Trad Alkhelaiwi – Senior Director & General Manager, Johnson & Johnson Saudi Arabia



Both the public and private sectors are instrumental in driving healthcare transformation in Saudi Arabia

06.05.2024

Tags: Saudi Arabia, J&J, Medtech, Strategy, MEA, MENA

Trad Alkhelaiwi lays out the scale of Johnson & Johnson's transformation in Saudi Arabia, particularly the transition to a direct model in the medtech space, reflecting the company's long-term commitment to the country's healthcare sector. Alkhelaiwi also explains how Johnson & Johnson's solutions in Saudi Arabia are tailored to address the country's unique healthcare needs, including the rising prevalence of non-communicable diseases such as obesity and cardiovascular diseases.

You've been with J&J for almost two years now. Can you share your impressions of working for the company and how its values have influenced your daily work?

Working at J&J has been a fulfilling experience thus far. The company's Credo serves as a guiding principle in our daily operations, emphasizing our commitment to patients, healthcare professionals, our employees, the environment, and shareholders.

This holistic approach ensures that we prioritize the well-being of all stakeholders while striving for fair profitability to reinvest in innovation, increasing access and further advancement.

With J&J being a leader in medical devices and technology (MedTech), it gives us a unique perspective, and makes us well-positioned and focused on addressing some of the world's most

pressing healthcare challenges through innovations at the intersection of biology and technology. We leverage our scale, reach, breadth of expertise and local know-how to translate this mission locally in line with the requirements of our burgeoning community and the evolving healthcare needs in KSA.

In Saudi Arabia, we are among the top companies in our industry, which motivates us to consciously upgrade how we work, and serve our patients and customers to the best of our abilities.

How has the organization transformed in Saudi Arabia during your two years at the helm?

At Johnson & Johnson MedTech, we are committed to the Kingdom of Saudi Arabia and its communities, and firmly believe in its potential to serve as a hub for advanced healthcare for the region. Our journey in the Kingdom spans over forty years, and ever since, we've been consistently invested in its future, the development of its healthcare sector and the well-being of the Saudi population.

One of the significant initiatives has been the transformation of our organization's go to market model in the MedTech space. Previously, the company operated through distributors. However, with the acceleration of Saudi Arabia's Vision 2030 and our commitment to enhancing customer satisfaction, we decided to transition to a predominantly direct model.

This comes as a strategic move to bring customers closer to the Johnson & Johnson legacy facilitating a more streamlined experience. This milestone allowed us to have more control over the end-to-end process, from inventory management to customer service.

Developing Saudi nationals is a core objective for us as J&J and as part of our direct model, we have hired a good pool of Saudi national talent and this has seen significant capital investment into the Kingdom. All the above results in better patient outcomes as stated by Our Credo

The new direct model will give Johnson & Johnson MedTech greater control over the customer experience, ultimately translating into better patient outcomes. Key benefits of the newly established direct model include consistent service quality, centralized product source adhering to Johnson & Johnson's quality standards, faster response times to customer concerns, improved tracking and product visibility, and increased scope of collaborations, among others. We are very proud of this step and see it as another step in our long-term commitment to the Kingdom and its

communities.

Considering the transition to a direct operation model, how was the experience of onboarding and integrating many new, predominantly local, employees?

It was a very positive experience overall. Saudi Arabia boasts a wealth of young, vibrant and ambitious talent, with many individuals increasingly specializing in STEM and holding high degrees from universities abroad and the region. We had approximately 160 people before the transition, and with the new direct operation, we welcomed nearly 76 new employees, with a significant portion being Saudis.

We are pleased with the talent pool available to us, and these new team members have brought valuable knowledge, experience, and a strong commitment to serving the country's vision.

Our goal is to continuously improve the customer experience and accelerate the introduction of innovations to the market. We prioritize being fast to market, fast in the market, and very responsive post-market when it comes to innovation. With investments in technology and innovation, we aim to position ourselves as solution providers rather than just product suppliers.

Can you elaborate on which areas or fields J&J's solutions are particularly suitable for Saudi patients, considering the country's epidemiology and healthcare priorities?

J&J operates across three major platforms: General Surgery, Orthopedic Surgery, and Interventional solutions – focused on cardiovascular and stroke care. Each of these platforms offers innovative solutions that are smarter, less invasive and more personalized tailored to serve our customers in Saudi Arabia.

In terms of epidemiology, Saudi Arabia has a relatively young population, but like any other country, it also faces challenges related to aging and the rise of chronic diseases, particularly non-communicable diseases (NCDs) such as obesity, cardiovascular diseases and colorectal cancer.

Colorectal cancer, for example, often presents at later stages in younger Saudi patients, which significantly impacts prognosis and treatment outcomes. Our surgical solutions are positioned to support the country in diagnosing and treating these patients at earlier stages, where curative rates are higher.

In the field of bariatric surgery, which addresses the prevalent issue of obesity in Saudi Arabia, our comprehensive solutions go beyond surgical kits to encompass holistic and multidisciplinary approach that enable surgeons to provide comprehensive care to patients.

Additionally, in orthopedics, we offer a range of innovative solutions for knee and hip replacements, spine surgeries, and trauma care. Given the geographic expanse of Saudi Arabia, ensuring timely access to implants and instruments for trauma care is crucial, and we're committed to meeting this challenge by strategically placing our resources across the country to serve patients effectively.

As for our cardiovascular surgical solutions, one of our key areas of focus is on Atrial Fibrillation (AF), which is increasingly becoming a growing public health concern. The global incidence of AF has increased by 30% over the past 20 years and is expected to double over the next two to three decades. Globally more than 37 million people live with AF, in the Middle East the prevalence of AF is increasing at an even faster rate.

The risk factors for Atrial Fibrillation (AF) in Saudi Arabia are critical. The often-silent disease is increasingly becoming a serious health problem in recent times, with incidences expected to double over the next three decades globally, and at a higher rate in the Middle East, specifically in KSA. There needs to be an urgent call for action in Saudi Arabia. KSA's rapidly growing and ageing population combined with a high burden of chronic disease increases the urgency for the Kingdom to act now to deter the growing tide of AF.

The need for guidelines around screening, referral and management of atrial fibrillation (AF) in Saudi Arabia is dire. Streamlining the care of patients with AF in daily clinical practice is a challenging but essential requirement for the effective management of the condition. AF clinics or Centres of Excellence that bring together multidisciplinary teams to address all aspects of AF can improve health outcomes and the patient experience.

This is why we supported an Economist Impact research program titled: "Undetected and undertreated: Shaping policy on atrial fibrillation in Saudi Arabia" . The research explores the burden of AF in Saudi Arabia, particularly key barriers to care across current patient pathways, the local policy environment. The report also presents best practices in AF prevention, screening, diagnosis, treatment and management relevant to Saudi Arabia and how stakeholders in the Kingdom can work together to enhance awareness, prevention and control of AF.

This is building on a myriad of local initiatives which culminated with the launch of our first Arabic Get Smart About AFib (GSAAF) website, last year, aimed at educating the Saudi public and HCPs on this critical health condition, which recorded unprecedented traffic overtaking global websites.

How does J&J reach out to the surgical community in Saudi Arabia and what importance do digital tools hold in this outreach effort?

We engage with the surgical community in Saudi Arabia through an education ecosystem of on-line and digital education programs, a set of partnerships with International medical societies and academic institutions, and a network of professional education facilities that deliver best in class continuous medical education across multiple specialties, spanning surgical oncology, cardiology, electrophysiology, obesity, Osteoarthritis and other specialties.

We do believe in the prioritization of the Saudi Arabian market in this education ecosystem, and have taken successful steps in the past two years to localize both expertise and develop local educational venues that serve the kingdom and neighboring countries, the role of surgical/medical education is centric in the development of healthcare.

In terms of healthcare and social development expenditure, Saudi Arabia allocates approximately 21% percent of its total 2024 budget to healthcare and social development. We anticipate that this investment in healthcare will continue to grow as the country advances, reflecting the commitment to innovation and improved healthcare services. As a result, we remain focused on providing innovative and comprehensive Professional Education (Prof-Ed) focused on supporting HCPs' professional growth in the Kingdom, improve treatment outcomes for some of the region's most pressing diseases and address future healthcare demands.

Which stakeholders are driving healthcare transformation in Saudi Arabia and how does J&J interact with them? Are there differences in interactions between the public and private sectors?

Both the public and private sectors are instrumental in driving healthcare transformation in Saudi Arabia. We've observed significant advancements in the private sector's capacity, including the construction of more hospitals and increased bed capacity, largely due to expanding insurance coverage. Additionally, many healthcare professionals in Saudi Arabia have received education and training from various parts of the world, contributing to a highly skilled workforce.

The government has also prioritized improving primary care services to enable earlier intervention and reduce reliance on more expensive tertiary care. This shift towards primary care aligns with efforts to make healthcare more accessible and cost-effective.

Saudi Arabia is a place where we can have a truly positive impact through building partnerships with a diverse range of entities. We are an active member of MECOMED in the Middle East, working alongside peers and sector players to co-lead the advancing of the healthcare sector and collectively shape policies and regulations in the Gulf and wider region.

Additionally, we have a set of partnerships with local and regional medical societies to raise awareness on key health issues endemic to KSA. These include: the Saudi Society for Cardiac Prevention where we work together on raising awareness on heart health and AF.

This is in addition to the previously mentioned Economist research titled: Undetected and undertreated: Shaping policy on atrial fibrillation (AF) in Saudi Arabia, which explores the burden of AF in Saudi Arabia, particularly key barriers to care across current patient pathways, the local policy environment. The report also presents best practices in AF prevention, screening, diagnosis, treatment and management relevant to Saudi Arabia and how stakeholders in the Kingdom can work together to enhance awareness, prevention and control of AF. Similarly, we collaborated with Ministry of Healthy in Alahsa, Makkah and Tabuk for colorectal cancer screening reaching almost 8000 patients in both regions.

Generally speaking, in terms of interactions, both the private and public sectors demonstrate a willingness to adopt innovative solutions, although there may be differences in procurement approaches. While the government may prioritize cost considerations in tenders, there is also a recognition of the importance of innovation in improving healthcare outcomes. The insurance system in Saudi Arabia is also innovation-friendly, further supporting the adoption of innovative healthcare solutions.

Overall, there is a positive trajectory in healthcare growth in Saudi Arabia, with increasing patient volumes and a focus on preventive and treatment measures. This growth is driven by both bottom-up factors such as heightened patient awareness and top-down initiatives by the government to incentivize a healthy population.

Does J&J consciously focus more on serving the government or private healthcare segments in Saudi Arabia?

J&J operates in both the public and private healthcare sectors in Saudi Arabia. Our approach is not to prioritize one over the other, but to serve patients wherever they can benefit from our innovative solutions. Rather than adopting a strategy of focusing exclusively on either the

government or private sector, we aim to meet the healthcare needs of the entire population, ensuring that our innovations reach those who can benefit from them, regardless of the sector they belong to. Our focus is on widening access and providing solutions wherever our expertise is needed and where patients can be positively and meaningfully impacted.

In Saudi Arabia, do you observe issues with equipment underutilization?

With the introduction of agencies like NUPCO and other entities focused on budgetary issues, there has been a significant improvement in the efficiency of equipment utilization in the healthcare system. Efforts have been made to ensure that the latest technologies are not just acquired but also effectively used, in way that is meaningful and impactful for our patients rather than sitting idle or being underutilized. This reflects a commitment to optimizing resources and ensuring that healthcare equipment serves its intended purpose efficiently.

How is J&J working on extracting and utilizing data, particularly to provide real-world evidence of the impact of its innovations?

Data extraction and utilization are crucial aspects of our strategy to provide real-world evidence of the impact of J&J's innovations. We are actively working on leveraging data to demonstrate the effectiveness and value of our products and solutions in real-world settings. Recently, a regulation on data transfer, privacy, and protection was issued by the government agency in Saudi Arabia, known as SADAIA. This regulation has prompted us to carefully examine its implications, particularly regarding our digital activities and technologies deployed in the country.

Digitalization is poised to play a crucial role in advancing healthcare in Saudi Arabia. While it may still be in its early stages in the Middle East region, our company is deeply committed to exploring its potential. We believe that leveraging digital tools can offer numerous benefits to the healthcare system. For instance, imagine if we could develop tools capable of identifying obese patients sooner or enabling better connectivity to detect malignancies earlier. Such advancements would undoubtedly benefit everyone involved, from patients to healthcare providers and industry stakeholders. However, we acknowledge that further collaboration with various entities is necessary to fully realize the potential of digitalization in healthcare.

Are you currently exploring the integration of artificial intelligence (AI) into your operations, considering its prominence as a focus area for many companies globally?

AI is a hot topic across industries, and we are certainly keeping a close eye on its potential applications. However, our approach is to ensure that any AI solutions we adopt are truly effective and meaningful in helping us advance healthcare further. Whether it is in accelerating diagnosing diseases or analyzing procedures in the OR for efficient and effective delivery of care, or for faster and targeted deliveries of our innovations to those who need it most.

By applying AI to data derived from or generated by common diagnostic tests, we are able to diagnose diseases more accurately, prevent delays in care and potentially save lives. We are also evolving our medical devices, including connected devices, robotic platforms and digital solutions using AI to enhance their capabilities.

At Johnson and Johnson, we also deploy AI to strengthen our supply chain and ensure that our innovations reach those who need them most through predicting trends and unforeseen weather conditions that help in early planning, allocation and prioritization.

Amongst the ways we are using AI to help our customers is through evolving a portfolio of digital solutions for the OR that use AI algorithms to essentially produce a highlight reel of videos recording the OR in a matter of minutes, enabling instant and efficient analysis of the OR for efficiency and physician learning.

It’s essential to tread carefully, especially in the healthcare sector, to avoid deploying AI for the sake of it, but to provide informed connected smarter solutions with meaningful impact. That said, Saudi Arabia is rapidly advancing in its digital infrastructure, which bodes well for the adoption of innovative technologies like AI. The government’s digital initiatives have positioned the country as a leader in this regard, facilitating seamless processes and accessibility for businesses and individuals alike.

Besides working with authorities and stakeholders, is part of your role to promote Saudi Arabia to the broader J&J organization? How did you convey the importance of committing resources to the Saudi market?

The decision to transition to a direct operation in Saudi Arabia was a clear indication of J&J’s commitment to the country’s vision and growth potential. Saudi Arabia is a G20 country with a diversified economy, shifting from oil to knowledge-based sectors, making it an attractive market

for investment and expansion. By expanding our teams and establishing full end-to-end business ownership in the country, we demonstrated our belief in the long-term opportunities Saudi Arabia offers.

Do you have a final message on behalf of J&J Saudi Arabia?

Saudi Arabia is an exciting place to do business, with the government's commitment to improving the business environment and the incentives provided for businesses. The efficiency of government agencies such as the Saudi FDA and NUPCO, further facilitates business operations.

Moreover, Saudi Arabia boasts an increasingly educated and vibrant society focused on becoming a global player across various sectors. With the expansion of healthcare services, innovative companies have significant opportunities to contribute to the success of Saudi Arabia's transformation.

Regarding talent development within the team, J&J values its employees and provides them with the necessary career development opportunities, training and skills to succeed. With diverse platforms in innovative medical devices and technology, employees have ample opportunities for growth and career advancement. As the country continues to grow, more opportunities will arise, and critical functions may be relocated to Saudi Arabia, further enhancing career prospects for employees. Ultimately, Saudi Arabia is a dynamic and forward-looking country, offering boundless opportunities for those who dream and aspire to contribute to its development.

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