# British firms rebrand diversity initiatives amid growing political backlash



Senior figures in British business have reported a growing concern regarding the impact of a backlash against diversity, equity, and inclusion (DEI) initiatives. These efforts, which gained prominence following the murder of George Floyd in 2020, are now facing significant political scrutiny and are being rebranded to avoid attracting unwanted attention. This shift reflects a more general trend over the past five years, where initial enthusiasm for racial justice has diminished amidst a national atmosphere characterised by scepticism and backlash.

Businesses are increasingly opting to reframe their DEI initiatives under terms such as “wellbeing,” “belonging,” and “culture.” Paul Sesay, founder and chief executive of the National Diversity Awards, notes that the language around these initiatives has changed to assuage concerns and avoid political backlash. According to Sesay, firms now introduce roles like heads of culture or heads of wellbeing, effectively embedding diversity into broader organisational transformation rather than foregrounding it as a distinct focus.

However, this rebranding trend is not without its critics. Experts like Noreen Biddle Shah from the campaigning group Reboot express concern that the pushback against DEI work has created a politically charged atmosphere, stifling open discussions about racial issues within companies. In a recent report, Shah highlighted that many ethnic minority professionals in the financial services sector feel silenced, with a significant number expressing fears about job security should they voice race-related concerns. Alarmingly, 70% of respondents noted little progress in the industry since the peak of the Black Lives Matter movement.

This sentiment is echoed by previous assessments suggesting that many corporate commitments to racial justice and equity have been rolled back since the initial wave of protests. The aftermath of George Floyd’s death had sparked unprecedented corporate attention towards DEI policies, yet recent evaluations indicate a stark reversal. Figures from a 2025 Pew survey revealed widespread public scepticism regarding the effectiveness of these initiatives, with many Americans, especially within the Black community, doubting any significant future progress in racial equality.

The influence of political climates further complicates matters. In the UK, the Reform party’s stance to eliminate DEI initiatives from local councils reflects a wider trend of political leaders drawing back from these commitments. In the U.S., the Trump administration has launched efforts to dismantle DEI programs, sparking a national backlash against diversity initiatives. Experts warn that such political manoeuvring could set a precedent for other organisations to follow, risking the broader commitment to inclusivity in workplaces.

In light of these developments, sectors like legal services and financial institutions struggle to maintain their commitments to DEI. Richard Atkinson, president of the Law Society, stated that despite the challenging atmosphere, their dedication to diversity remains steadfast. Similarly, UK Finance has asserted that diversity is vital for economic success, choosing to uphold its commitment regardless of the shifting political winds. Yet, the situation appears fluid, with some businesses retreating from previously ambitious diversity agendas in response to fear of political backlash and potential brand damage.

Indeed, the impact on corporate performance cannot be overlooked. Retail giants such as Target have reported declines linked to their decisions to scale back DEI initiatives. A recent financial report indicated that concerns over customer backlash have led to a significant drop in sales, highlighting the intricate relationship between corporate identity, political climates, and societal expectation.

As DEI initiatives are rebranded or scaled back, the long-term ramifications on workplace inclusivity and organisational culture remain uncertain. While some executives acknowledge a shift towards a more integrated approach to culture, the legacy of DEI’s initial promises hangs in the balance. The voices of those advocating for racial equity call for renewed engagement and commitments rather than a retreat into ambiguous terminology, underscoring the vital importance of maintaining focus on addressing systemic inequalities.

As the world continues to grapple with the fallout from political changes, the ongoing discourse surrounding DEI remains a crucial litmus test for corporate values in an increasingly divided social landscape. The hope is that businesses will not only navigate the currents of political change but also strive to remain steadfast in their quest for genuine equality and inclusion.

## Reference Map:

* Paragraph 1 – [[1]](https://www.theguardian.com/business/2025/may/26/firms-rebranding-diversity-initiatives-avoid-unwanted-political-attention), [[2]](https://www.reuters.com/world/us/five-years-after-george-floyds-murder-racial-justice-push-continues-2025-05-25/)
* Paragraph 2 – [[1]](https://www.theguardian.com/business/2025/may/26/firms-rebranding-diversity-initiatives-avoid-unwanted-political-attention)
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* Paragraph 5 – [[1]](https://www.theguardian.com/business/2025/may/26/firms-rebranding-diversity-initiatives-avoid-unwanted-political-attention), [[4]](https://www.ft.com/content/b1806e98-5ccd-4389-88e2-78142095617f)
* Paragraph 6 – [[6]](https://www.reuters.com/sustainability/society-equity/us-launches-unit-target-dei-policies-colleges-with-civil-fraud-probes-2025-05-20/)
* Paragraph 7 – [[1]](https://www.theguardian.com/business/2025/may/26/firms-rebranding-diversity-initiatives-avoid-unwanted-political-attention), [[5]](https://apnews.com/article/f1567eb1a7c681ab5685053208069fc6)
* Paragraph 8 – [[1]](https://www.theguardian.com/business/2025/may/26/firms-rebranding-diversity-initiatives-avoid-unwanted-political-attention), [[3]](https://www.axios.com/newsletters/axios-am-b7f49549-58c0-4d11-9e5e-84669881fa51), [[4]](https://www.ft.com/content/b1806e98-5ccd-4389-88e2-78142095617f)

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## Bibliography

1. <https://www.theguardian.com/business/2025/may/26/firms-rebranding-diversity-initiatives-avoid-unwanted-political-attention> - Please view link - unable to able to access data
2. <https://www.reuters.com/world/us/five-years-after-george-floyds-murder-racial-justice-push-continues-2025-05-25/> - Five years after George Floyd's murder, the momentum for racial justice has diminished, with many corporate and governmental commitments to equity rolled back or abandoned. Floyd’s death, which sparked global protests and calls for police reform, initially resulted in heightened awareness and initiatives addressing systemic racism. However, figures such as Shareeduh McGee, Floyd's cousin, and civil rights leaders express disappointment at the reversal of progress, citing institutional fatigue and backlash against diversity, equity, and inclusion (DEI) programs. A 2025 Pew survey reflects public skepticism, revealing that most Americans believe racial inequality efforts have not yielded meaningful change, with 67% of Black respondents doubting the future attainment of racial equality. The movement, while challenged, persists with advocacy shifting toward state-level reforms and continued efforts in community investment and minority representation. Experts highlight the pattern of backlash following civil rights gains in American history. Activists like Rev. Al Sharpton plan further demonstrations to hold corporations accountable and reignite reform efforts. Despite setbacks, organizations such as Black Lives Matter and the Movement for Black Lives emphasize the enduring need for racial justice and systemic change. ([reuters.com](https://www.reuters.com/world/us/five-years-after-george-floyds-murder-racial-justice-push-continues-2025-05-25/?utm_source=openai))
3. <https://www.axios.com/newsletters/axios-am-b7f49549-58c0-4d11-9e5e-84669881fa51> - The Axios AM newsletter from May 23, 2025, examines several key developments shaping American society and politics. It highlights the stark reversal of racial justice momentum since George Floyd's death, as the Trump administration dismantles DEI programs, shifts civil rights enforcement to focus on 'anti-white racism,' and halts police reform efforts. Concurrently, a national and corporate backlash against diversity initiatives is unfolding. The newsletter also explores the economic implications of President Trump's ban on international students at Harvard, which could hinder innovation since many startup founders are former international students. Harvard's prominence in producing entrepreneurs makes the decision particularly detrimental. Another item covers Google's Veo 3 AI video tool, lauded for its photorealism and unsettling potential to blur the line between real and synthetic media. The issue also notes Trump's hosting of a $TRUMP meme coin holder dinner, murder charges linked to a deadly shooting of Israeli Embassy staffers in D.C., the political deal ending Chevron’s Venezuelan operations to save Trump's spending bill, and shifting definitions of America’s 'middle class.' Finally, the 'No Mow May' eco-movement's expansion encourages reduced lawn maintenance to promote biodiversity and water conservation. ([axios.com](https://www.axios.com/newsletters/axios-am-b7f49549-58c0-4d11-9e5e-84669881fa51?utm_source=openai))
4. <https://www.ft.com/content/b1806e98-5ccd-4389-88e2-78142095617f> - Target reported a larger-than-expected decline in first-quarter same-store sales, dropping 3.8% year on year, surpassing analyst expectations of a 1.7% decrease. The decline reflects decreased foot traffic and reduced consumer spending, driven by consumer sentiment concerns, U.S.-China tariffs, and backlash over Target’s rollback of diversity, equity, and inclusion (DEI) initiatives. The Minneapolis-based retailer adjusted its full-year guidance, now anticipating a low-single-digit sales decline and reduced profit expectations. Target’s share price dropped 5.2% following the announcement and was already down 28% year-to-date. In contrast, competitors Walmart and TJX reported sales growth. Target also revealed the departure of two senior executives who had been in their roles for less than a year, as the company struggles to regain its pre-pandemic momentum. CEO Brian Cornell acknowledged the challenges, including boycott-induced financial harm and the high uncertainty surrounding tariffs. Target is attempting to reinvigorate its brand with new summer inventory and promotional events. Despite a reported $1 billion net income, this included a one-time legal settlement gain; adjusted earnings per share actually declined 35.9%. ([ft.com](https://www.ft.com/content/b1806e98-5ccd-4389-88e2-78142095617f?utm_source=openai))
5. <https://apnews.com/article/f1567eb1a7c681ab5685053208069fc6> - A recent poll by AAPI Data and the Associated Press-NORC Center for Public Affairs Research reveals that the majority of Asian American, Native Hawaiian, and Pacific Islander (AAPI) adults oppose cutting federal funds for diversity, equity, and inclusion (DEI) programs in higher education and deporting students for campus protest involvement. Opposition is especially strong among younger AAPI adults, with around 90% under 30 disapproving of these actions. Older AAPI adults are more divided, though about half still oppose such measures. The poll also highlights that a college education remains highly valued across AAPI age groups for achieving economic stability. The survey reflects concerns following recent federal actions, including funding cuts for universities and threats to deport international students involved in pro-Palestinian protests. Younger AAPI individuals are more worried about threats to campus free speech and research funding. The poll—conducted in multiple languages among 1,094 respondents between April 7-14, 2025—sheds light on the diverse perspectives within the AAPI community, often underrepresented in national surveys. ([apnews.com](https://apnews.com/article/f1567eb1a7c681ab5685053208069fc6?utm_source=openai))
6. <https://www.reuters.com/sustainability/society-equity/us-launches-unit-target-dei-policies-colleges-with-civil-fraud-probes-2025-05-20/> - The U.S. Justice Department announced the creation of a new unit, the 'Civil Rights Fraud Initiative,' aimed at investigating colleges and universities with diversity, equity, and inclusion (DEI) policies using the False Claims Act. This initiative, driven by President Donald Trump's administration, targets institutions that receive federal funding and allegedly promote antisemitic or 'radical left' ideologies, or display discriminatory practices such as allowing men in women's bathrooms or requiring women to compete against men in sports. The False Claims Act permits the government and private citizens to recover funds via civil fraud lawsuits. The move follows a recent inquiry into Harvard University’s admissions policies, prompted by a Supreme Court ruling against affirmative action. Harvard, which is also suing the government for canceling its federal grants, views the investigation as a retaliatory overreach. The new initiative will be jointly led by the DOJ's Civil and Civil Rights Divisions, with each of the 93 U.S. Attorneys' offices contributing a dedicated prosecutor to support the enforcement campaign. ([reuters.com](https://www.reuters.com/sustainability/society-equity/us-launches-unit-target-dei-policies-colleges-with-civil-fraud-probes-2025-05-20/?utm_source=openai))