

to say, initiating these development requires the unequivocal support of upper management. Thus on the strength of well-established change management, the process of change can come to fruition.

10. Discussion

Recommendations arising from this paper are targeted to all steel-producing companies. Yet it would neither be valid nor appropriate to maintain that all the potentials represented are applicable to all companies across the board. Applicability is contingent on a range of influences, which can be ultimately and effectively implemented. For various companies, it is simply a lack of power that prevents supply chain management from being comprehensively introduced. This was vividly demonstrated in terms of present and future use of supply chain management by the survey results. For 40% of companies surveyed, implementing supply chain management was not at all envisioned. Another tell-tale indication is illustrated by the degree of consolidation within the steel industry. According to Grebe, the degree of concentration (top five companies from the respective sectors were observed) for coal producers was 65%, as well as for producers of iron ore. In 2013, the degree of concentration in the automotive industry was

indicated as 63% and only 17.2% in the steel industry.²³³ This is a testimony to the fact that many steel companies have not achieved the necessary size to be able to thoroughly implement supply chain management. It also indicates that implementing supply chain management would entail a major effort for every organisation. It is essential to abolish existing and timeworn interfaces that do not avail a company's progress. The mindset must be fundamentally altered. It is no longer a matter of departments and interfaces, but rather actively controlling the flow of the entire value chain. For this reason, it is necessary to garner additional know-how, so that such a step can be put into practice. In a normal situation, such a fundamental change does not occur without changes in personnel. Whether this is intentional or unintentional has no bearing in this analysis. Moreover, a company must also be cognizant that such a major change cannot take place without the appropriate pre-investments. In other words, sufficient liquid funds must be available. From the steel industry's present day situation, this is not an easy matter. Further, outside the actual company there are often conflicting corporate cultures, which make it very difficult to achieve the desired result. It cannot be denied that there is a risk for the focal company to fall into a type of dependence. Ultimately, this can precipitate a loss of decision autonomy for the actual company within the network. Finally, the additional and impeding increase in complexity must also be acknowledged. Managing a network that spans the globe is undoubtedly more complicated

²³³ Cf. Grebe, 2015, p. 17

than that of one's own company. Despite the disadvantages mentioned that would arise from implementing supply chain management, it is still profitable to follow this path. The instruments as well as methods are varied to an extent and reveal great potential in bolstering a company's competitive capacity. Therefore it is not urgent whether all levels of a supply chain can be managed. It is already beneficial for suppliers and customers alike to enjoy reaping the benefits associated with supply chain management.

11. Summary

Acceleration of the market dynamic, increased complexity, the continually rising flow of information, these are all developments attributed to globalisation. There are new economic powers, which on account of their social structure, operate differently than in the previous markets. Markets are changing and trade currents are shifting. Customer needs are aligned to these conditions at a rapidly increasing tempo. New global trends are already at the implementation stage. There is a sharp inclination towards megacities. Essential factors associated with this inclination are already being embedded in the area of strategic planning among many companies. These factors include, for example, the necessary