



STRATEGIC EDGE

MANAGEMENT CONSULTANTS

Study
**OF POTENTIAL MARKETING
OPPORTUNITIES**
IN HEALTHCARE SERVICES
IN THE KINGDOM OF SAUDI ARABIA

Final Report

June 2008

Education, training and consultancy

Report contents

➤ Executive Summary

- **First Part:**
 - Diagnostic and therapeutic healthcare units.
- **Second Part:**
 - Recruitment and hospital management.
- **Third Part:**
 - **Education, training and consultancy.**
- **Fourth Part:**
 - Healthcare in the Economic Cities, generic pharmaceutical and Hospital Design, Construction and Equipment

4.Education

4.Education

Table of Content:

- 1- Current and potential supply
- 2- Current and potential demand
- 3- Current and potential marketing opportunities
- 4- Total Market Size
- 5- Potential Market Share

4/1 Current medical, Science Faculties and Healthcare Institutes in KSA and their Capacities (27/1428 H)

Type	Available Numbers		Students Enrolled		Graduates	
	No.	%	No.	%	No.	%
Medical faculties	24	% 41.38	19094	% 55	2169	% 44
Faculties of Health Science	18	% 31.03	11590	% 34	1335	% 27
Governmental Health Institutes	16	% 27.59	3830	% 11	1466	% 29
Total	58	% 100	34514	% 100	4970	% 100

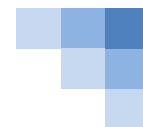
% Male	18935	%54	2808	%57
% Female	15579	%46	2162	%43

***In addition to 113 private health institutes which register 11 thousand students annually**

Source: - Statistical year book 1427H- Ministry of health

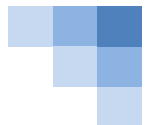
- Ministry of Higher Education

STRATEGIC EDGE
MANAGEMENT CONSULTANTS



4/1/1 Main medical Facilities in KSA and their Capacities

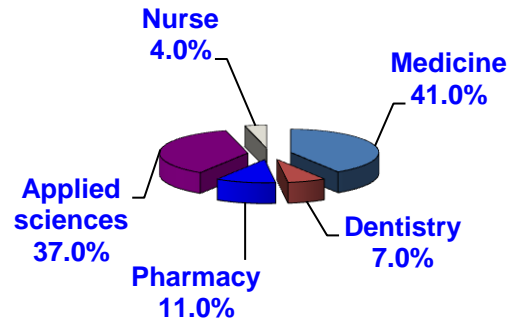
Name	Students Enrolled	Graduates
<u>Medical Faculties:</u>		
King Saud University , Riyadh	1648	272
King Abdul Aziz University Jeddah	2512	188
King Faisal University, Eastern	1739	151
King Khalield University, Abha	889	97
Umm Al-Qura University,	1056	80
Qassem University	535	52
Taibah University		42
Jazan University	163	-
Total	8542	882
<u>Dentistry:</u>		
King Saud University , Riyadh	548	99
King Abdul Aziz University Jeddah	614	52
King Faisal University, Eastern	141	
King Khalield University, Abha	253	
Total	1556	151



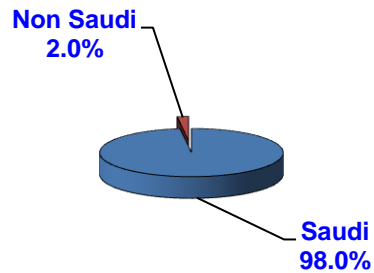
1/1/2 Main medical Facilities in KSA and their Capacities

Name	Students Enrolled	Graduates
<u>Pharmacy:</u>		
King Saud University , Riyadh	1303	188
King Abdul Aziz University Jeddah	534	58
King Faisal University, Eastern	80	
King Khalield University, Abha	421	
Total	2338	246
<u>Applied Sciences:</u>		
King Saud University , Riyadh	2025	505
King Abdul Aziz University Jeddah	848	83
King Faisal University, Eastern	686	134
Umm Al-Qura University,	885	81
King Khalield University, Abha	595	*
Jazan University	40	*
Total	5079	803
<u>Nursing:</u>		
King Saud University , Riyadh	792	57
King Abdul Aziz University Jeddah	435	26
King Faisal University, Eastern	352	4
Total	1597	87
Gross Total	19094	2169

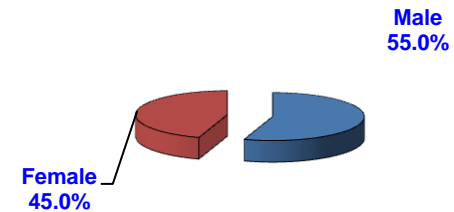
4/1/13 Current number of Graduates in Medical Facilities in KSA (1427 H)



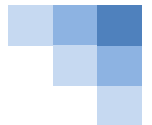
Graduates rate



Nationality



Sex



4/1/4 Students and Graduates from Healthcare Science Facilities (both male and female) in 1427 H

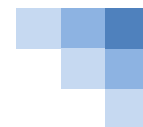
College	Male		Female		Total	
	Students	Graduates	Students	Graduates	Students	Graduates
College of Health Sciences, Riyadh	620	108	485	78	1105	186
College of Health Sciences, Jeddah	580	145	538	107	1118	252
College of Health Sciences, Makkah	335	0	448	71	783	71
College of Health Sciences, Dammam	572	120	391	74	963	194
College of Health Sciences, Abha	576	139	504	90	1080	229
College of Health Sciences, Medinah	557	0	421	0	978	0
College of Health Sciences, Ta'if	530	0	490	0	1020	0
College of Health Sciences, Boriada	0	0	182	0	182	0
College of Health Sciences, Einaza	0	0	244	42	244	42
College of Health Sciences, Bokiaria	164	0	0	0	164	0
College of Health Sciences, Al-Rass	516	121	0	0	516	121
College of Health Sciences, Jazan	631	157	121	0	752	157
College of Health Sciences, Al-Hafof	445	83	0	0	445	83
College of Health Sciences, Al-Baha	449	0	70	0	519	0
College of Health Sciences, Ha'il	494	0	112	0	606	0
College of Health Sciences, Tabouk	339	0	86	0	425	0
College of Health Sciences, Al Jouf	347	0	121	0	468	0
College of Health Sciences, Najran	0	0	222	0	222	0
Total	7155	873	4435	462	11590	1335

4/1/5 Development of Governmental Health Institutes, Students Enrolled and Graduates, During the Period 1423 – 1427 H

Years	Male			Female			Total		
	institutes	Students	Graduates	institutes	Students	Graduates	institutes	Students	Graduates
1423	12	2902	811	13	1827	537	25	4729	1348
1424	12	2829	871	14	1986	531	26	4815	1402
1425	12	2067	1151	15	2319	656	27	4386	1807
*1426	8	1612	1151	19	2857	656	27	4469	1807
*1427	2	897	784	14	2933	682	16	3830	1466

Source: - Statistical year book 1427H- Ministry of health
- Ministry of Higher Education

- ▶ Some of the healthcare institutes have been converted to health science colleges:
 - Male institutes at: Riyadh and Al-Qassem
 - Female institutes at: Riyadh, Madinah, Eastern, Bishah, Tabouk, Ha'il, Northern Border, Jazan, Al-Baha, Al-Jouf and Arar



4/1/6 Private Healthcare Institutes by Region, cities and Students' gender

institutes by gender

Gender	No. of Institutes	%
Male	76	% 67
Female	37	% 33
Total	113	% 100

Institutes by Region

Region	No. of Institutes	%
Makkah	25	% 22
Riyadh	23	% 20
Eastern	21	% 19
Madinah	16	% 14
Assir	10	% 9
Northern Boarder	5	% 4
Al-Qaseem	5	% 4
Tabouk	2	% 2
Ha'il	2	% 2
Jazan	2	% 2
Al-Jouf	1	% 1
Najran	1	% 1
Total	113	% 100



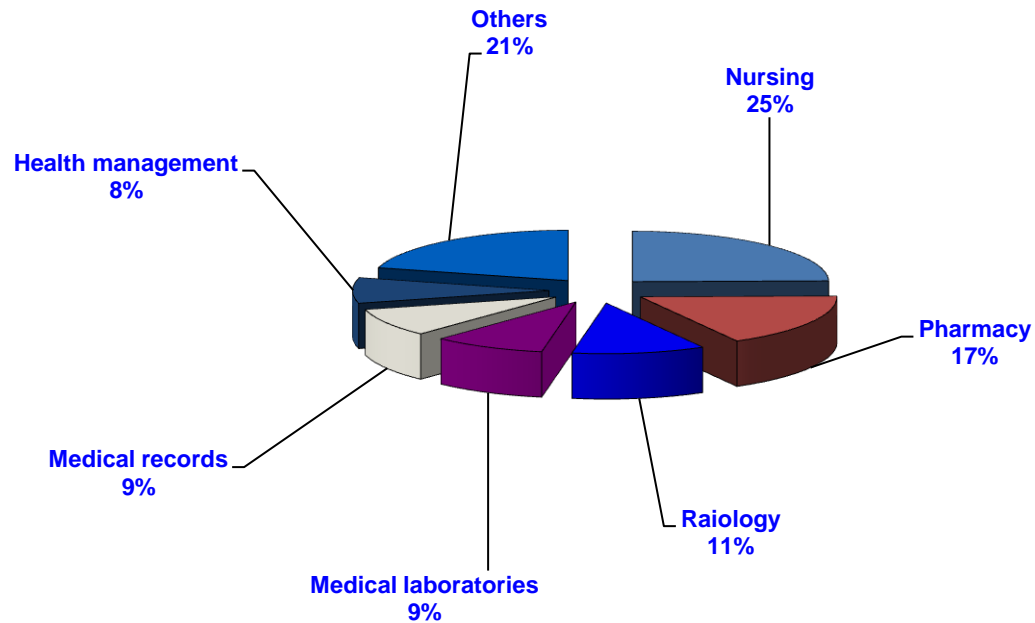
4/1/17 Type of Diplomas Provided by Private Healthcare Institutes

Diploma	Provider Institutes	Ratio of Provider Institutes to Total	%
Nursing	88	% 78	% 24.9
Pharmacy	61	% 54	% 17.2
Radiology	39	% 35	% 11.0
Medical Laboratories	33	% 29	% 9.3
Medical Records	32	% 28	% 9
Health Management	29	% 26	% 8.2
Dental Technology	14	% 12	% 4
Physiotherapy	9	% 8	% 2.5
Health Monitoring	8	% 7	% 2.3
CPR and Emergency	7	% 6	% 2
Medical Devices Engineering	6	% 5	% 1.7
Medical Secretary	6	% 5	% 1.7
Anaesthesia and Resuscitation	6	% 5	% 1.7
Surgery	5	% 4	% 1.4
Optics	3	% 3	% 0.8
Hospital Management	2	% 2	% 0.6
Medical information system	1	% 1	% 0.3
Functional Therapy	1	% 1	% 0.3
X- Sound	1	% 1	% 0.3
Quality and Safety management in health units	1	% 1	% 0.3
Health Insurance	1	% 1	% 0.3
Respiratory Therapy	1	% 1	% 0.3
Total	354	% 100	% 100

Source: Saudi Commission for Health Specialties (SCFHS)



4/1/8 Type of Diplomas Provided by Private Healthcare Institutes



4/1/9 The cost of Diplomas at Private Healthcare Institutes

1- Male Institutes

No.	Institute	Type of Diplomas Approved by the SCFHS, and their cost (in Thousand SR)																		
		Nursing	Pharmacy	Radiology	Monitoring	Laboratories	Records	Dentist Assistant	Health services management	Anaesthesia & rehabilitations	Secretaries	Insurance	Medical Devices	Emergency	Physical Therapy	Surgery	Respiratory Therapy	Quality and Safety management	Optics	Health Information System
1	International Academy for Health Sciences	48	45	45	48	48	38	48	38	45	38	45	48	48						
2	Specialized Academy for Medical Training	45		44		45	36	50												
3	Technical Institute for Health Training			45		45	36			45				45						
4	Saudi German Institute	60	60	60		60				50				60	60					
5	Institute of Health Sciences	44	44							34							66			
6	Health Manpower Training Institute Group	40		40																
7	East Ishbelia Health Institute	45		45			45													
8	Al-Sebaiy Institute for Health Sciences		50							35										
9	Arab Development Institute	53.5										53.5		53.5			53.5			
10	National Academy for Health Specialists	45	45									45				45				
11	Capitals Institute of Health Sciences			45									45							36
12	Saudi Institute for Health Services			45														45		
General Average		47.6	49.4	46.5	48	49.5	38.7	49	39.2	46.5	38	46.5	48.9	48	52.9	60	55.5	53.5	45	36

*average study duration is 2.5 Years per diploma (2 years of theoretical study and 6 months of Practical training)

4/1/10 The cost of Diplomas at private healthcare institutes

2- Female Institutes

No	Institute	Type of Diplomas Approved by the SCFHS, and their cost (in Thousand SR)																	
		Nursing	Pharmacy	Radiology	Monitoring	Laboratories	Records	Dentist Assistant	Health services management	Anaesthesia & rehabilitations	Secretaries	Insurance	Medical Devices	Emergency	Physical Therapy	Surgery	Respiratory Therapy	Quality and Safety management	Health Information System
1	International Academy for Health Sciences	44	44	44	44	44	36	44	36	44	36	44	44	44					
2	Technical Institute for Health Training	45	45	45		45	36			45				45					
4	Saudi German Institute	60	60	60		60			50					60	60				
7	East Ishbelia Health Institute	50		50			45												
5	Al-Sebaiy Institute for Health Sciences	50	50																
9	Arab Development Institute	53.5											53.5	53.5				53.5	
11	Capitals Institute of Health Sciences			45									45						36
8	Saudi Institute for Health Services	45		45					45		45								
9	Mouwasat Applied Sciences Institute	64.5	64.5	64.5		64.5		72.5											
10	Advanced Institute for girls' Medical Training																		
11	National Academy for Health Specialists	45	45									45					45		
General Average		50.8	51.4	50.5	44	53.4	39	58.2	43.7	44.5	40.5	44.5	47.5	44	52.9	60	45	53.5	36

* Average study duration is 2.5 Years per diploma (2 years of theoretical study and 6 months of Practical training)

4/1/11 Charges Collected by government from Private Healthcare Institutes and Centres

No.	Other Fees	Current Fees	Approved Fees starting from 1/8/2008
1	Training and evaluating studies for others	7500	10000
2	Visiting training facilities	2000	3000
3	Granting the first phase requirements to institutes and health centers	5000	5000
4	Approved training program fees by (SCFHS) per program	15000	15000
5	Granting final license procedures for health institutes and renovation	12500	12500
6	Granting final license procedures for Health centers and renovation	7500	7500
7	Continuous supervision and follow-up for each program per annum	22500	19000
8	Continuous supervision and follow-up for training programs that take more than 3 months	1250	1000
9	Continuous supervision and follow-up for training programs that take less than 3 months	5000	5000
10	Attending the qualifying exam (for literary section of secondary graduates to join private health institutes)	200	200
	<u>Other Fees</u>	Current Expenses	Approved Expenses*
1	Translation and accreditation of certificates	200	300
2	Issuance of loss and adjust certificates for doctors, pharmacists, specialists and equivalents	200	300
3	Issuing \ adjusting replacement cards for vocational registration	100	150
4	Sending express international mail and fax	50	100
5	Foreign universities registration fees	100	150
6	Rechecking answers	100	150
7	Professional practice certificate	200	300

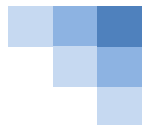
4/1/12 Potential Supply of New Health Science Institutes to be Established During the Upcoming 3 Years

- ▶ There are (22) new healthcare science institutes expected to be established during the next 3 years, distributed in KSA regions as follows:

Region	No.	Region	No.
Riyadh	4	Tabouk	2
Eastern	4	Ha'il	2
Al-Jouf	3	Makkah	1
Al-Baha	2	Najran	1
Asser	2	Northern Boarder	1

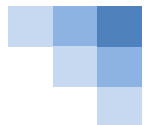
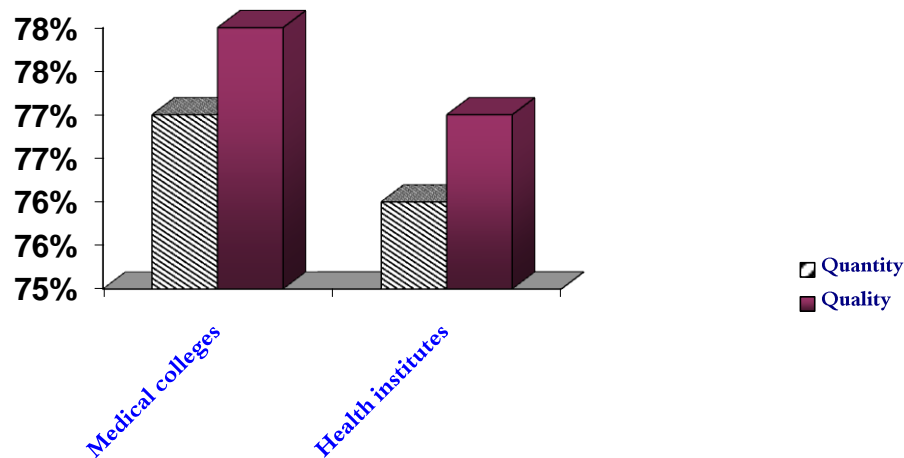
Source: - Ministry of Health

- Various Internet websites



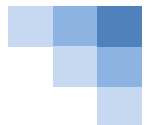
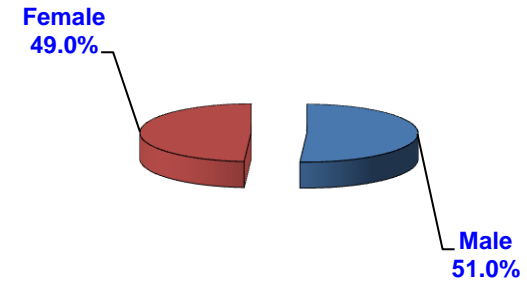
4/2 Saudi Arabia Need off Healthcare Educational Foundations from Field research

Cities	Medical faculties		Health institutes	
	Quantity	Quality	Quantity	Quality
Riyadh	%75	%80	%74	%79
Jeddah	%80	%87	%75	%89
Dammam	%84	%69	%80	%64
Abha	%50	%67	%77	%83
Tabouk	%80	%67	%80	%67
Total	%77	%78	%76	%77



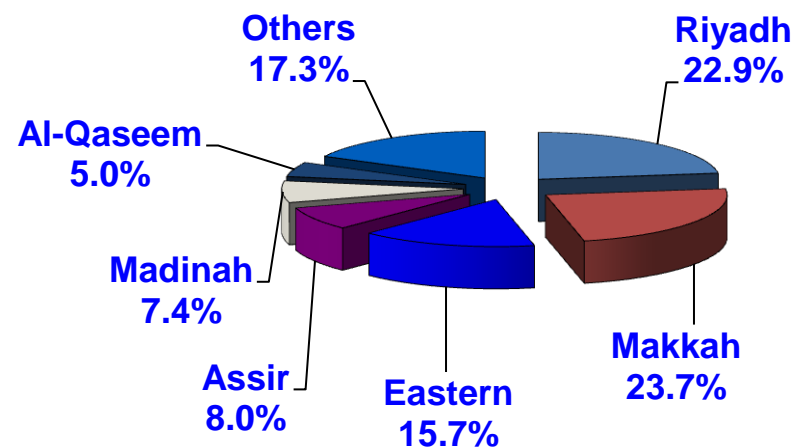
4/2/1 Development of Secondary School Graduates in KSA During the Period 1417/1418 – 1427/1428 H

Years	Male	Female	Total	
			No.	Annual growth rate
17/1418	58	64.7	122.7	-
18/1419	70.3	76.3	146.6	%19.5
19/1420	78.8	87	165.8	%13.1
20/1421	91.7	100	191.7	%15.6
21/1422	93	98.6	191.6	-
22/1423	96.4	103.7	200.1	%4.4
23/1424	108.3	114.3	222.6	%11.2
24/1425	118.1	121.3	239.4	%7.5
25/1426	127	125.6	252.6	%5.5
26/1427	140	127.9	267.9	%6.1
27/1428	144.8	139.2	284	%6
Average	%51	%49	%100	%7



4/2/2 Secondary School Graduates (Male\Female) in 1427/1428 H By Regions

Regions	No. in thousands	%
Makkah	67.3	%23.7
Riyadh	65	%22.9
Eastern	44.6	%15.7
Assir	22.7	%8
Madinah	21	%7.4
Al-Qaseem	14.2	%5
Jazan	12.8	%4.5
Ha'il	8.8	%3.1
Tabouk	7.1	%2.5
Al-jouf	5.7	%2
Al-Baha	5.4	%1.9
Najran	5.4	%1.9
Northern Border	4	%1.4
Total	284	%100



4/2/3 Health Education Market Share of Total Higher Education and Upper-Intermediate Education in KSA (1427 H)

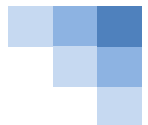
- ▶ Total secondary school graduates in KSA are 267 thousand students.
- ▶ 12% of students don't complete education after secondary stage totals
- ▶ 235 thousand students are enrolled in higher education and upper-intermediate level after secondary stage.
- ▶ 17.9 thousand students are enrolled in higher healthcare education and upper-intermediate level.
- ▶ About 7.6% of students are enrolled in higher healthcare education, distributed as follows:

Statement	Students enrolled	%
Medical colleges	2700	1.1
Health Sciences colleges	2300	1
Governmental Health institutes	1900	0.8
Private Health institutes	11000	4.7
Total	17900	%7.6

Source: - Ministry of Health

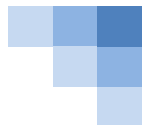
- Ministry of Higher Education
-Saudi Commission for Health Specialties (SCFHS)

STRATEGIC EDGE
MANAGEMENT CONSULTANTS



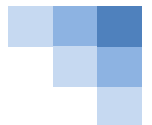
4/3 Potential Opportunities in Higher and Upper-Intermediate Healthcare Education (Universities and Institutes) in KSA

- ▶ The number of High School graduates in 1429/28H was about 303 thousand students, growing at a rate of 7% yearly, the current capacity of healthcare education institutions (governmental and private facilities) is only 6.5% of this number, or 19.7 thousand students.
- ▶ Despite the relatively large labour force in healthcare units in KSA, which reached 301 thousand employees in different specializations, growing with 4.6% annually, Saudi national doesn't exceed 44% in the most optimistic estimates and statistics.
- ▶ Needs of healthcare units (Hospitals, healthcare centres,..etc) for new workforce, are estimated at 23.2 thousand employees in 1430H, growing annually to reach 33 thousand employees in 1435H.
- ▶ Comparing these needs with annual fresh graduates from healthcare specialized education foundations (5 thousand graduates), it was found that these numbers represent only 21% of the total need.



4/3 Potential Opportunities in Higher and Upper-Intermediate Healthcare Education (Universities and Institutes) in KSA

- ▶ Despite the large number of public and private healthcare institutes, their capacities are very limited (students enrolled and graduates' numbers are low) as follows:
 - Graduates from Faculty of medicine average is 90 students
 - Graduates from faculty of health science average is 75 students
 - Graduates from public health institute average is 50 students
 - Graduates from private health institute average is 90 students
- ▶ Despite the fact that private health institute graduates represent only 68% of total healthcare education graduates, about 75% of these institutes are concentrated in 4 regions (Riyadh, Makkah, Eastern Province, Madinah).
- ▶ 77% of the surveyed directors of hospitals and healthcare units believe that KSA is still in need of medical facilities and health institutes to cover their needs of required medical and healthcare competences.

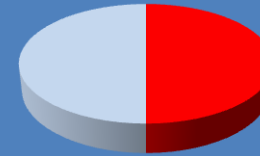


4/4 Education in the Healthcare Field Opportunities

Level of Competition
Medium



Capital Required
Medium



Technology Accessibility
Highy



Human Resources Availability
Highy



4/4 Market size

- In 1428 it was estimated that the number of potential healthcare students in Saudi Arabia were 21,584.
- The annual growth of the number of student is projected at 7%
- The average fees paid by students in private healthcare education institutes is SR 45 thousand a year, the average studying period is 2.5 years
- The average increase in student fees are at 6% a year.
- Private healthcare education sector educate 61.4% of the total healthcare students.

4/4 Market size

- The current total market size for healthcare education is SR 855 million, growing at a rate of 7% a year. It is projected that it will reach to SR 1.4 billion in five years

4/4 Market size

It is estimated that the healthcare education market will continue to grow for the coming years with a rate of 7%

	No. of student Thousand	Cost per 2.5 years(studying period)	SR million Market size
1430	19	45.0	855
1431	20	47.7	954
1432	22	50.6	1.1
1433	23	53.6	1.2
1434	25	56.8	1.4

4/5 market share

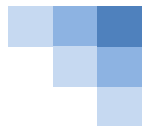
- ▶ It is suggested to establish (4) unique healthcare education institutes, with a total capacity of no less than 1000 students annually, in Riyadh, Jeddah, the Eastern province and Madinah, due to the high number of secondary graduates in these regions on one hand, and the concentration of healthcare facilities in these regions on the other hand.
- ▶ The projected market share is at 5.5%, growing at a rate of 7% a year

4/5 market share

- The four areas were chosen due to their high number of secondary graduates on one hand, and the concentration of healthcare units in these regions on the other hand.

Regions	Secondary school graduates	
	No. 000	%
Riyadh	65	%22.9
Makkah	67.3	%23.7
Eastern	44.6	%15.7
Madinah	21	%7.4
	197.9	%69.7

5- Training In the Healthcare Services Field



5. Training In the Healthcare Services Field

Table of Content:

- 1- Current and potential supply
- 2- Current and potential demand
- 3- Current and potential marketing opportunities
- 4- Total Market Size
- 5- Potential Market Shar

5/1 Current training organizations in healthcare sector

- At the time been most training programs at the private and the public healthcare sectors are done within and by the employees of the same institution.
- There are few private organizations offering a specialized training for healthcare professionals.
- There are some training centers run by public sector within the capacity of their resources.
- The introduction of the Continuance Medical Education CME hours system as a requirements for obtaining the practicing license for healthcare professionals increased the demand on training and education

5/1/1 Private Healthcare Training Institutes working in the field of organizing and executing training programs

There are only (8) training institutes and centres in the major 5 cities in KSA, in addition to other unspecialized training centres that execute training programs according to the market needs, such as Management Institutes, shown in details as follows:

Se.	Institutes	Region	Available programs	Average program Duration	Average Cost per person	Average Attendees per program
1	Technical Institute for Health Training	Riyadh	19	5 days	500	25
2	Saudi German Institute	Jeddah	*	5 days	500	40
3	Institute of Health Sciences	Riyadh	10	6 days	400	25
4	Health Manpower Training Institute Group	Riyadh - Jeddah	8	3 days	450	40
5	Al-Sebaiy Institute for Health Sciences	Jeddah	24	3 days	475	25
6	Arab Development Institute	Riyadh	12	7 days	450	25
7	Capitals Institute of Health Sciences	Jeddah	7	5 days	500	40
8	National Academy for Health Specialists	Tabouk	3	7 days	185	25

Source: Field survey

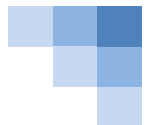
* The Saudi German Institute designs the training program according to client's needs and desires.



5/1/2 Training Programs Implemented by Public Management institutes in the Healthcare sector

- ▶ Public Management Institutes offer special healthcare programs within their training programs.
- ▶ The average number of trainees enrolled in these programs is estimated at 430 annually, representing 1.2% of total trainees at the institute (total trainees are estimated at 35 thousand annually).

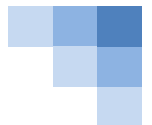
- ▶ Medical records employees
- ▶ Primary healthcare management
- ▶ Managing departments in healthcare utilities
- ▶ Determine needs for healthcare services in populated areas
- ▶ Evaluating healthcare programs and services
- ▶ Managing health insurance programs in healthcare utilities
- ▶ Coordination in healthcare facilities
- ▶ Preparing work procedures and policies in healthcare utilities
- ▶ Reviewing the usage of healthcare services
- ▶ Managing healthcare education programs
- ▶ Preparing healthcare research
- ▶ Healthcare utilities planning
- ▶ TQM applications in hospital management
- ▶ Procedures in medical records



5/1/3 Major Factors Considered by Hospital Directors when Selecting Specialized Training Institutes & Centers

Factors	Importance
• Previous experience in the field	%80
• Fame & reputation	%67
• Cooperating with specialized health training universities & centers	%65
• Trainers' resumes	%63
• Being certified national center	%63
• Suitable prices	%62
• Program diversity & innovation	%59

Source: Field survey



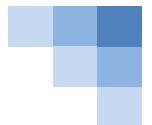
5/1/4 Difficulties Facing Hospital Directors Concerning Training programs

Major difficulties

Cities	training Difficulties
Abha	%85
Riyadh	%58
Jeddah	%58
Dammam	%58
Tabouk	%53
Total	%61

- ▶ Lack of specialized training centers in health field
- ▶ Lack of qualified trainers with practical experience
- ▶ High training costs
- ▶ The high turnover of skilled labor
- ▶ All programs currently available are primitive
- ▶ Managers are not convinced with training programs

Source: Field survey



5/2 KSA Needs for Specialized Training centers in the Healthcare sector

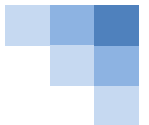
Cities	Training Centers	
	Quantity	Quality
Riyadh	%84	%85
Jeddah	%82	%83
Dammam	%74	%74
Abha	%97	%100
Tabouk	%60	%73
Total	%83	%82



5/2/1 Hospital Directors' Potential to Deal with New Unique Companies and Centers Working in the Field of Healthcare Training

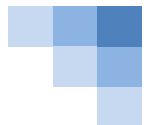
- ▶ 67% are ready to deal with it in the field of specialized training

Source: Field survey



5/3 Potential Marketing Opportunities in Healthcare Training in KSA

- ▶ The numbers of training corporate centers that offer special healthcare training programs are very limited in KSA.
- ▶ The directors of hospitals and healthcare units face many difficulties in dealing with them to satisfy their training needs , due to:
 - Low level of the services and programs (Primitive programs)
 - Low level of trainers
 - Relatively high costs compared with the level of services provided



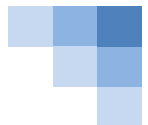
5/3 Potential Marketing Opportunities in Healthcare Training in KSA

- ▶ Thus, directors of hospitals and healthcare facilities believe that KSA is still in need of specialized healthcare training centers in terms of quantity and quality as follows:

KSA Needs for such centers

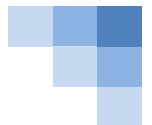
Type of centers	According to quality	According to Quantities
- Training centers	%82	82.1

- ▶ In case of establishing this special type of training centers, it is assumed that:
 - 67% of healthcare units will deal with them in the field of training



5/3 Potential Marketing Opportunities in Healthcare Training in KSA

- ▶ High expectancy of potential customers for training centers in KSA (183.8 thousand employees), where only 15.8% of them get involved in training courses (29 thousand employees), with total costs exceed 65 million SR annually.
- ▶ These numbers are expected to increase with the establishment of special unique training centers in the healthcare and medical fields, with total training costs of about 140 million SR in 1430H.



5/3/1 Training in the Healthcare Field opportunities

Level of Competition

Low



Capital required

Low



Technology Accessibility

Medium



Human Resources Availability

Medium



5/4 Size of Specialized Healthcare Training Market in KSA (1427/28 H)

- The total market size for the training of healthcare professions are estimated at SR 65 million.
- The market size is expected to grow ravidly in the case of establishing a specialized healthcare training centers. The expenditure on training are projected to grow on a high rate of 15% as shown by the table:

5/4/1 Size of Specialized Healthcare Training Market in KSA (1427/28 H)

Specialization	No. of Employees in Healthcare Sector (000)	Trained Employees (%)	Quantity	Average Training cost per person	SR.000 Total Training Costs	%
Physicians	45.6	%15	6840	5000	34200	%45.1
Nurses	83.9	%20	16780	1500	25170	%33.2
Allied Health personnel	45.3	%12	5436	500	2718	%3.6
Pharmacist	3.8	%7	266	3000	7980	%10.5
Technical personnel	18.5	%8	1480	500	740	%0.9
Administrative	35.9	%10	3590	1300	4667	%6.1
workers	68	%2	1360	350	476	%0.6
Total	301	%11.9	35752	2125	75951	%100

Source: Statistical Year Book 1427- Ministry of Health

5/4/2 Estimating the Volume of Specialized Healthcare Training Market in KSA

1- Estimating bases

Specializations	Total Employee Numbers 1427/1428 (in thousand)	Average Annual Growth Rate	Trained Employees (%)	Average Training cost per person	Estimated Annual Growth Rate in Training Costs
Physicians	45.6	%6.9	%15	5000	%10
Nurses	83.9	%4.4	%20	1500	%10
Allied Health personnel	45.3	%3.1	%12	500	%10

Source: Statistical Year Book 1427H - Ministry of Health

2- Healthcare training size (training costs in Million SR)

Specializations \ Years	1430	1431	1432	1433	1434	1435
Physicians	36.6	42.9	50.8	59.2	70.3	82.1
Nurses	26.3	30.2	34.7	39.7	45.7	52.4
Allied Health personnel	2.8	3.2	3.6	4.1	4.6	5.2
Total	65.7	76.3	89.1	103	120.6	139.7

Source: Estimations of research team work

5/5 Potential Market Share in Healthcare Training in KSA

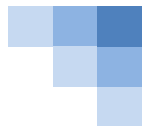
- ▶ According to the previously mentioned, we suggest establishing specialized healthcare training centers in Riyadh, with branches in Jeddah, Dammam and Madinah.
- ▶ It is expected that the market share for those centers will be no less than 25% of the Healthcare training market size, with a growth rate of 7% a year, reaching 35% by year 1435H

Years	Total Specialized HealthCare Training Market size (in Million SR)		
		%	Value (in Million SR)
1430	65.7	%25	16.4
1431	76.3	%27	20.6
1432	89.1	%29	25.8
1433	103.0	%31	31.9
1434	120.6	%33	39.8
1435	139.7	%35	48.9

Source: Estimations of research team work



6- Consultancy In the Healthcare Services Field



6. Consultation In the Healthcare Services Field

Table of Content:

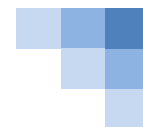
- 1- Current and potential supply
- 2- Current and potential demand
- 3- Current and potential marketing opportunities
- 4- Total Market Size
- 5- Potential Market Shar

6/1 Current consultation organizations in healthcare sector

- There are no specialized consultation companies on the field of healthcare in Saudi Arabia

5/2 KSA Needs for Specialized Training centers in the Healthcare sector

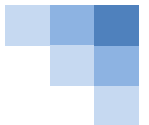
Cities	Consultancy firms	
	Quantity	Quality
Riyadh	%82	%88
Jeddah	%81	%83
Dammam	%64	%62
Abha	%93	%100
Tabouk	%73	%73
Total	%79	%78



6/2/1 Hospital Directors' Potential to Deal with New Unique Companies and Centers Working in the Field of Healthcare Consultancy

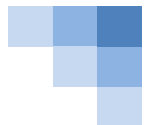
- 65% are ready to deal with it in the field of specialized consultancy

Source: Field survey



6/3 Potential Marketing Opportunities in Healthcare consultancy in KSA

- ▶ The numbers of consultation companies that offer special healthcare support are non existed in KSA.
- ▶ The directors of hospitals and healthcare facilities face many difficulties in dealing with them to satisfy their consultation needs , due to:
 - Low level of the services offered
 - lack of experience of the current general consultation companies
 - Relatively high costs compared with the level of services provided



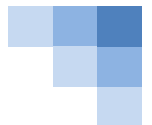
6/3 Potential Marketing Opportunities in Healthcare Consulting in KSA

- ▶ Thus, directors of hospitals and healthcare facilities believe that KSA is still in need of specialized healthcare consultancy companies in terms of quantity and quality as follows:

KSA Needs for such centers

Type of centers	According to quality	According to Quantities
- Consultancy centers	%87	52.4

- ▶ In case of establishing this special type of consultancy companies, it is assumed that:
 - 65% of healthcare units will deal with them in the field of consultancy



6/3/1 Consulting in the Healthcare Field opportunities

Level of Competition

Low



Capital required

Low



Technology Accessibility

Medium



Human Resources Availability

Medium



6/4 Consulting in the Healthcare Field

- The estimated market for this business is SR 600 million a year and the market share for a new agency is estimated at 20%

6/5 Consulting in the Healthcare Field

- It is estimated that a specialized consultation company in the field of healthcare will gain market share of 20%, growing at a rate of 10% a year