Berkshire Hathaway, Bristol Myers Squibb, Coca-Cola Company, Costco, Goldman Sachs, Levi Strauss & Co., McDonald's, Merck, Pfizer, Visa and the Walt Disney Company.²

The US administration issued letters to foreign companies via its embassies, insisting that if they supply the US Government, they must remove DEI programs "regardless of their nationality and the country in which they operate". Ompanies raised these letters with their national governments who are already responding to new trade tariffs.



Stakes are high

Cross-Atlantic alignment is at stake

In 2025, the new US Administration issued Executive Order 14151 to end all DEI programs in government agencies, and their contractors. On January 21, 2025, Executive Order 14173 introduced 'illegal DEI'. These orders show the current administration's priorities of using government agency influence and significant procurement spend to remove DEI programs and targets in private companies.

In contrast, the legal frameworks of other jurisdictions, like Australia, Europe and even China, are moving in the other direction. Many already have requirements for companies to measure and disclose diversity and equity metrics, particularly around representation of gender and ethnicity at different levels and pay gap reporting. More jurisdictions are likely to follow suit as they align to international sustainability disclosure frameworks.

A divide is being created. How far DEI messaging for global organizations can flex to cover this emerging legal gap will be critical to monitor going forward.

Political shift on DEI in leading global economies





About 8% of Accenture's 2024 \$65bn turnover came from US Government contracts. 20 So predictably, in February 2025 it preemptively changed its approach to DEI – winding down specific goals for women in leadership and rewording specific programs to emphasize equality of opportunity for all. Despite this, it has kept its core narrative of DEI being key for enabling innovation and driving business results.

A few months later, the firm was prevented from bidding for a Transport for London contract because it 'no longer met the criteria for diversity that we expect from all suppliers'.²¹

Accenture also has \$7bn²² in contracts connected to the Australian Government, who are placing more emphasis on DEI.

DEI policies are continually changing. For global businesses, monitoring these policy changes needs to not just consider the legal compliance risks, but also the commercial contracting risks too.



Consumer support is at stake

Target has a history of being progressive on social justice and race issues. But in 2023, its Pride-themed merchandise was attacked by anti-LGBTQ+ groups. For 2024's Pride month, Target scaled back its approach, for which it was widely criticized too.

In January 2025, without any direct pressure according to the media, Target announced it was ending programs to support supplier diversity and tracking DEI hiring goals. 'Diversity, Equity and Inclusion'²³ became 'Belonging at the Bullseye'.²⁴ This was not well received by many, especially America's black community.²⁵ Target's co-founder's daughters called it a betrayal of values.²⁶ #BoycottTarget rippled through social channels.

In contrast, Costco stuck with its DEI approach after shareholders voted overwhelmingly (98%) against a shareholder proposal to remove DEI policies and programs. The board's narrative positioned DEI as core to the company's culture and business success. As it's the world's third largest retailer, averaging a 12% growth in sales every year since 1985,²⁷ this proved a significant play.



The Costco Board explaining to shareholders why they should vote against an anti-DEI proposal

"Our success at Costco Wholesale has been built on service to our critical stakeholders: employees, members, and suppliers. Our efforts around diversity, equity and inclusion follow our code of ethics:

For our employees, these efforts are built around inclusion – having all of our employees feel valued and respected. Our efforts at diversity, equity and inclusion remind and reinforce with everyone at our Company the importance of creating opportunities for all. We believe that these efforts enhance our capacity to attract and retain employees who will help our business succeed. This capacity is critical because we owe our success to our now over 300,000 employees around the globe.

We welcome members from all walks of life and backgrounds. As our membership diversifies, we believe that serving it with a diverse group of employees enhances satisfaction. Among other things, a diverse group of employees helps bring originality and creativity to our merchandise offerings. promoting the "treasure hunt" that our customers value. That aroup also helps to provide insights into the tastes and preferences of our members. And we believe (and member feedback shows) that many of our members like to see themselves reflected in the people in our warehouses with whom they interact.

Having diversity in our supplier base, including appropriate attention to small businesses, is beneficial for many of the same reasons diversity benefits our Company. We believe that it fosters creativity and innovation in the merchandise and services that we offer our members."

We don't yet know how or indeed if customers are voting with their wallets, but they do seem to be voting with their feet. Data from two different sources²⁸ suggests shoppers are switching from Target to Costco. Footfall for Target's stores was reportedly down by 5m in the four weeks to February 9, 2025. Costco's were reportedly up 7.68m.

While ongoing consumer support is uncertain if DEI strategies are rolled-back, there is a very important caveat to the 'power of the consumer' argument. For decades, studies have shown a clear gap between what consumers say they will do when it comes to broader environmental and social issues, and what they actually do. Despite what people say, for the majority, these broader issues are typically third or fourth on the list of factors that lead to purchase decisions after things like value, quality and ease.

Employee engagement and the talent pipeline is at stake

Employees are probably the most important, given they are the focus for DEI and the people who produce the profit and progress. Studies show that organizations which treat people fairly, and where people feel included, are more engaged,²⁹ and that engagement leads to better performance.³⁰ Rolling-back on programs designed to increase equity and inclusion, or at least giving the perception that they are, will likely impact performance negatively.

Just as DEI matters for current employees, it matters for future hires, too. 76% of job seekers and employees report that a diverse workforce is an important factor when evaluating companies and job offers. 31 39% of people have turned down or decided not to pursue a job because of a perceived lack of inclusion at an organization. 32

Given that the furor around DEI is, to a large degree, due to its framing and communication, the stakes for long-term performance and short-term talent attraction are high.

Shareholder support for DEI isn't at stake

As we've seen, 97%-99% of investors at companies as diverse as Apple, Bristol Myers Squibb, Goldman Sachs, Levi Strauss & Co., and Visa have voted to keep DEI programs in the face of activist anti-DEI shareholder proposals.

The furor around DEI is, to a large degree, down to how it has been, and is being, framed and communicated.





Cutting through the noise

Vast majority support DEI outcomes

While this may seem obvious, it's important to recognize both the scale of the support and the misperception about how widespread it is.

87% of Americans agreed with the outcomes-oriented statement: "All people are equal, regardless of race, ethnicity, gender, physical appearance, or any other personal characteristic".³ However, when asked how much they believe others support DEI – based on 15 pro-diversity statements across seven studies – the perceived support averaged just 55%.⁴ That 32% gap reflects how much people underestimate the true level of support for DEI.

Closing this gap by showing the majority support is a communications opportunity to strengthen your story.

People are split in support for DEI programs

A YouGov survey in Spring 2025 found 49% of Americans are in favor of DEI programs, 36% have an unfavorable opinion of them and 14% don't know. The split is more pronounced when it comes to support for cutting back on DEI: 40% support cutbacks, 43% oppose reductions.³³

With a majority supporting the outcomes, but not the practice, by more explicitly linking the two and proactively addressing any concerns, it will position your firm as an organization that acts on issues that matter

Jargon and complex language needs translating

In a 2021 survey of 393 communicators, the Institute of Public Relations found that just half (54%) are comfortable with DEI-related language. Just less than half (48%) felt that organizations are explaining why the specific words used about diversity, equity and inclusion are important. 20% report they did not recognize the difference between the terms 'diversity' and 'inclusion'.³⁴

Communications professionals need to work harder to simplify their explanations of DEI. Indeed, this is an essential part in making the link clearer between outcomes and practice, as discussed above.

Issues of diversity, equity and inclusion are only going to increase

Ethnic diversity is increasing. The US non-white population has nearly doubled since 1990 to over 40% in 2023.³⁵ While equality has improved over the past 100 years, since the 1980s, progress has slowed significantly. Income inequality for all groups is rising in the US.³⁶ Progress on closing the gender pay gap has stalled over the last two decades.³⁷ The household income gap in ethnicity has barely changed since the 1970s.³⁸ With the cost-of-living increasing and wealth inequalities rising, more and more people from every group, except the wealthy, feel like they're losing out. Those framing DEI as a zero-sum game not only harness these frustrations and negative feelings, they heighten the tensions too – even though DEI is an attempt to tackle the root causes.

These fundamentals show DEI is a long-term challenge that needs to be framed as a non-zero-sum game. Communications need to use simpler language that talks more to outcomes, like making businesses a fair place where people can fulfil their potential, regardless of who they are and what their background is. This forms part of the steps for moving forward, which is what's next.



Squaring the circle

As set out at the start of this report, we believe there are three steps to moving forward effectively:

1. Re-establish a solid foundation

Revisit why it matters. Review existing commitments, communications and programs.

2. Rebuild your positioning

Reframe DEI in terms of what it means to your business. Re-engage internally.

3. Roll out your communications

Reword to communicate outcomes and avoid triggers. Retrain people so they're confident in your position.





Consequences of not having a clear foundation

Accenture's pre-emptive change in its DEI approach came the day after the government said it would "investigate, eliminate, and penalize illegal DEI and DEIA preferences, mandates, policies, programs, and activities in the private sector."

The email from the CEO explaining the changes said targets were being removed because they had been "largely achieved" and changes came from an "evaluation of our internal policies and practices and the evolving landscape in the United States, including recent Executive Orders with which we must comply".

Accenture Federal Services employs 10,000 people and brings in 8% of the Group's total revenue. It is a material part of the business. The media quickly picked up on the size of US Government contracts even though the CEO's memo didn't mention it. A review of its 2024 Environmental and Inclusion & Diversity Metrics report shows that, of the 13 stated goals, only three had been met.³⁹

Where employees have shared their views, the reactions vary widely but are largely critical. Some say it's led to a loss of trust in leadership; others call it a knee-jerk reaction that will be bad for business overall. Some believe it's necessary and pragmatic, while others say it's about time the practices were overhauled.

Such a wide range of responses is typical of a surprising shift in direction. It is what happens when there is not the kind of confidence that comes from a clear, strong foundation. One that is an integral part of the business' story.

Contrast this with McKinsey, which sets out its DEI position as follows:

"We have a deep and longstanding commitment to diversity and inclusion in business, society, and within our firm. At McKinsey, diversity and inclusion are strategic imperatives. We believe that bold problem-solving and lasting performance improvements stem from bringing together individuals with diverse experiences, skills, and perspectives."

Bob Sternfels, McKinsey's Global Managing Partner is on record saying:

"We don't guarantee equity in outcomes, but we do strive to ensure everyone has a fair shot to succeed in our meritocracy."

This has received little media attention, because it is completely in line with what McKinsey is about. No controversy, no negative coverage, just the reinforcement of McKinsey's position in the market.

Revisit why it matters

At the heart of this foundation is the clarity of how DEI issues are material to your business and connected to your values and heritage. These questions help you get there:

- How does supporting your employees' different performance and development needs benefit your business and its customers?
- How has the diversity and inclusiveness of your business enabled your business to succeed in the past?
- How would a lack of diversity whether gender, race, sexuality, neurodiversity, or socioeconomic status – hinder your business?
- How are these issues reflected in the day-to-day culture in your business?
- What would your employees, shareholders and customers lose if your business was discriminatory, exclusionary and full of the same kinds of people?
- How do the outcomes of being diverse, equal and inclusive contribute to your brand and reputation?

Review existing commitments, communications and programs

It's important to know where you stand legally and how you are positioned publicly on DEI, so you know what to change to reposition and comply with new legal requirements. Achieving this means reviewing past and current statements, communications, commitments, targets and programs and checking for legal exposure in your jurisdictions.

This work will fuel a more effective reset and produce more effective communications, especially for internal audiences who will understand the need for changes to ensure legal compliance.

Apple came under pressure from an activist shareholder proposal focused on legal risk, which was claimed to potentially reach "tens of billions of dollars". Apple's communication in documents sent to shareholders ahead of the vote sets out simply why DEI is important to them and shows they have a very strong grip on the legal situation. Following the resounding shareholder vote in support of DEI, comments from CEO Tim Cook reinforce the solidity of their DEI foundation:

"As the legal landscape around this issue evolves, we may need to make some changes to comply, but our north star of dignity and respect for everyone and our work to that end will never waver."

2. Rebuild your positioning

Positioning is subtle, but powerful. Changing a few words can fundamentally change your position. That's why you need to first decide on your framing, then re-engage internally with people who, by communicating this framing regularly, play a big part in re-building your positioning.

Your framing will open you up to, or protect you from, criticism.



Reframe DEI in terms of what it means to your business

How you frame your approach to DEI will impact the degree to which you're likely to be criticized. DEI critics use a few different frames:

- Zero-sum DEI is discriminatory because it gives opportunity to some by taking it from others.
- Meritocracy DEI undermines fairness, so the best people don't get the job.
- Wasteful millions are wasted on DEI, which then results in underperformance.
- Wokeness DEI is a political agenda that is not core business so business shouldn't be doing it.

Your framing will open you up to, or protect you from, criticism.

Framing DEI around certain groups, whether that's addressing disadvantage or underrepresentation, opens up criticism about fairness and discrimination.

Framing DEI in terms of morality, where 'DEI is the right thing to do', opens you up to criticism of pushing a political agenda because the meaning of the acronym isn't immediately clear. If the statement is something like 'creating a fair, inclusive workplace where everyone is welcome', the woke criticism can't be applied because there's universal support for that statement.

Getting the framing right is not easy though.

Don't oversimplify

A 2022 study⁴¹ by professors at Yale and London Business School shows that making the case for DEI strategies in a transactional, business-case-focused way backfires by making underrepresented groups feel less included and engaged. They found an ethical, values-based case of fairness is more effective

Do connect it to what matters to your business

When we reviewed the statements of those who have avoided being seen as rolling back, we found their communications all connect DEI to at least one of the following:

- Heritage how DEI has been an integral part of the business' past.
- Core values/mission how fairness, openness, respect, inclusion and diversity are integral parts of the purpose and principles of the business.
- Identity how DEI is essential for innovation, creativity, performance, precision or whatever the business is known for

Example:

The Walt Disney Company connects DEI to its heritage, core values and better creating great experiences for global audiences

In a leaked memo⁴² sent by The Walt Disney Company's HR chief announcing changes to its approach, she said:

"For over 100 years, The Walt Disney Company has entertained and inspired generations of families from all walks of life around the world. We create entertainment that appeals to a global audience, and having a workforce that reflects the consumers we serve helps drive our business...

Creating a welcoming and respectful environment for our employees and guests is core to our company culture and our business. Our values – integrity, creativity, collaboration, community, inclusion – guide our actions and how we treat each other."

Kroger connects DEI to its core values

On its website, Kroger states:

"Our Values of Honesty & Integrity, Diversity & Inclusion, Safety & Respect have guided what we do for half a century. Diversity & Inclusion are embedded in our business through access and equal opportunity... For Everyone."

Microsoft connects DEI to its mission

On its website, Microsoft states:

"Our commitment to diversity and inclusion is driven by our mission to empower every person and every organization on the planet to achieve more."

This work is about articulating why DEI is a natural part of your business. It could be a simple exercise or may take more time to find the right articulation that passes the goldilocks test – not too long, not too short, but just right. In our experience, two approaches can help:

Deconstruction – breaking diversity, equity and inclusion down and asking how each has been core to your business' performance in the past, present and future.

Inversion – considering how a lack of diversity, providing very limited performance and development support and not listening to employees, would impact your business.

Re-engage internally

Before rolling out the changes, it's essential to engage key people in your DEI 'infrastructure' – the DEI committee, leads of employee resource groups etc – to strengthen the plan and develop advocates. The outputs from the previous steps provide the building blocks for this:

- Restating why DEI matters to your business, so they don't feel concerned about change.
- Explaining the reasons for making changes, which will be a combination of the current political climate and the output of the review, so they understand the situation.
- Sharing how you're reframing DEI and what's changing, then asking for input on how they think this will be received, where concerns may be raised and how to manage them, so their expertise gets you to the best solutions.



3. Roll out your communications

Apple, Costco, J.P. Morgan and McKinsey have all navigated the new landscape well. Where necessary, they have revised their language and presented robust positions. Critically, they have done this with utter confidence in their position, from the top down. Rolling out your revised position is more than changing words on web pages, it's about ensuring every piece of communication is aligned to your position and every communicator fully believes in it.

Clarity of message and confidence of communications and communicators is crucial.

Reword to communicate outcomes and avoid triggers

Rewording needs to run right through from your strategic position to program and employee resource group names, training content and hiring and performance processes. Legal counsel is required, because the situation keeps changing, but there are three key principles to practice:

· From issues to tangible outcomes

Critics have focused on programs that mention characteristics, saying these unfairly advantage some over others. Instead, these programs can be reworded to emphasize their outcomes – increasing opportunities, removing barriers for talent or providing tailored support for people with different development needs. Critics are also searching for specific words to indicate where to focus their campaigns and investigations. Avoiding the triggering language, including 'microaggressions', 'systemic racism', 'gender identity', 'intersectionality' and 'white privilege', is therefore wise.⁴³

From identity to interest

When calling out certain characteristics leads to criticism of being anti-meritocratic, employee resource groups and celebratory days for certain groups could be framed as discriminatory. To avoid this, make it clear these groups and events are open to allies and those interested in the topics.

From acronyms and jargon to simple language

One of the reasons why it's possible for people to support the values and outcomes of DEI, but not the practices, is because the language of the practices is not clear. Therefore, all DEI communications need to go through a simple language filter to avoid falling into this trap.

Be careful with 'belonging'

Many companies have shifted from DEI to belonging. But, like DEI, 'belonging' is abstract and vague. In a work context it doesn't have a clear definition because most people don't naturally talk about 'belonging' at work. When someone says they feel respected or included, we understand. If someone were to say they feel they belong at work, you would ask what they mean by that because it requires explanation.

This opens the word up to the same woke reframing as DEI suffered. Because it's not obvious what it means, critics can say it means whatever they want to suit their agenda.

Retrain people so that they're confident in your position

Changing your approach will create conversation, internally and externally. Your communicators, managers and leaders need to be well-equipped to have these conversations and answer tough questions, which in our experience means clear messaging and well-trained spokespeople.

Creating a clear messaging framework

Given the sensitivity of the subject, this needs to do more than set out messaging and proof points. It also needs to explain simply why changes are being made and the principles underpinning the shift, so users understand and can then communicate with confidence.



Example:

Why DEI matters

Clearly articulate what being a diverse, inclusive and equal organization means to your business and why that matters, in plain, simple language e.g.:

Being a place where everyone has equal opportunity to succeed, whoever they are, is core to our values. It's a key part of the innovation we're known for. This isn't changing.

Proof points

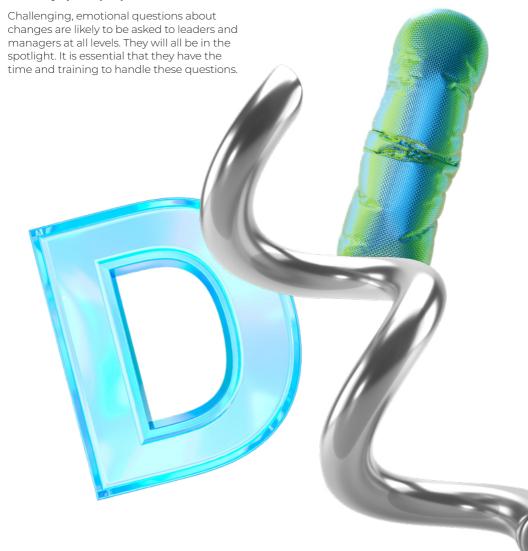
Insert examples that speak to the above

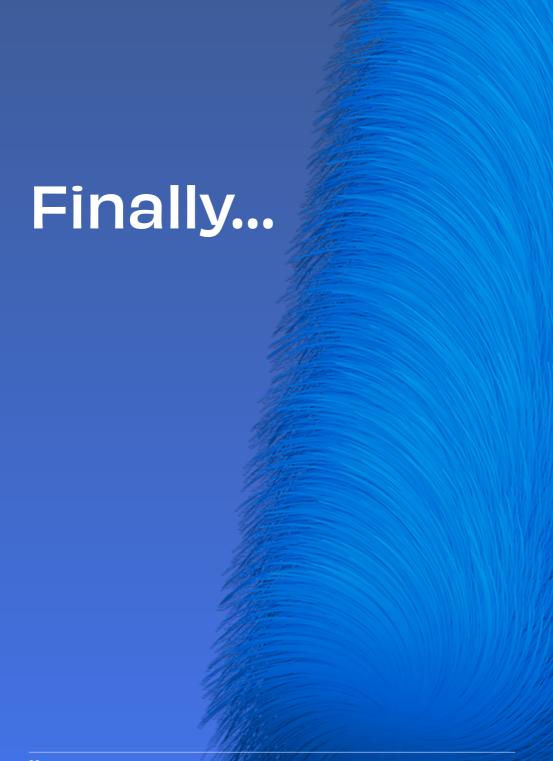
wny changes are being made	wnat's changing	How to find out more
Explain the specific drivers of change e.g.:	Explain the specific changes being made e.g.:	Reinforce the relevance of DEI by directing people
In the US, the legal and policy	Activities to reach	to their managers e.g.:
landscape is changing. To stay eligible for government contracts,	broader talent pools will move to recruitment.	These changes are about staying true to our values
we need to make changes.	Programs to create more inclusive and equal teams and culture will sit in HR.	while adapting to a changing environment. If you have any questions,
	Employee Resource	please speak to X.

Proof points	Proof points	Proof points
Insert specific business relevant details about the material nature of these drivers.	Insert proof points that show the business value of DEI programs.	Insert examples that reinforce the connection to core values.

Groups are open to all.

Train key spokespeople





For communicators, contentious, fast-changing and emotionally-charged issues are some of the most challenging. Often, these issues are also great opportunities to build strong relationships and more valuable reputations too.

DEI is one of those issues. As we've shown in this report, reacting without clarity, confidence and well-crafted communications has real business consequences. If you know clearly why making your business more diverse, equal and inclusive matters, and you've rebuilt your positioning and are communicating that with confidence, you will earn more support from your people, investors, customers and communities.

If you're looking for support in doing this, we can help. Whether that's strategically with defining narrative and messaging, or more practically with training leadership, and rolling out communications, Bladonmore is well-positioned and experienced to advise.

Notes

- Dobbin and Kalve (2016) Why Diversity Programs Fail. Harvard Business Review. https://hbr.org/2016/07/why-diversity-programs-fail
- 2 Impactivize (2025). 2025 Anti-DEI Proposals and Shareholder Voting Results. Impactivize. https://www.impactivize.org/2025-shareholder-oroposals/
- 3 Siena College Research Institute (2021). The American Values Survey, 2021. Siena College Research Institute. https://scri.siena.edu/wp-content/uploads/2021/10/AVS-Data-Appendix.pdf
- 4 Isenberg, Brauer (2024). Diversity and Inclusion have greater support than most Americans think. Sci Rep 14, 28616 (2024). https://doi.org/10.1038/s41598-024-76761-8
- 5 Equity where everyone gets the same outcomes. Equality is where everyone gets treated the same, regardless of how advantaged or disadvantages they are.
- 6 Intersectionality which means that social categories like ethnicity, gender etc overlap because people, groups and organisations have multiple characteristics.
- Wikipedia (2025). 2023 Target Pride Month merchandise backlash. Wikipedia. https://en.wikipedia.org/w/index.php?title=2023 Target Pride Month merchandise-backlash&oldid=1286832212
- 8 Debusmann Jr (2023). Affirmative action: US Supreme Court overturns race-based college admissions. BBC. https://www.bbc.co.uk/news/world-us-canada-65886212
- 9 U.S. Equal Employment Opportunity Commission (EEOC) (2025). What You Should Know About DEI-Related Discrimination at Work. EEOC. https://lwww.eeoc.gov/wysk/what-you-should-know-about-dei-related-discrimination-work
- 10 Saraogi (2025). McDonald's (MCD) Scales Back DEI Initiatives Under Activist Pressure. Nasdaq. https://www.nasdaq.com/articles/mcdonalds-mcd-scales-back-dei-initiatives-under-activist-pressure
- II Young (2025). McDonald's keeps DEI on the menu in Britain despite Trump's rollback in the US. Business Matters. https:// bmmagazine.co.uk/news/mcdonalds-keeps-dei-on-the-menu-inbritain-despite-trumps-rollback-in-the-us/
- Reuters (2025). Accenture scraps diversity and inclusion goals, memo says. Reuters. https://www.reuters.com/technology/accenture-scraps-diversity-inclusion-goals-ft-reports-2025-02-07/

- 13 Gillespie (2025). Citi Scraps Diversity Goals, 'DEI' Team Under Trump Pressure. Bloomberg. https://www.bloomberg.com/news/ articles/2025-02-20/citi-scraps-diversity-goals-dei-term-undertrump-pressure
- (44) Cavale (2025). Target becomes latest company to backtrack on DEI initiatives. USA Today Money. https://juusatoday.com/story/money/2025/01/24/target-dei-program-rollback/77938826007/
- Huston (2025). Warner Bros. Discovery to Refer to DEI Efforts as "Inclusion" After Trump Mandate. Hollywood Reporter. https://www.hollywoodreporter.com/business/business-news/warner-bros-discovery-dei-effortsinclusion-trump-mandate-1236149287
- 16 Chmielewski, Varghese (2025). Disney tweaks DEI programs to focus on business outcomes, memo says. Reuters. https://www.reuters.com/business/media-telecom/disney-is-axios-reports-2025-02-11/
- 17 Colvin (2025). J.P. Morgan trades DEI for 'DOI'. HRDive. http://http:
- 18 Adamczeski, Berry (2025). These 25 major companies still have DEI practices. Advocate. https://www.advocate.com/news/companies-keepina-dei/#rebelltitem28
- 19 Frater, Dmitracova (2025). US embassies to contractors worldwide: Cancel any diversity programs or risk going unpaid. CNN. https://edition.cnn.com/2025/04/01/business/us-embassieseuropean-suppliers-del-intl
- 20 Consulting.us (2025). Accenture ditches DEI. Consulting.us. https://www.consulting.us/news/11373/accenture-ditches-dei
- 21 Bryant (2025). TfL cuts ties with Accenture over DEI rollback. HR Magazine. https://www.hrmagazine.co.uk/content/news/tfl-cutsties-with-accenture-over-dei-rollback/
- 22 Brookes (2025). Accenture's \$7 billion diversity gamble. InnovationAus.com.https://www.innovationaus.com/accentures-7-billion-diversity-gamble/
- 23 Target (16/03/2024). Diversity, Equity & Inclusion webpage. Target.com. https://web.archive.org/web/20240316142549/https://corporate.target.com/sustainability-governance/our-team/diversity-equity-inclusion
- 24 Target (2025). Belonging at the Bullseye. Target.com. https://corporate.target.com/sustainability-governance/our-team/belonging

- 25 Bacon (2025). Target rolled back DEI efforts. A boycott ensued – and traffic dropped. CNN. https://edition.cnn.com/2025/04/21/business/target-boycott-jamal-bryant-minority-businesses
- 26 Dayton, Dayton (2025), Letters to the Editor: Our father helped create Target. Its rollback of DEI programs is a betrayal. LA Times. https://www.latimes.com/opinion/letters-to-the-editor/ story/2025-02-13/our-father-helped-create-target-its-rollback-ofdei-programs-is-a-betrayal
- 27 Ton (2024). Lessons from Costco on Sustainable Growth. Harvard Business Review. https://hbr.org/2024/03/lessons-from-costco-onsustainable-growth
- 28 Christensen (2025). Targets visits are down, Costco visits are up. One report credits DEI as the reason. Snopes. https://www.snopes.com/paus/2025/08/7/fcsto-target-dai/
- 29 Bourke, Titus (2019). Why Inclusive Leaders Are Good for Organizations, and How to Become One. Harvard Business Review. https://hbr.org/2019/03/why-inclusive-leaders-are-goodfor-organizations-and-how-to-become-one
- 30 Boustanifar, Kang (2022). Employee Satisfaction and Long-Run Stock Returns, 1984-2020. Financial Analysts Journal. https://www.tandfonline.com/doi/abs/10.1080/0015198X.2022.2074241
- 31 Glassdoor (2020). Glassdoor's Diversity and Inclusion Workplace Survey. Glassdoor. https://www.glassdoor.com/blog/glassdoors-diversity-and-inclusion-workplace-survey/
- 32 McKinsey (2020). Understanding organizational barriers to a more inclusive workplace. McKinsey. https://www.mckinsey.com/capabilities/people-andorganizational-barriers-to-a-more-inclusive-workplace
- 33 YouGov (2025). YouGov Survey: Diversity, Equity and Inclusion YouGov. https://d3nkl3psvxxpe9.cloudfront.net/documents/ Diversity_Equity_and_Inclusion_poll_results_feA6DzJ.pdf
- Institute for Public Relations, The Wakeman Agency (2021). The Language of Diversity, https://instituteforp.org/wp-content/uploads/Defining-Diversity-Equity-and-Inclusion-v14-pdf
 USAFacts (2024), Is the US becoming more diverse? USAFacts.
- USAFacts (2024). Is the US becoming more diverse? USAFacts. https://usafacts.org/articles/is-the-us-becoming-more-diverse/
 Horowitz, Igielnik, Kochhar (2020). Trends in income and wealth inequality. Pew Research Center. https://www.pewresearch.org/social-trends/2020/01/09/trends-in-income-and-wealth-inequality

- 37 Kochhar (2023). The Enduring Grip of the Gender Pay Gap. Pew Research Center. https://www.pewresearch.org/social-trends/2023/03/0]/the-enduring-grip-of-the-gender-pay-gap/
 - 3 Harris (2022). Racial Inequality in the United States. U.S. Department of the Treasury. https://home.treasury.gov/news/featured-stories/racial-inequality-in-the-united-states
- 39 Accenture (2024). Environmental and Inclusion & Diversity Metrics 2024. Accenture. <a href="https://www.accenture.com/content/dam/accenture/final/corporate/company-information/dacument/dacument/-accenture-Environmental-and-Inclusion-Diversity-Metrics-2024 or
- 40 Apple Inc. (2025). Notice of 2025 Annual Meeting of Shareholders and Proxy Statement. Apple Inc. https://cllsrn0p25nwr6d, cloudfront.net/CIK-0000320193/d5ac8341-3708-4bld-89f5-6a0dcec45aa0.pdf
- 41 Georgeac, Rattan (2022). The Business Case for Diversity Backfires: Detrimental Effects of Organizations' Instrumental Diversity Rhetoric for Underrepresented Group Members' Sense of Belonging, Journal of Personality and Social Psychology https://www.apa.org/pubs/journals/releases/psp-pspi0000394.pdf
 - 2 Goldsmith (2025). Disney Overhauls DEI Efforts Amid Trump Administration Purge. Deadline. https://deadline.com/2025/02/disney-dei-diversity-equityinclusion-president-donald-trump-1236285804/
- 43 Brendan Carr (2025). RE: Verizon's Promotion of DEI. X. https://x.com/BrendanCarrFCC/status/1895211283089367318

Your story, well told.

We bring business strategy to life, enabling our clients to tell better stories to the audiences that matter most to them.

We add clarity to these messages and craft impactful creative content – in person, in film, across digital and print.

We work with large corporates, investors, entrepreneurs and not-for-profits.

And we do it across international borders. From the US, to Europe,
our experience means that we are trusted to deliver, again and again.

To find out more about how we can help you, contact

hello@bladonmore.com



bladonmore.com