

Interview: Waclaw Lukowicz, CEO Middle East, Siemens Healthcare, UAE



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Waclaw Lukowicz, CEO of Siemens Healthcare Middle East, gives his insight into the company's regional strategy, how both public and private healthcare is being equally addressed, and how human resources training is the biggest issue the region's market faces.

What is Siemens' vision for healthcare in the Middle East, and what strategy is the company employing to achieve its goals?

Our global strategy centers on innovation. That's really at the core of our DNA and it fits very well into the regional strategy for the Middle East. We notice that regional developments aim to bring healthcare closer to the people and to bring the highest quality of service to them. This is combined with our longstanding presence, through which we aim to do the same. We've been striving for the same goals for decades; in Egypt, for example, we recently celebrated our 110th Anniversary. This combination put us in a unique position as we are able to provide our innovation through our established presence.

Siemens' innovation is really mind-blowing. Taking our X-ray solutions as an example, our latest technology allows doctors to perform surgical interventions on vessels that are as thin as a hair. You can actually see them on screen. This is our whole concept of making life better for patients, by allowing for minimally invasive procedures.

Another one of our latest innovations is the first wireless ultrasound device that addresses a true need for both doctors and patients. This device allows a doctor to remotely view ultrasound images from thousands of miles away. It is perfect for patients located in remote areas, or even for exchange of medical images between doctors. Such devices are great tools in the Middle East's plans to build world-class healthcare infrastructure and make it accessible to all its citizens. The wireless ultrasound provides exactly that kind of opportunity.

Speaking about diabetes as a major health concern for the region, we are actively engaging all stakeholders to understand how we can best help to curb the prevalence of this disease. We are in a constant dialogue with the government, with customers, with the MOH, SEHA, the National Guards in Saudi Arabia and more than 90 hospitals around us to understand what their needs are and what the latest developments are.

How is the market in the Middle East unique? What are the benefits of having a presence here?

The market here is somewhat unique because you see the growing demand for health. You see a population that is still very young, but it is going to be alert because of better lifestyle, better health care. They are actually going to live longer, and they are going to face the same lifestyle diseases that we see in developed countries. We need to create the right healthcare systems to prepare for this. Geographically and demographically speaking, the Middle East is a vast region and the recent wealth of these countries are creating a huge demand for healthcare. This is what makes this region so attractive and interesting at the moment.

In the Middle East we still see a strong division between public and private healthcare, with a recent surge in private spending. How is Siemens addressing this dichotomy given that your strategy is centered on partnering with public stakeholders?

We are addressing both segments in different ways. A trend that we see in the private sector is cross-national hospital chains that we are focusing on at the moment. On average, I believe that the public market is still more important with larger investments. On the other hand, the private sector is very much focused on efficiency, cost and providing the most advanced technologies.

When we speak about maximizing efficiency, this is not only related to the actual medical procedures, but it's also relevant to the whole work flow of a hospital or clinic. It's how fast can you do it, how difficult it is, what kind of time you need to prepare the patient to do the examinations, how complicated the workflow is. In this regard there is also a shift towards the automation of processes, and our diagnostics products are very much focused on this automation trend.

Furthermore, as the ageing population increases and the burden of lifestyle diseases increases the public healthcare burden, then the move to provide cost-effective solutions will become essential. At that point, it no longer becomes a discussion regarding whether our equipment is too costly but rather how this equipment can reduce the overall cost treatment. With early detection we can save lives and reduce the time for treatments, therefore minimizing total healthcare costs.

Have the government authorities been receptive of this holistic approach to healthcare costs?

They definitely have. One of the best examples that I can think of is the work we have done with breast cancer screening. This involves a very large campaign, because it's a very serious disease that touches every one of us. We all know somebody in his or her surrounding that is affected by breast cancer.

Early detection is the most effective tool against this disease, and our products are the most advanced in detecting any tumors. Health authorities have understood this and are investing in providing the necessary educational and early detection opportunities to minimize costs in the actual treatment of the disease. With a holistic outlook in healthcare you have the human aspect and the economic considerations. The human side is related to saving and improving lives, while the economic element determines that spending money in early detection is much cheaper than curing a disease that has broken out. In the long run this mentality is not something specific to developed countries, but rather the global healthcare sector will be outcome-based.

Speaking about the differentiation between developing and developed countries, what sort of financing mechanism do you provide for local governments to afford your equipment? How do you determine what is the right price?

I would like to turn your question around because indeed we are not talking about the same capacities here in the Middle East as in Europe. The reality is that here they are much stronger. If you consider the macroeconomic data, such as GDP growth, country deficits, you won't find the Middle Eastern countries at the top of the red list.

Nevertheless, we do work together with banks to provide financing mechanisms, but this is not a major issue in these markets. The top issue here is providing the right kind of equipment for the right kind of hospital, and we have primary, secondary and tertiary healthcare to take care of. Of course we have the most cutting-edge equipment, but we also have the equipment for the secondary or for primary healthcare. As part of our approach we try to make sure that the equipment we offer is the right one for each client. The right one is the one that is needed and it's

the one that can be operated. Therefore, the issue of human resources training is more pressing for this region. It's clearly the wish of Middle Eastern governments to bolster these sorts of activities, and we try to assist them as much as we can.

Clearly, we are not a university; neither a medical teaching facility. We never will be. However, we put a lot of focus on training our own staff on localization, as well as on training the customers, because cutting-edge technology doesn't help if you don't know how to use it. This is why we have developed local training programs in countries like the UAE, Saudi Arabia and Qatar.

How difficult has it been for you to find the skilled labour and talent that goes parallel with the equipment?

Let's put it this way; the talent that actually works with the equipment is with the customers. The issue of talent is probably one of the greatest challenges for our clients, for us and most other companies operating in this region.

When I sit with some of the ministries we do exchange best practices on how to address this issue, because clearly the pool of local talent that is specialized in those requirements is not very large. If you look at the population in the UAE, the vast majority are experts like you and me. It's really a big challenge to do it and to get the right skill set. This is why we are sitting down to have these discussions with authorities in all countries.

In Saudi Arabia, for example, we have hired local engineers and then trained them at one of our global excellence centers. Sure this is a challenge, and there is no magical solution for it, but it is also something that governments understand. This is a very encouraging sign and they realize that it is a key to their success. Nevertheless, it is something that will take many years.

It's relatively easy to build a hospital; it will take two years to get the bricks and mortar and even outfit it with the latest equipment. On the other hand it will take between 10-15 years to train the necessary staff to run such a hospital. So yes, this is a challenge that will take time.

What truly distinguishes Siemens in these markets versus you greatest competitors?

It boils down to the unique and cutting-edge technology we offer. Beyond that, however, we are also dedicated to help our customers, by becoming their essential partners in developing healthcare infrastructure. It's about asking the necessary questions; "What do we do well? What can we do better? What do our customers value?" Additionally, the extent of our local presence is also one-of-a-kind, as is our customer service.

If you're running a healthcare institution and there is an issue with any of the equipment, you want to be reassured that somebody is going to be there to solve your problem. You want to know that person and have them close to you, rather than flying in every time there is a problem, and waiting until they get a visa meanwhile your equipment is down. It is at these moments that having a robust local presence makes a difference. When equipment is down, either people are suffering or you're losing money on the equipment, or both. This is something that the customers truly value, because we backup our equipment with the right services. It's a complete package. Ultimately, our technology helps improve lives and helps save lives; that's why I think many customers like to work with us and choose us.

If you have to highlight a project that you are most proud of in the region, what would that be?

I think it's difficult to pick a single project, but we have been very successful with the Tawam Molecular Center in Al Ain. The entire facility is technologically state-of-the-art and is dedicated to cancer patients. It was developed in collaboration with Mubadala as a turnkey project and includes a Psycatron.

Do you foresee that the Middle East can become a role model for healthcare development?

Well, a role model would be a question for whom and what. You actually don't have any other regions that are in the same situation. Healthcare development must take a customized approach. The model being used here can definitely not be replicated in the US or Europe, nor in the major developing markets such as Brazil or China. Those countries have their own specific issues, which cannot necessarily be addressed the same way as they are in the Middle East.

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