

# AbdulGhani El-Ajou - General Manager, Aljeel Medical

---



*The essence of all digitalization is data and this is our focus area moving forward. [We] must capture the right data, have data scientists articulate this data, and put this data into a digital platform or AI solutions to help in our predictive and analytical capabilities*

---

02.12.2021

Tags: [Saudi Arabia](#), [Aljeel](#), [Medtech](#), [Distribution](#), [Digital](#)

---

*AbdulGhani El-Ajou, is general manager of Aljeel Medical, one of Saudi Arabia's most well-established healthcare solutions providers, with a focus on medical device distribution, consulting, and maintenance. El-Ajou outlines the company's evolution over the past 50 years, the importance of digitalisation, and gives his take on the impact of Vision 2030 on Saudi healthcare.*

## **Can you begin by introducing the Aljeel Medical, its areas of focus and its guiding principles?**

Aljeel is a healthcare solutions provider owned by El-Ajou Group, a Saudi family business established in 1958. Aljeel became a subsidiary of El-Ajou Trading over time and then a separate entity in 1968.

The focus of Aljeel Medical is offering healthcare solutions, which includes distributing medical devices, as well as providing consultative and maintenance services. The company is an extension of more than 40 world-renowned global medical device companies and our 600 staff work to provide over 100,000 products to the Saudi Arabian market, which is our sole focus.

One factor and guiding principle which has helped Aljeel grow to its current state today is serving patients and their families. Aljeel has continued to progress in a manner that positively influences patient outcomes while providing peace of mind to families through the technologies and products

we distribute on behalf of our partners. The provided technologies are clinically proven to improve patients' health.

In terms of how we add value, firstly, the company provides all its customers with clinical and application pre-sales support. Many of Aljeel's teams work in labs or operating theatres supporting doctors during surgeries on behalf of the company's suppliers. Secondly, Aljeel has a fully owned vertical supply chain from clearance at customs to delivery to the customers.

Finally, value is added through after-sales support. The company has the largest asset base of biomedical engineers in Saudi Arabia which includes 180 biomedical engineers to ensure a 99 percent uptime for all the devices we distribute.

### **Why does Aljeel focus solely on medical devices and not move into other areas such as medicines distribution like other peers?**

The mantra of our founder is focus. Therefore, Aljeel Medical is today, and will continue to be, a Medical Technology healthcare solutions provider. If the company wanted to move into pharmaceuticals, then it would become a spin-off company that only focuses on pharmaceuticals. El-Ajou Group conducts its business in this manner and believes that focus and dedication are the keys to success, not trying to be a jack of all trades.

The medical devices industry in Saudi Arabia is worth approximately 14 billion Saudi riyals per year. Today, Aljeel is the largest company in this market, however, it continues to be aggressive in its growth strategy moving forward to capture even more of this total market share.

### **How is the medical device distribution field in Saudi Arabia shifting with the establishment of NUPCO as a centralised hospital procurement body?**

I believe that NUPCO is an enabler to the market and not a pressure point for Aljeel. If the company continues to operate efficiently, NUPCO will allow Aljeel to cater to even more customers, enhance our reach, and give hospitals all over the Kingdom the opportunity to utilise the best products at competitive prices in support of the government's budget plan.

As to whether this squeezes our margins, that depends on how well we manage the firm. With a well-oiled machine we will always be able to extract value.

**Distributing medical technologies for over forty different international clients- how arbitrage operates regarding competing technologies and resource allocation?**

We do not deal with multiple suppliers that sell similar products. Instead, we work on an exclusive basis and have represented most of our suppliers, such as Beckman Coulter and Stryker, for over 30 years and have been able to demonstrate sustainable success.

Furthermore, Aljeel's professionals are trained to imitate the clinical environment of a hospital. As a result, Aljeel's teams adapt the company's offering depending on clinical requirement rather than individual products.

**Vision 2030 implies also a full transformation of the Saudi healthcare system. What do you think its full impact will be on Aljeel as a provider of services and goods to hospitals, which are an important catalyst of this transformation?**

The government has made the decision to privatise their assets to the best of their capabilities and have created 20 clusters that cater towards the value-based healthcare system they are building. As a distributor, Aljeel is not directly impacted as every hospital will continue to need specific devices and supplies.

However, as a citizen and a patient, I believe this reduces many inefficiencies and will move the healthcare system to become more outcome-based. In my opinion, this will upscale the healthcare system and drive it to deliver value to patients despite the focus on cost of ownership and operations.

This value-based healthcare system will benefit Aljeel's clinical and application support functions to demonstrate to hospitals the true cost of ownership of a device rather than the pre-sale costs and the cost of the device over its lifetime. Additionally, it gives hospitals flexibility to be creative and to innovate new methods of procurement, as seen in the Nordic countries.

**How well prepared is Aljeel for greater uptake of digitalization?**

The essence of all digitalization is data and this is our focus area moving forward. The company must capture the right data, have data scientists articulate this data, and put this data into a digital

platform or AI solutions to help in our predictive and analytical capabilities.

Data needs to be managed to be part of the digital revolution that is coming to Saudi Arabia. Therefore, companies such as Aljeel must focus on finding this data and ethically utilizing it for the betterment of society.

**Supply chains are a very critical point today and the world is suffering from shortages and premiums related to those shortages in every sector. How do you see your supply chain evolving over the next few years and what parts are you trying to mitigate at your local level?**

It is a major challenge, and throughout the difficult period of the pandemic for global supply chains, we have learnt to focus on the aspects within our control.

The first aspect is to build predictive analytical capabilities that can help better manage disruptions. The second part within our control is to have proper communication capabilities that can better mitigate disruptions for suppliers and customers.

There are three types of flows between suppliers and customers. Firstly, product flow, which we cannot control directly. Secondly, financial flow, which we can help facilitate and manage. Lastly, the communication or information flow, which is under our control and can be improved. This ensures disruptions are managed, or at least anticipated, through building predictive capabilities and taking proactive actions accordingly.

**How would you characterise the level of inter-stakeholder communication in Saudi Arabia, and how important is having good communication capabilities to Aljeel?**

Communication and supplier management are Aljeel's differentiating capabilities. For the 40+ global suppliers that Aljeel represents, our company manages operational, communication, data integrity, and transparency capabilities as good as any multinational company operating globally.

**As a Saudi national of a younger generation, what is your personal take on Vision 2030?**

I never believed I would see this change in my lifetime. The Crown Prince is integral to this change, and he embodies the vision of future Saudi society. It makes me proud to be a Saudi and to be

living in a moment in history to witness this change. The country is learning and continuing to focus on its targets.

From my perspective, the biggest change is having women be an active and integral part of our community, which supports both our society and our economy. Women in Saudi Arabia are more educated per capita than men and, as a business leader, I am now able to access the talent pool of 50 percent of the total population that was previously not as easily accessible.

Beyond the economic conditions, I believe Vision 2030 is attainable due to the Saudi population being ready to drive this change and the country forward.

**Is there any particular message that you would like to leave for our readers?**

Aljeel has been in business for the past 50 years and intends to remain in business for the next 50 years. The company is aiming to localise as much as possible. It will continue supporting clinical application after-sales as well as building its communication platform to ensure that no global disruption negatively affects the Saudi market.

[See more interviews](#)