

DAVOS, TRUMP AND THE 2025 BUSINESS LANDSCAPE



Founded in 1994, **Corporate Research Forum (CRF)** is a membership organisation whose purpose is to increase the effectiveness of the HR function, in order to drive sustained organisational performance, through developing the capability of HR professionals. Through more than 25 years of research and the expertise of our team, we have developed a deep understanding of the ways HR can contribute to business outcomes – what works, what doesn't, and in what circumstances. With a network of over 275 leading organisations, we continue to grow as the respected focal point and knowledge source for improving corporate and individual performance.

We support our members in enhancing their personal capabilities and building organisational effectiveness, guiding them through topics relevant to success, identifying actionable insights and practical recommendations and facilitating networking opportunities. Our work helps organisations and the HR function make sense of the environment in which they operate, and develop capacity to deal with continuous uncertainty.

For more details on how your organisation can benefit from CRF membership please contact:

Richard Hargreaves, Managing Director,
richard@crforum.co.uk.



A joint venture of



Headspring are on a mission to create a purposeful business culture through bespoke learning and development solutions. As a leader in the design of corporate education solutions, Headspring combines the academic rigour and innovative approach of IE Business School with the business acumen and fresh perspectives of FT Journalists to deliver ground-breaking learning and consulting solutions. To learn more about their solutions, visit: [Headspring Customisation at Scale](#).

If you believe your organisation can benefit from integrating the FT into your Leadership and Talent Development programmes or this discussion sparked further interest, we encourage you to explore [Headspring's FT Executive Briefings](#).

Our FT Executive Briefings provide leaders with expert insights on the key trends shaping businesses today. Each briefing is developed bespoke to your organisation's learning needs. Read more [here](#).

OFFER

FT Executive Briefings: We would like to invite attendees to explore our bite-sized L&D programmes that offer critical thinking skills, comprehensive insights, and an unbiased perspective essential for navigating today's complexities.

DAVOS, TRUMP AND THE 2025 BUSINESS LANDSCAPE



DAVOS, TRUMP AND THE 2025 BUSINESS LANDSCAPE

CRF and Headspring hosted an in-person event for senior HR leaders – **FT Executive Briefing: Davos, Trump and the 2025 Business Landscape**. The session provided key takeaways from the World Economic Forum in Davos, a debrief on the first month of Trump's second term and an analysis of macro-strategic challenges shaping the business landscape.

Featuring expert input from speakers **Pilita Clark**, Associate Editor and Business Columnist at the *Financial Times*, and **Andrew Hill**, Senior Business Writer at the *Financial Times*, the session offered insights on navigating today's fast-changing business environment and the global trends impacting talent and organisational priorities.


 LINKEDIN

PILITA CLARK is an associate editor and business columnist at the *Financial Times*, renowned for her writing on corporate life and climate change. She has earned numerous accolades, including being named Environment Journalist of the Year three consecutive times at the British Press Awards. Before joining the FT, Pilita was a Washington correspondent for Australian newspapers and a Nieman Fellow at Harvard University.


 LINKEDIN

ANDREW HILL is an award-winning Senior Business Writer and Consulting Editor at FT Live. Known for his columns, features, and interviews on strategy, management, and leadership, Andrew has chaired and moderated numerous FT Live events. He has held key editorial roles at the FT, including Associate Editor and Management Editor. Andrew has authored two books, *Leadership in the Headlines* and *Ruskinland*, exploring leadership insights and the influence of John Ruskin.


 LINKEDIN

GILLIAN PILLANS is Research Director and the author of over 30 CRF research reports on a wide range of strategic HR topics including HR and business strategy, leadership development, talent management, organisation development and learning. Gillian has worked as a senior HR practitioner and OD specialist for several organisations including Swiss Re, Vodafone and BAA. Prior to her HR career, she was a management consultant with Deloitte Consulting and is also a qualified solicitor.

WHAT THE DETERIORATING US-EU RELATIONSHIP MEANS FOR BUSINESS

01

- 1 Whilst Donald Trump emerged as the dominant subject of discussion at this year's World Economic Forum Summit in Davos, there was no immediate sense that the US's security relationship with Europe and other global powers would undergo a drastic change. Instead, there was nervousness about how the effects of US policy will impact European firms and a growing sense of solidarity within European businesses.
- 2 However, recent developments have seen the US being referred to as an unreliable security partner. The evolving relationship between the US and Ukraine is one example of this rapid deterioration.
- 3 Trump's actions are having a significant impact beyond Europe, shaking up established norms in key global allies, particularly in East Asia and countries like Australia, Japan and Canada. The political landscape in these regions is undergoing unexpected changes, as seen by the impact on polling for the upcoming Canadian elections.
- 4 A strong undercurrent at Davos was the growing belief that US technology would maintain its dominance, particularly highlighted by images of US tech leaders with Trump during his inauguration. European businesses expressed concern about being left behind in the race for technological supremacy.
- 5 While a formal return to the EU seems unlikely, there could be closer cooperation between the UK and EU due to global security and trade needs.

THE AGE OF US DEREGULATION

02

- 1 The promise of a deregulated business environment under Trump initially sparked excitement amongst certain groups at Davos, with US executives eager to capitalise on a regulatory environment that they believed would spur business growth. At the same time, however, there was a palpable anxiety, especially among European businesses, about how such deregulation would affect global competition and market stability.
- 2 The sense of 'animal spirits' unleashed in the US business community by the deregulatory environment has been overshadowed by the risk and uncertainty posed by tariff threats, supply chain disruption and other unpredictable policies coming from the Trump administration. The significant moves to attack and close key government agencies have been unexpected and there is a lack of clarity on how the broader deregulatory agenda will unfold in practice.

DAVOS, TRUMP AND THE 2025 BUSINESS LANDSCAPE

03 THE FUTURE OF AI

- Artificial intelligence (AI) was another dominant theme at Davos, with much discussion concerning how businesses can adapt to and leverage this technology.
- The announcement of DeepSeek – the new Chinese AI initiative – punctured the assumption of US tech dominance in the AI space, though will encourage greater market competition.
- The consensus at Davos suggested that, despite the promise of generative AI and its potential to revolutionise industries, much of the work surrounding AI remains in the experimental stage – 2024 was heralded as the year AI would move from experimentation to application, but this has not yet materialised.

04 THE GREEN BACKLASH

- Trump's decision to pull the US out of the Paris Agreement was widely anticipated. However, the US's withdrawal from the World Health Organisation (WHO) and the Intergovernmental Panel on Climate Change (IPCC) was unexpected, signalling a broader retreat from international cooperation on climate issues.
- Many organisations are beginning to downgrade their focus on sustainability and Environmental, Social and Governance (ESG) efforts. There is a shift towards discussing resilience rather than actively promoting climate action.
- Unlike Trump's first term, when no other countries followed the US out of the Paris Agreement, this time, countries such as Argentina and Indonesia are considering similar exits, adding a layer of fragility to global climate efforts. The situation feels more precarious as far-right political movements gain ground in Europe, with many of these parties showing disinterest in climate change and actively opposing net-zero targets.

THE GREAT DEI RETREAT

- With Trump blaming Diversity, Equity & Inclusion (DEI) for everything from inflation to air crashes, the topic has become a touchstone for Trump support.
- Some UK and European-based companies have already started to roll back DEI initiatives. This is surprising, given that these same organisations previously touted DEI as something they genuinely believed in and that 'made good business sense.' This raises questions about organisations' previous commitment to DEI issues.
- Multinationals working with the US government will likely adjust the details of their policies to remove references to DEI. It is not yet clear how many companies will actually dismantle their functions, or continue to work on DEI issues without publicising them.
- Despite this retreat, many leaders continue to view DEI as an essential part of their business strategy. For them, focusing on diverse voices and inclusivity is not just a moral imperative but a business necessity, as it reflects the values of their customers and employees?

Q Are people starting to worry about the rule of law in the US and its impact on uncertainty?

A For the moment, the rule of law is being maintained. However, people are wondering what will happen when cases go to the Supreme Court, how the Supreme Court will behave and how their decisions will be implemented – the situation is fragile. If the judges are overruled by the president, that would be a tipping point towards a different type of governance.

Q What will the role of China be in the new geopolitical order?

A At Davos, with Xi Jinping absent and few senior Chinese representatives, the discussion was muted. Whilst China has the opportunity to assert leadership in global institutions like the WHO or WTO, Beijing does not usually approach these forums in the same way the US does and deploys less direct methods.

Q Trump's leadership style is very different from what we have seen over the last few years. What does it mean for political behaviours and leadership behaviours within organisations? Are we seeing a shift back to aggressive, macho '80s leadership?

A We already are. For example, Zuckerberg has expressed a desire for more 'masculine energy' in the office. This emboldens people to behave in ways they perceive as Trumpian, modelling their actions after his leadership style. However, we're already seeing in polls some unhappiness with Musk's behaviour, which suggests a potential backlash. There may also be a shift when more heads of government departments are appointed and seek control over their own areas. These leaders may not appreciate Musk's influence over their departments, potentially challenging his approach.

DAVOS, TRUMP AND THE 2025 BUSINESS LANDSCAPE

FURTHER READING

CRF. 2024. Manifesto: [A Manifesto for Future-Ready HR](#)

CRF. 2024. Research: [Reskilling for Sustainable Growth](#)

CRF. 2024. Research: [HR's Contribution to Sustainable Business](#)



SAVE THE DATE: NEXT FT EXECUTIVE BRIEFING



UPCOMING SUMMER LECTURE

Wednesday 9 July

Financial Times, Bracken House, London, UK



CRF UPCOMING EVENTS



INTERNATIONAL CONFERENCE

Rethink Work: Evolve or Endure

Monday 6 – Wednesday 8 October

Lisbon, Portugal

Tuesday 7 October

Online

crflearning

ON DEMAND COURSES

Artificial Intelligence: Implications and Applications

Unlock the revolutionary potential of AI that is transforming the way we live, work and learn. Embracing AI can enable greater efficiencies and an enhance employee experience. This course Artificial Intelligence: Implications and Applications, equips you with the knowledge and skills necessary to integrate AI into HR workflows, enabling better informed decisions, driving organisational growth and seizing the competitive edge.