

'If a Company is Pandering, It Doesn't Land Well': 2 Leading Jenner & Block Partners on the Shake Up of Global Corporate Compliance

By Molly G Smith

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Under President Donald Trump, the U.S. government's attitude to corporate policy, DEI, governance and culture has been transformed, leading to a significant divergence between the U.S. and U.K.

But, as the U.S. shifts away from enforcing what had become embedded corporate compliance policies, it could spell opportunity for the U.K.

Could the U.K. assume the corporate compliance throne from its ally across the Atlantic, leading to a boom in regulatory, compliance and public inquiry work for firms in the U.K. capital?

"As the direction of the U.S. government has been to de-emphasise enforcement of certain statutes coming out of certain executive orders of this administration...you could see the U.K. wanting to pick up the enforcement manual," said Jenner & Block Washington D.C. partner Emily M. Loeb. Her London colleague Joanna Ludlam agreed that the "U.K. may step in to take a stronger role in enforcement".

"Overall, there's a clear intensification in the use of inquiries and parliamentary hearings to hold organisations accountable," Ludlam said.

Loeb and Ludlam speak with Law.com about the changing compliance world, what risks and



Courtesy photo

Emily M. Loeb, Joanna Ludlam

opportunities this creates and the complexities behind governance rules changing in the U.S. while remaining in other jurisdictions.

Loeb is the founder of Jenner's global hearing preparation practice, chair of the firm's congressional investigations practice, and co-chair of the government controversies and public policy litigation practice. She has held legal roles in the U.S. government, including as associate deputy attorney general and associate White House counsel.

Ludlam is co-chair of investigations and head of public law and crisis management and has acted in inquiries that concerned, among others, the U.K.-Rwanda asylum partnership, Boris Johnson's prorogation of Parliament, the Post Office, Leveson and COVID inquiries.

A lot is going on in the U.S. right now. Why might that lead to an increase in U.K. public inquiry work?

Loeb: “I think that as the direction of the US government has been to de-emphasise enforcement of certain statutes coming out of certain executive orders of this administration, is possible, at least to me, that you could see the U.K. wanting to pick up the enforcement manual.”

Ludlam: “With the U.S. government shifting away from strict enforcement of certain statutes—partly due to executive orders from this administration—it’s possible that the UK may step in to take a stronger role in enforcement.

“We’ve already seen signs of this. This shift aligns with a broader trend of increasing divergence between the U.S., the U.K., and Europe on key regulatory issues. For example, in the U.K., scrutiny of workplace culture, modern slavery, and sexual harassment remains a strong focus for the Business and Trade Select Committee, while in the U.S., DEI-related policies are being scaled back.

“Another area of divergence is technology regulation. Europe has pushed forward with stringent AI laws, while the U.K. has opted not to align with the EU’s position but is still enforcing the Online Safety Act. Meanwhile, the U.S. continues to lean towards deregulation in tech.

“For multinational corporations, this growing regulatory fragmentation presents a major challenge. Companies need to navigate differing legal and political landscapes while maintaining a consistent global strategy. If an executive is testifying before Congress and later before the U.K. Parliament or a public inquiry, any discrepancies in messaging can undermine both public and government trust.”

The institute for government said that public inquiries in the U.K. are at an all time high—why is that?

Ludlam: “There has been a surge in high-profile public inquiries—the COVID-19 inquiry is ongoing, the Post Office inquiry has just concluded, and others, like the Lucy Letby case and the Nottingham attacks inquiry, are still unfolding. A tax inquiry was also recently announced. It feels like these investigations are happening everywhere right now.

“On the Select Committee side, the new committee structures were announced in November last year, and just weeks later, the Business and Trade Committee launched its inquiry into modern slavery and workplace culture in early January. That process moved incredibly fast—some corporations were only informed in late December that they’d be giving evidence on January 6th. This suggests that select committees are increasingly being used as a tool to scrutinise corporate practices more quickly and directly than legal action might allow.

“Overall, there’s a clear intensification in the use of inquiries and parliamentary hearings to hold organisations accountable.”

Loeb: “Over the past decade, we’ve seen a significant rise—on both the Democratic and Republican sides—in calls for private-sector testimony, particularly from CEOs, in congressional hearings.

“Previously, CEO testimonies were often tied to major incidents, like a plane crash or a train derailment, where lawmakers wanted direct answers. But more recently, there’s been a shift toward broader scrutiny—bringing in executives when there’s general dissatisfaction with an industry or certain business practices. The goal is to drive change by questioning leaders directly, rather than relying solely on legislation.

“Given the political gridlock in Congress over the past decade, these hearings have become an alternative means of applying pressure and influencing corporate behavior.”

How do regulatory and cultural differences between the U.S. and U.K. impact corporate DEI strategies?

Loeb: “The situation in the U.S. is in flux right now—we’re in a period of significant change, particularly in how the federal government is interpreting case law. It remains a highly dynamic landscape, and I’d be interested in Jo’s perspective on how things compare on the U.K. side.

“Just recently, the Equal Employment Opportunity Commission, the primary regulatory body overseeing the private sector’s compliance with Title VII, issued new guidance... With a new government in place, we’re seeing a wave of fresh guidance emerging from federal agencies. So, at this stage, I’d say the regulatory environment in the U.S. remains highly fluid and evolving.”

Ludlam: “I do think it would be interesting to see whether the values that corporate organisations have upheld for so long will truly change as a result of the Trump administration’s efforts, or if, in fact, there is a consistency in those values, but they’re simply being presented in a different way.”

Is it possible for a corporation to speak to it in one jurisdiction in a hearing without inviting scrutiny in another?

Loeb: “Sometimes, you might emphasise certain aspects of your position over others, but at its core, your message needs to remain the same. And that message must be developed with an understanding that different policymakers will have different perspectives on the issue.

“This has always been true. When you testify before a congressional committee, for example, you’re addressing both Republicans and Democrats. Regardless of which party holds power, each senator gets their five to seven minutes to ask questions, and they’re all listening to how you respond. You can’t adjust your position based on who’s asking—you need a core message that reflects your organisation’s values and remains consistent.

“Authenticity is also critical in these settings. If a company appears to be pandering or shifting its stance to appease different stakeholders, it doesn’t land well.”

Ludlam: “The courtroom is an adversarial environment where you have your legal team by your side. In contrast, public inquiries operate under entirely different rules. In many ways, they can feel like a free-for-all. In the U.K., for example, select committee members often use these hearings to raise their public profiles, sometimes targeting high-profile witnesses to boost their own career prospects. Their questioning style is far less regulated than in court, and witnesses are given little time to prepare—often being called at short notice. These hearings can sometimes feel like a law unto themselves.

“This puts immense pressure on witnesses. Unlike in court, they must give evidence without the safety net of legal counsel stepping in to support them. That’s why expert preparation is crucial. Our practice ensures that witnesses are ready, even when faced with last-minute hearings. We train them to handle intense scrutiny, maintain composure, and deliver consistent messaging—all without the usual legal safeguards found in litigation.”