

Businessweek | B-Schools

Government Steps Up Campaign Against Business School Diversity

The Trump administration has set its sights on the PhD Project, which points underrepresented students toward business doctorates.



Photo illustration: Oscar Bolton Green; photo: Getty Images

By [Robb Mandelbaum](#)

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✦ **Takeaways** by Bloomberg AI ^

- Denise Loyd, a civil engineer and project manager, became interested in studying office dynamics, particularly as a Black woman in a male-dominated field.

- The PhD Project, founded in 1994, aims to help students from underrepresented groups enter business doctorate programs and has helped about 1,800 people earn their Ph.D. and become professors.
- The US Department of Education is investigating the PhD Project and its university partners, alleging that the organization's practices may be discriminatory, and many business schools have ended their relationship with the project as a result.

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In the mid-1990s, Denise Loyd was a civil engineer and project manager on big construction projects. The work was challenging, but she found herself increasingly fascinated by office dynamics—especially as one of very few women in construction management. “My male colleagues, not in an obnoxious way, mostly interacted with me through the lens in which they were used to interacting with women,” she says. They’d treat her like a secretary or their wife or daughter, “but not as much as a peer.” This was particularly interesting to Loyd, because she’s also Black and, as she puts it, “my race was salient to me coming out of grad school.”

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By 1997, Loyd, today a professor at the University of Illinois Gies College of Business, decided she wanted to dedicate herself to studying these dynamics in management. “I always kind of wanted to get a Ph.D., mostly because it was as high as you could go in education,” she says. But she didn’t really know what was involved. As far as she knew, no one in her life had a Ph.D. Black people earned just over 3% of all doctorates granted in 1997.

One day, as she recalls, she spotted an ad in *Black Enterprise* magazine. A young organization with an anodyne name, the PhD Project, was holding a conference in Chicago, where she lived, for Black people and other underrepresented people of color interested in pursuing a Ph.D. in business. Loyd was instantly exhilarated to walk into the event and find “a lot of other people who look like me also curious about pursuing a goal that I’m curious about. It felt different, because it’s something that I don’t get all the time.”

Since 1994, the PhD Project has pursued a modest mission: to help students from underrepresented groups enter business doctorate programs. But now the Trump administration is investigating many of its university partners. The effort to dismantle the PhD Project appears to be the first salvo aimed at business schools in a broader campaign to wipe away all traces of diversity, equity and

inclusion efforts at every US school with federal funding. (The US Department of Education declared its intent in a letter sent to all of those educational institutions in February.)

The PhD Project has its origins in the accounting industry. It was founded under the auspices of the KPMG Foundation, the philanthropic arm of KPMG, in 1994. “Accounting firms were noticing that business schools were just not producing accountants from diverse backgrounds. They were all White men,” says Caryn Beck-Dudley, a longtime business school administrator who served on the PhD Project’s board when she was president of the Association to Advance Collegiate Schools of Business, a B-school trade and accrediting organization. “Lots of partners told me this—Ernst & Young, Deloitte were interested in having accountants, and eventually partners, that looked like their clients.”

KPMG’s solution was to create a pipeline of Black students—and, later, Hispanic and Native American ones—to B-school faculties. With Black professors, Black students would “see what they can do, and they’ll have mentors,” Beck-Dudley says. “It’s really a question of being taught by role models that look like you.” (In 2024, KPMG and its foundation contributed more than \$1 million in executive and staff expenses and a cash grant to the Project.)

The PhD project aims to recruit minority candidates—especially businesspeople—who haven’t given much thought

to a Ph.D. in business. Those who are interested can attend the annual conference, where for two days they have a chance to meet people from similar backgrounds now in Ph.D. programs or teaching at business schools. Universities, which pay an annual fee to partner with the group, set up tables to provide information.

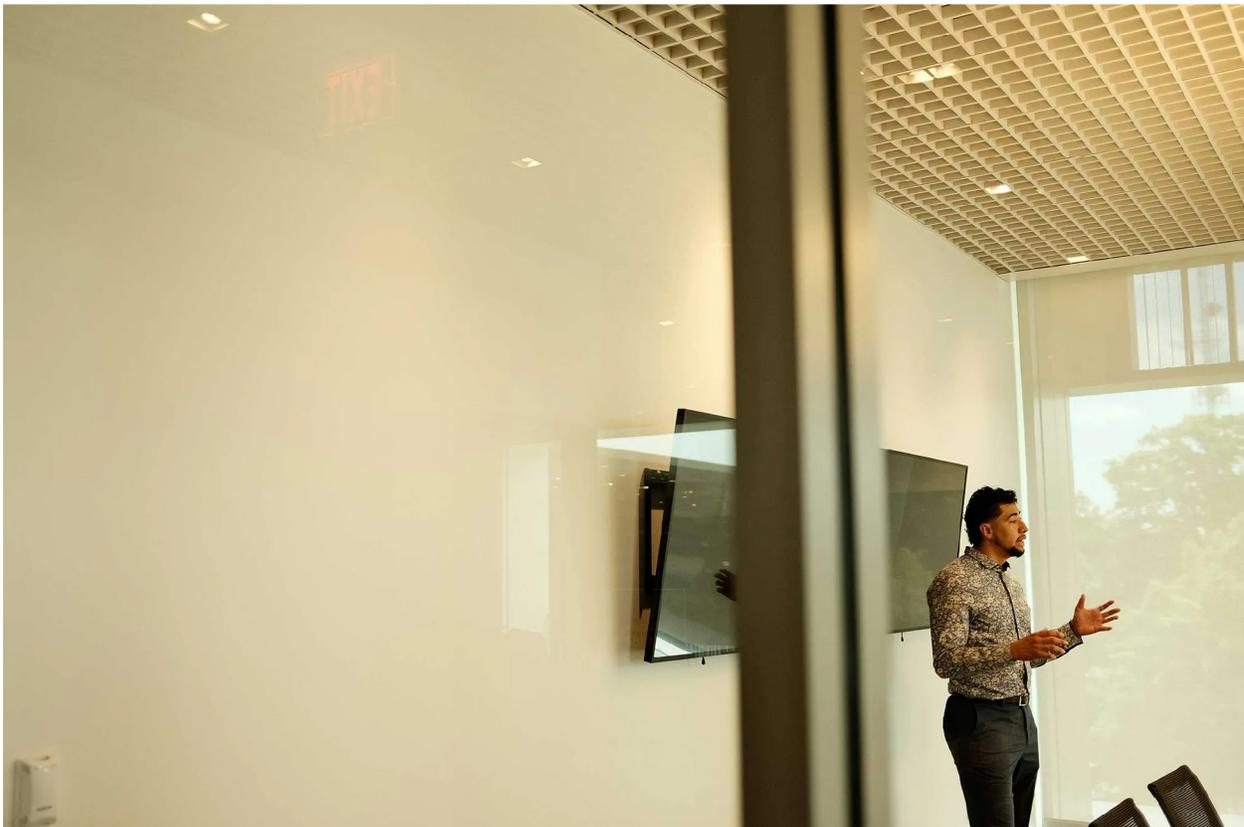
“It’s common to run across high-potential Ph.D. students who don’t know anything about getting a Ph.D. in business,” says the dean of a selective business school at a university under investigation by the DOE for its relationship with the PhD Project. Crucially, he says, prospects often don’t realize, for example, that a program usually covers their costs, including a stipend for living expenses. “It’s not four additional years of tuition, and that’s one of the common misperceptions,” says the dean, who asked not to be identified because of the DOE’s investigation.

“I had a much better understanding of what schools would be looking for in an applicant,” says Loyd of attending the conference. With applications due within two months of the gathering, “it became clear that I was not ready to apply that year,” she says.

Loyd eventually enrolled at Northwestern's Kellogg School of Management – without further help from the PhD Project. Apart from allowing partner institutions to market themselves directly to prospective students, the organization doesn’t otherwise facilitate applications or participate in any

school's admissions process. Once enrolled in a Ph.D. program, a student can become a Project member and join a professional association focused on their discipline and attend the association's annual meeting.

Herrison Chicas began studying for his doctorate in organizational behavior at the University of North Carolina's Kenan-Flagler Business School in 2019, 20 years after Loyd began studying for hers. He joined a student management association as a way to network and catch up with mentors he found through the PhD Project, but also to pay it forward with junior colleagues by creating workshops and panels. "It really is connecting with them through a life journey," Chicas says. The son of Salvadoran immigrants, he graduated in May 2024 and now teaches at Georgia Tech's Scheller College of Business. "It's sharing in community."



Chicas. *Courtesy Herrison Chicas*

The organization also typically assigns each student a mentoring professor, though often at a distance. “In most cases, there’s not anyone else at your school that’s a part of the Project, because the numbers are still so very limited,” says interim President and Chief Executive Officer Alfonzo Alexander. Finally, once a member earns a doctorate, the PhD project makes their information available to partner institutions that may be on the hunt for new faculty.

Today the PhD Project has 232 Black, Hispanic and Native American doctoral candidates as members. Over its 31-year history, about 1,800 people like Loyd and Chicas have earned their Ph.D. with the group’s help and gone on to become professors; most still teach.

Beck-Dudley and the dean say B-school administrators appreciate the work. “Everybody felt good about it because it was building a pipeline and letting people compete,” says the dean. “It didn’t offer extraordinary support. It was information and encouragement more than anything else.”

Although Black and Hispanic people remain grossly underrepresented among business PhDs, their shares have grown sharply since 1993, when they accounted for just 3 percent of degrees granted, according to the National Center for Science and Engineering Statistics. In 2021, Black graduates' share of business doctorates peaked at 8 percent, nearly double the share of Black doctorates across all

disciplines. Hispanic business graduates continue to lag their peers in other disciplines.

At the beginning of 2025, the PhD Project counted 244 business schools as its partners. But in January the libertarian anti-DEI activist Christopher Rufo posted on X about the project's upcoming conference, including a snippet of the application, which required that prospective attendees identify as Black, Hispanic or Native American. The post quickly went viral in conservative states. Soon the nine state schools in Texas the project listed as partners disappeared from its website, as did two in Florida and three in Iowa.

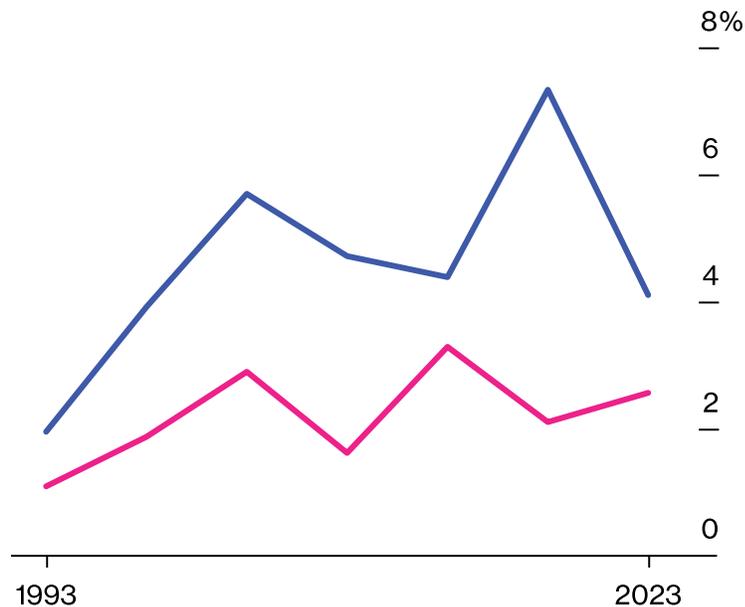
The project raced to put out the spreading fire by changing both its policy limiting membership to underrepresented minorities and its formal mission and vision, which at the time aimed to “increase workplace diversity” with a “significantly larger pipeline” funneling members of underrepresented groups to leadership positions. After the Supreme Court ruled in 2023 to ban racial preferences in college admissions, the organization concluded these were legally defensible, Alexander says. But the Project's board now decided that “even though we're sound legally, there's a political element to this.”

Modest Progress For Minorities in Academia

Share of doctorates earned by race/ethnicity

Blacks Hispanics

Business Ph.D.s



Source: National Center for Science and Engineering Statistics, Survey of Earned Doctorates

Note: Data shown every five years.

At the end of January, the group publicly announced it would take under its wing any prospective student “committed to inclusive excellence.” In February it recast its mission and vision as expanding “the pool of workplace talent” with “a broader talent pipeline of current and future business leaders committed to excellence and to each other.” At the same time, it edited portions of its website: “Diversity” gave way to “inclusion,” replaced in turn with the metaphor “broaden the landscape.”

None of this was enough, however. In mid-March, on the eve of the PhD Project’s annual conference, the DOE’s office of civil rights launched an investigation into 45 of its business school partners. The schools may have violated the Civil Rights Act by working with the Project, “an organization that

purports to provide doctoral students with insights into obtaining a PhD and networking opportunities, but limits eligibility based on the race of participants,” said a DOE press release. “The Department is working to reorient civil rights enforcement to ensure all students are protected from illegal discrimination.”

In an emailed statement to Bloomberg, the department’s acting assistant secretary for civil rights, Craig Trainor, downplayed the organization’s recent changes. “Given the PhD Project’s practices over the years, we are not simply going to take its word that it stopped engaging in unlawful discrimination until we are satisfied that it ended its racially exclusionary practices—not only in word but in deed.”

“I think a principal goal here is to incentivize institutions to sever ties” with the PhD Project, says Josh Richards, a partner at the law firm Saul Ewing in Philadelphia who represents educational institutions in government civil rights probes. “The mere fact of an investigation, whether or not that investigation actually finds noncompliance, is incredibly coercive.” Given how expensive and time-consuming it can be for a school to clear its name, “there’s a deterrent effect to doing anything that involves even legal DEI when the department has made clear that it’s looking at those things and might investigate you.”

A lawyer representing several schools targeted in the investigation, who asked to remain anonymous when

discussing client matters, says the department sent an identical letter to those institutions. Each letter begins by noting that on Jan. 21 the government received a complaint that the recipient discriminated against students by supporting the PhD Project's annual conference. The letter asks for comprehensive data about the school's relationship with the organization and the students, faculty and staff involved, going back two or three years.

The business school dean was unaware of any student complaining about the PhD Project directly to the university. "I'm pretty sure they could farm out a complaint if they wanted one, but I wouldn't be surprised if there was one out there." It's also possible that a single person filed all of the complaints with the government. (Nine other schools the government identified as investigation targets didn't respond to emails seeking comment.)



Crunch the numbers
Crunch the numbers

The effects on the PhD Project were immediate and severe. When the group's conference opened a week later, only 27 business schools attended, Alexander says, down from the 89 that turned up in 2024. (On the other hand, enthusiasm among prospective doctoral students was undiminished; 169

attended.) Twenty-five of the schools named in the DOE press release ended their relationship with the PhD Project. Overall, says Alexander, 75 B-schools have left, and about \$400,000 of the organization's \$3.5 million in annual revenue has evaporated. (Business school partnership dues account for 30% of the PhD Project's revenue, Alexander says.)

On its website, a crucial marketing tool, the organization has essentially pulled down the shutters, removing most content about its members, its professional organizations, its university partners and even its employees. Almost all of the PhD Project members contacted by Bloomberg declined to talk about the organization or their experience.

Richards expects the government will ultimately pursue discrimination claims against three or four of the investigation's targets and pressure those schools to cut ties with the organization. If a school refused, and the government attempted to end its federal funding, the case could wind up in court, but Richards believes that's unlikely.

The PhD Project, for its part, may be wounded, but it's still walking. The shutters on the website haven't kept the project from getting its targeted message out, Alexander says, and it hasn't lost allies in the business and professional worlds. "We're doing the things to reach the broad audiences, but we do still have audiences that are segmented, that love the

work that we do and request that we come in and share with them. And so we're doing both.”

Returning participants to both the annual conference and the doctoral student association meetings in March reported to Alexander that those conferences were the best or among the best the Project has organized. He hopes many universities that have dropped the organization are planning for its eventual return. “I’m yet to speak to someone that is a contact of ours at a university that’s happy with the decision to pull out,” he says.

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