Competitive agility in the chemical industry requires big changes in strategy and operations. Digital technologies can help find new sources of value to drive growth. Accenture Strategy analysis shows that chemical companies have experienced periods where revenues increased by 5-7%, while their overall margin growth was only 1-2%.

A MOLECULE MIND-SET IS HAMPERING THE TECHNOLOGY VALUE AGENDA

90% of costs reside in the production process

60% of the workforce are trained chemists

150 new molecules have been the main business driver

THREE ACTIONS CAN HELP CHEMICAL COMPANIES ENHANCE THEIR COMPETITIVENESS

ADAPT

Recognize that resilience demands more variability in fixed costs than cost cutting

PIVOT

Flex effectively between steady profits and capturing growth

RELEASE

Holding onto a molecule mind-set is hampering technology value

WAYS TO ROTATE TO THE NEW

Cyclicality will rule unless the importance of cost variability and digital technologies is recognized.

Conduct a forensic review of the “as-is”

Remodel as a technology company

Refocus initiatives to break with tradition

Learn more about how to move from volatility to value with our full report: www.accenture.com/chemistry-for-resilience