

APCO DEI Post-Election Analysis

Overview

In the wake of the 2024 U.S. presidential elections, corporate leaders are digesting the implications of President-elect Trump's return to the White House. The incoming Trump administration can be expected to take swift action in its <u>first 100 days</u> via executive order to reinstate <u>Trump-era policies</u> related to diversity, equity and inclusion (DEI) and rescind Biden administration executive actions. Immediate impacts can be expected to federal programs for diversity and bias training, funding for diversity and inclusion programs, and removal of discrimination protections beyond the basis of sex. <u>Longer-term policy impacts</u> can be expected via appropriations, hearings and other regulatory changes.

Under the Trump administration, corporations will need to balance a more combative legislative environment and more polarized <u>advocacy landscape</u> with employee and customer bases that remain generally supportive of most DEI practices.

The First 100 Days

During the first 100 days of President-elect Trump's administration, swift action via executive order is widely expected to roll back DEI advancements under President Biden. Specifically, the president-elect has stated that on <u>Day One</u> he will revoke Biden's executive order "Advancing Racial Equity and Support for Underserved Communities Through the Federal Government," which rescinded a Trump executive order that curtailed DEI training for federal agencies and contractors. Trump will likely direct federal agencies to shutter DEI offices and may bar federal funds from being used on such efforts.

Trump may revisit prior efforts to limit the power of the Office of the Federal Contract Compliance Programs (OFCCP), which oversees federal contractors to ensure they meet Affirmative Action obligations and comply with anti-discrimination laws.

The president-elect has pledged to create a team to review every action taken by federal agencies under Biden dealing with DEI. This initiative will likely result in other executive orders from the Biden administration being targeted and rescinded:

- <u>Executive Order 14035</u>: Created a government-wide initiative to promote diversity, equity, inclusion and accessibility (DEIA).
- <u>Executive Order 13985</u>: Directed federal agencies to evaluate whether their policies produce racially inequitable results when implemented.
- <u>Executive Order 14091</u>: Addressed barriers faced by underserved communities by requiring federal agencies to integrate equity into planning and decision-making.
- <u>Executive Order 14031</u>: Established a White House initiative on Asian Americans, Native Hawaiians, and Pacific Islanders, as well as a presidential advisory commission aimed at advancing equity, justice and opportunity.
- <u>Executive Order 13988</u>: Expanded discrimination protections previously offered solely on the basis of sex into categories of gender identity and sexual orientation.

Corporate Implications

Spurred by the Black Lives Matter and Anti-Asian Hate movements in recent years, DEI initiatives have become integral to corporate commitments to their employees and customers. Many organizations and institutions have taken steps to prioritize diversity, equity and inclusion in their hiring practices, operations and engagement strategies. A majority (61%) of employed U.S. adults <u>support DEI in the workplace</u>, but the partisan divide is wide with only <u>30% of Republican-leaning workers</u> saying focusing on DEI at work is a good thing.

Against this backdrop, Trump returns to office emboldened by a decisive electoral and popular win and appears likely to bring a more organized and efficient approach to governance in a second term. But while a generally pro-business platform intended to generate economic growth via deregulation and lower corporate taxation rates may appeal to many corporate leaders, DEI issues, which sit at the intersection of business and social issues, present complexity.

Direct Business Impacts

The Trump administration will have several tools at its disposal to shape corporate policy. One approach could be through a reinterpretation of the Civil Rights Act of 1964, which established anti-discrimination laws enforced by the Equal Employment Opportunity Commission (EEOC). These laws prohibit discrimination based on race, gender and other characteristics, and they have historically been used to protect marginalized groups. Under a new Trump Administration, the EEOC could be directed to enact and enforce anti-DEI regulations to combat "reverse discrimination" against non-minority groups, which federal



contractors would be required to comply with to secure or retain government contracts. In a similar vein, the administration could direct the Department of Justice (DOJ) to investigate companies with active DEI policies for anti-competitive practices.

One area that may present complexity to federal agency-driven anti-DEI efforts may stem from the overturning of the *Chevron* deference doctrine, which required courts to defer to "permissible" agency interpretation of the statutes those agencies administer. Post-*Chevron*, advocacy groups may be better able to leverage the judicial system to restrain or delay the Trump administration from dismantling DEI regulations from the Biden era.

Advocacy Impacts

In the wake of the election, corporations can expect heightened engagement from DEI opponents and supporters. In the months leading up to the U.S. presidential election, anti-DEI advocacy and online conversation notched real wins against leading corporations. The most prominent voice comes from Robby Starbuck. Starbuck takes a coordinated approach in critiquing companies that he claims have "fallen out of alignment" with their consumer bases. Starbuck's efforts have met with mixed success, with John Deere, Tractor Supply and other large companies adjusting policies in the wake of Starbuck's activism. Alongside Starbuck, MAGA loyalists such as Gunther Eagleman, Elon Musk, Laura Loomer and David Marcus have emerged as highly influential anti-DEI voices.

We also expect to see increased activity and organization around pushing back against the anti-DEI movement. While the anti-DEI conversation is deeply concentrated on X (formerly Twitter), the pro-DEI advocacy landscape presents a more diffuse front. Pro-DEI voices are less centralized around specific figures, instead operating across a broader spectrum of societal issues such as the systemic roots of inequity, or the intersections of race, gender and sexuality. In recent months, pro-DEI activism has mobilized in response to anti-DEI initiatives with a focus on public education policy to support inclusive curricula that reflect diverse histories and perspectives.

How to Prepare and Engage During Transition

- Center employees and adopt a deliberate approach. For corporations with active DEI policies, employees are the
 most important stakeholder group. In most instances where leading brands have taken a step back from external
 activations related to DEI, programs focused on professional development, mentorship and networking for diverse
 employees have largely remained intact and enjoy the support of a majority of U.S. employees.
- Think inclusively about inclusion. Corporations should ensure that messaging around diversity and inclusion
 programs reflects the experiences and views of all employees and is centered on driving positive impact for
 employees, customers and all stakeholders. This may mean expanding and adapting language, programs and
 partnerships beyond the most traditional dimensions of DEI (i.e. race and gender) to include socioeconomic,
 educational, political and geographical diversity.
- Listen carefully. Corporations should continue to invest in employee resource groups (ERGs) and/or affinity groups, leveraging internal channels to monitor for employee activism and emerging issues. Employees who identify as minorities may feel more vulnerable in the wake of the presidential election, and internal communications designed to build community, offer support and reiterate core corporate values such as respect should be well received.
- Review external messaging and positioning. In anticipation of a likely increase in anti-DEI advocacy, corporations
 may benefit from a holistic review of external messaging to ensure alignment with core corporate values and
 stakeholder expectations. In particular, programs and policies designed or described to explicitly benefit specific
 identity groups may be at risk for heightened scrutiny or pushback under the next administration. Some corporations
 have begun to take a step back from the term "DEI" in favor of broader concepts such as "inclusion," "belonging,"
 "wellbeing," "engagement," "civics" and "access."
- Consider a broad view on scenario planning. Corporations should prepare for policy, legislative and advocacy action, as well as increased rhetoric on issues specific to DEI, but also on issues adjacent to DEI. These could include immigration, reproductive rights, LGBTQ+ policies and other policies that relate to diverse communities.
- Take the long view. Companies are increasingly finding themselves in moments that require balancing values, meeting commitments and navigating polarized expectations from employees, consumers and stakeholders. Smart, consistent, values-backed communication is at the core of keeping the company steady while the waters are deepening and becoming rougher
- Build license to engage by owning the ownable and mitigating risk around the rest. The companies that most easily
 weather the complex external environment have invested in clear, consistent and visible points of view on a single or
 handful of issues that are deeply aligned to their business and people. Doing this well can help protect the brand from
 being pulled into every issue or conversation.



Appendix A: Prior Trump Administration Actions and Campaign Statements

The policies and programs advanced by the first Trump administration may be indicative of policy under the incoming administration.

Under the previous Trump administration, the DOJ and Department of Education (DOE) issued <u>guidance</u> that narrowed the use of race to achieve diversity in educational settings. The Department of Health and Human Services (HHS) <u>reduced protections</u> under the Affordable Care Act (ACA) related to discrimination based on gender identity or sexual orientation and expanded religious exemptions for healthcare providers. Through <u>executive order</u>, Trump banned anti-bias and diversity training in federal agencies, proposed eliminating the OFCCP, which monitors workplace diversity and pay equity among federal contractors and established the "1776 Commission" to provide students "patriotic education."

Name of Policy/Statement	Date	Author / Notes
Rollback of Affirmative Action within elementary-secondary education	July 3, 2018	DOJ, DOE
Protecting the Nation From Foreign Terrorist Entry Into the United States (AKA "Muslim Ban")	Started January 2017	DHS, DOJ
Trump rolls back non-discrimination regulations under the ACA	September 18, 2020	HHS
Executive Order on Combating Race and Sex Stereotyping	September 22, 2020	White House
Proposed elimination of the Office of Federal Contract Compliance Programs	May 23, 2017	Attempted to transfer OFCCP functions to the EEOC, potentially undermining civil rights protections in employment
Religious exemptions in healthcare (Conscience Rule)	January 18, 2018	Announced a proposed rule to allow health care providers to discriminate against patients based on religious beliefs
Creation of the "1776 Commission"	September 17, 2020	Established to promote "patriotic education" and counter narratives about systemic racism in American history

Most of these policies were overturned by the Biden administration, but on the 2024 campaign trail Trump has articulated an even more aggressive anti-DEI posture.

Ban DEI programs in federal	Ban DEI initiatives in federal agencies on his first day.
government	
Withhold federal funding	Revoke federal funding from schools, companies, or charities using DEI in their
	curricula or hiring practices.
Resuscitate the 1776 Commission	Reestablish the commission to promote "patriotic education" in schools.
Eliminate DEI administrator	Remove school administrator positions that oversee DEI initiatives.
positions	
Restrict curricula addressing race	Remove federal funding from schools with curricula, books or classes that address
and gender	race, racism, gender and sexuality.
Abandon affirmative action efforts	Cease efforts to advance and legally defend Affirmative Action and DEI policies within
	military academies, federal minority contracting programs and other federal
	programs.
Institute fines on universities for	Direct the DOJ to pursue civil rights cases against universities that allegedly
DEI efforts	discriminate against white students and faculty.
Terminate DEI staff and offices	"Immediately terminate" all federal "staff, offices, and initiatives" connected to DEI.



Appendix B: Longer-Term Policy Impacts

Looking beyond the first 100 days of the Trump administration, the president-elect will have additional avenues for policy implementation in coordination with Congress.

Presidential Budget Proposal. The president's budget contains the administration's policy priorities for federal programs and signals to Congress the administration's overall federal fiscal policy. While the president's budget is non-binding, with Republicans in control of Congress some of these priorities may see action, particularly in the House. Congress could then impose restrictions on DEI policies through the appropriations process by imposing legal restraints on the use of appropriated funds to withhold funds from contractors, agencies and programs that do not align with Trump administration policies.

National Defense Authorization Act (NDAA). The NDAA provides authorization of appropriations for the Department of Defense and establishes defense policies and restrictions. Trump, his advisors and defense secretary nominee, Pete Hegseth, have already stated they will be targeting DEI policies currently in place at the Pentagon.

Congressional Hearings. Congress may utilize congressional hearings to undermine DEI efforts, legitimize claims of adverse impacts from DEI policies and build public support for associated legislative efforts. From the House-side, current Majority Leader Steve Scalise's (R-LA) 100-day agenda includes several relevant areas of inquiry:

- Eliminating "woke ideologies that put special interests over people and prosperity."
- Holding universities "accountable for the wave of virulent antisemitism."
- Protecting women's sports by "prohibiting men from competing against women."
- Banning taxpayer funding for gender transition procedures, "protecting children from these harmful practices," and "keeping gender identity out of schools."

Looking ahead, there is also the possibility that judicial cases will impact the conversation and go-forward policy. In October 2025, the U.S. Supreme Court granted certiorari to <u>Ames v. Ohio Department of Youth Services</u>, a case that originated in the Sixth Circuit Court of Appeals. The plaintiff, Mariam Ames, is a straight woman who alleges she was the victim of reverse discrimination under Title VII of the Civil Rights Act of 1964. Ames argues that her demotion was not based on merit but rather a bias favoring a gay male colleague, alleging that her gender and sexual orientation were factors in the decision-making. A court ruling in favor of Ames would lower the threshold for a reverse discrimination case.

Appendix C: Advocacy Impacts

In the months leading up to the U.S. presidential election, anti-DEI advocacy and online conversation notched real wins against leading corporations. In the wake of the election, corporations can expect heightened engagement from DEI opponents and supporters. The most prominent voice comes from Robby Starbuck, a conservative anti-DEI activist. Starbuck takes a coordinated approach in <u>critiquing companies</u> that he claims have "fallen out of alignment" with their consumer bases. His approach includes reviewing DEI statements, hiring practices, and initiatives before publicly pressuring high-profile US corporations to back off DEI commitments and policies supporting climate change, gender equality, and the LGBTQ+ community in an effort to "get companies to a neutral place." Starbuck's efforts have met with mixed success, with John Deere, <u>Tractor Supply</u>, and other large companies adjusting policies in the wake of Starbuck's activism.

Alongside Robby Starbuck, MAGA loyalists such as <u>Gunther Eagleman</u>, <u>Elon Musk</u>, <u>Laura Loomer</u>, and <u>David Marcus</u> have emerged as highly influential anti-DEI voices. These individuals flock to social media to post about the dangers of "woke" culture, express support toward Trump's anti-DEI stance and criticize DEI policies at large. Other high-volume topics in the anti-DEI conversation target women in visible leadership roles – for example, supporting <u>perceptions</u> that Vice President Kamala Harris was a "DEI hire," or advancing gender-based <u>criticisms</u> of former Secret Service Director Kimberly Cheatle and other female agents following the July 2024 assassination attempt on Trump.

Conversations around specific anti-DEI policies indicate where activists may focus and expand their efforts, including Vice President-elect JD Vance's proposed <u>Dismantle DEI Act</u> and calls to repeal DEI practices in the <u>military</u>. Given the success of public campaigns such as Starbuck's, the anti-DEI movement could continue to utilize these advocacy tactics in coordination with lobbying efforts and legal challenges aimed at dismantling DEI.

We also expect to see increased activity and organization around pushing back against the anti-DEI movement.



While the anti-DEI conversation is deeply concentrated on X (formerly Twitter) with coordinated campaigns from figures like Starbuck, the pro-DEI advocacy landscape presents a more diffuse front. Pro-DEI voices are less centralized around specific figures, instead operating across a broader spectrum of societal issues. Top influencers such as educator <u>Brittany Packnett</u> <u>Cunninham</u> and authors <u>Roxane Gay</u> and <u>Ibram X. Kendi</u> more often use Instagram, TikTok and other forms of visual-first social media to discuss the systemic roots of inequity and advocate for comprehensive societal reforms.

Activists and content creators such as <u>Franchesca Ramsey</u>, <u>Blair Imani</u> and <u>Layla F. Saad</u> engage their vast followings by bringing attention to the intersections of race, gender and sexuality and how different aspects of identity can affect experiences of marginalization and discrimination.

In recent months, pro-DEI activism has mobilized in response to anti-DEI initiatives with a focus on <u>public education policy</u>. For example, activists have organized to support <u>inclusive curricula</u> that reflect diverse histories and perspectives, countering efforts to restrict discussions on race and gender in schools. In the corporate arena, companies have launched <u>mentorship</u> <u>programs</u>, among other initiatives, aimed at supporting employees from underrepresented groups. These efforts and others seek to counter efforts that aim to erode DEI by reinforcing the value these initiatives bring to the workplace and society.