



# BAVC-TRANSFORMATION STUDY

## CHEMICAL INDUSTRY

### WORKSPACES 2030

## EXECUTIVE SUMMARY

The ongoing transformation of the chemical industry is entering a phase in which profound changes in its employment structure are imminent. The number and type of jobs the industry can offer in the future will depend on management decisions today as well as on the general political conditions.

If the transformation succeeds, the chemical sector will have a 25,000 FTE higher employment requirement by 2030 – an increase of six percent. If the transformation does not succeed, the worst-case scenario threatens to reduce the workforce by 63,000 FTEs (15 percent) by 2030.

The development will be determined by how successfully the industry masters a transformation towards sustainable technologies, more efficient personnel deployment, and a higher degree of digitalisation.

### DEVELOPMENT OF EMPLOYMENT NEEDS IN THE CHEMICAL INDUSTRY IN THREE SCENARIOS

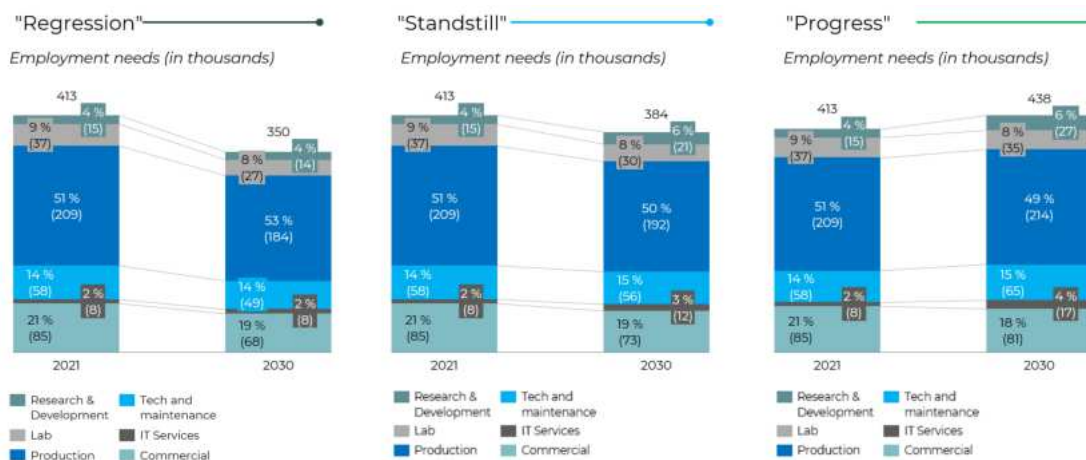
This study forecasts the development of employment needs in the chemical-

pharmaceutical industry until 2030. Three scenarios – “regression”, “standstill” and “progress” – model the future development of the world of work under the influence of transformation in the chemical industry. The development of the pharmaceutical industry will be considered separately, as it faces different challenges. Across all scenarios, commercial and laboratory careers will be subject to lower demand; massive bottlenecks will occur among profiles with an IT and sustainability focus. By 2030, up to 9,000 additional skilled workers will be needed in the IT sector alone.

Overall, however, the chemical industry will continue to be a production industry. This “skilled labour paradox” of declining demand on the one hand and hard-to-fill positions on the other poses a major challenge both for communication and for recruiting and securing skilled labour.

The lack of skilled workers increases the risk of a long-term loss of importance for the German chemical industry. The transformation requires highly specialised profiles that have so far not been represented in the chemical industry, or only to a

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Skillshift in the chemical industry across three scenarios

limited extent. To attract these profiles, the industry must become significantly more attractive and far more successful in its competition for talent. At the same time, existing profiles must be expanded across all occupational fields, especially to include skills in the areas of sustainability and digitalisation, in order to provide existing skilled workers with the necessary competences for the transformation.

## **RECOMMENDATIONS FOR ACTION FOR THE KEY ACTORS IN THE TRANSFORMATION PROCESS**

The course for success or failure will be set by 2025 – as a result of political decisions on the one hand and measures taken by companies on the other. Politics can and must exert influence by improving the framework conditions. In addition to competitive energy and raw material costs and quality infrastructure, what is especially needed is the introduction of modern working time legislation, more teaching of digital skills at school, and more qualified immigration that is consistently geared to the labour market. Furthermore, policymakers should use their scope of action to make better use of force: Strengthening the next generation of STEM workers, providing for better childcare options, and extending working lives.

In addition to the political framework conditions, companies need to develop some bold initiatives in order to increase the attractiveness of the industry. Companies must position themselves attractively by offering a clear brand as an employer, flexible working models (especially in production) and keeping pace with the latest leadership culture in order to attract and retain talent. This also requires a cultural change

in this rather conservative industry. Employer branding must be anchored in strategic corporate management and consistently translated into operational measures for personnel marketing, recruiting and employee retention. The industry must invest even more in its own training activities and significantly increase its commitment to further training in the coming years. Human resources have a key role to play in the transformation, which they will only be able to fulfil with expanded competences in the areas of recruiting, marketing, communication, and IT. When implementing solutions, the right framework conditions must be created, especially for SMEs, in order to be able to accompany the transformation even with only a limited workforce.

It is uncertain in which scenario the industry will actually find itself in 2030. The path is not predefined by any means. The course for a successful transformation is being set today. Striving for the “progress” scenario involves an active decision. The BAVC study “Chemie-Arbeitswelten 2030” (Chemical Industry Workspaces 2030) clearly identifies what companies and policymakers need to accomplish now in order to make the transition a success. If the right course is taken now, we will be on a

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path that is good for employees, for the industry and for Germany as a business location.