A dynamo in business
Young people should find a safe source of capital and financing

A remarkable life
It is not easy to be a leader, but it is even more difficult to be a father

Customer Relationship
Increase customer focus, increase profitability

The successful economist

Abdul Rahman Alkhorayef
Al-Khorayef Group Expresses Sincere congratulations and blessings to His Royal Highness Prince Khalid bin Bandar bin Abdul-Aziz Al Saud for the royal trust in appointing him Deputy Defense Minister; and to His Royal Highness Prince Turki bin Abdullah bin Abdul Aziz Al Saud for the royal trust in appointing him Emir of Riyadh region. Asking God Almighty to bless them and guide their steps on the path of goodness and righteousness for the service of religion, king and country.
ew are the men whose lives are so illuminated with outstanding achievements in the service of their compatriots, homeland and community. Many people come and go, but few leave such a bold mark on the world. They are like a sun shining on our lives, even after they leave. They are the role models for us to emulate.

Having said that, we dedicate this issue of the Alkhorayef magazine to Sheikh Abdulrahman bin Abdullah Alkhorayef – God bless his soul – who remains such an important figure within and far beyond the Alkhorayef Group.

We are honored to express our affection and loyalty to a man who left us far too early. His endeavors have borne valuable rewards in the Alkhorayef Group. Throughout its growth, the Sheikh played a significant part in the development of the company. His herculean efforts and innovative ideas were behind several triumphs, and are responsible for the reputation of the company within the Kingdom’s business community.

In this issue we do not mourn Sheikh Abdulrahman – though he merits our tears and grief – but we reminisce about his life and achievements as a way of aspiring to continue on the same course with the same dedication that he demonstrated.

Abdulrahman Alkhorayef was a humanitarian and a loving father who cared for his family and for its prosperity. He was an enlightened economist who embarked upon a business career with bravery and success. He was a loyal friend whose memory resides in the hearts of his friends and acquaintances. He was also a patriot who loved his country and community, and who never hesitated to give his all in the service of his homeland, which returned sincere appreciation and recognition for his good deeds.

All our words try to express our gratitude and appreciation to this great man, for the generous efforts and services he gave throughout his distinguished life. We have sincerely tried to do justice to his memory, but it is for God to recognize his deeds and exemplary life.

We include stories from different stages of Sheikh Abdulrahman’s life, along with other topics of interest, which we present in both Arabic and English to reach all our readers.

As always we look forward to listening to your feedback and suggestions, which will be reflected in our next issue.
10 THE SUCCESSFUL ECONOMIST

“I can now leave in peace, confident of what the founder Sheikh Abdullah Alkhorayef achieved and the path followed by his children and grandchildren.”

14 BUSINESS

“Before entering the world of business, young people should find a safe source of capital and financing.

18 A REMARKABLE LIFE

It is not easy to be a father or a leader, but it is even more difficult to be a father, brother, friend, professor and a leader all at the same time.

22 IN THE EYES OF MEDIA

The recent death of Sheikh Abdul Rahman bin Abdullah Al- Khorayef dominated the media.
We pursue excellence in all our products and services. We’re skilled users of technology, and our machinery performs to extremely high standards. Our aftercare and maintenance service are second to none. We only distribute premium brands with a high reputation for performance. And we try to go the extra mile for all our customers.

We’ve built our business on a foundation of honesty and trust. We have a strict code of ethics that all employees are required to follow. We base our dealings with our clients and our partners on trust, often sacrificing short-term profit for the sake of a long-term relationship. And our clients trust us to deliver, every time.

As a family-run firm, we’re warm, friendly and open in all of our dealings. We extend that warmth to our clients and partners, sharing decision making, ideas and problems wherever possible - a key part of the long-term relationships we build. Internally we see our staff as part of the wider family and encourage their participation and involvement in any issue at any level.

We approach every project and every partnership with total commitment. We see each project through to the end and beyond, providing excellent aftercare and support. We also show our commitment to clients, partners and staff by helping to build their skills, knowledge and businesses through training and development programs.

26 CUSTOMER RELATIONSHIP
For many of the world’s most successful companies, a key part of their success can be attributed to their focus on their customers.

30 INFOGRAPHS
Number of industries according to regions in 2013.

Supervision:
Management Relations and Marketing in Alkhorayef group
pr@alkhorayef.com
www.alkhorayef.com

Publisher
Alef Publishing & Media

General manager: Kingdom of Saudi Arabia/ Partner
Abdallah Bin Abdulrahman Al-Akil
info@alefinternational.com
FAMILY BUSINESSES URGED TO BECOME PUBLIC JOINT STOCK COMPANIES

Saudi economists are demanding that family businesses become public joint-stock companies, saying that such large and leading companies will help attract new investors to the market. This would increase the size of the Saudi capital market and raise the contribution of Arab stock markets to more than 50 per cent.

According to Alhayat newspaper, economists believe that these joint-stock companies would implement large investment projects to expand the horizontal and vertical market base and improve the economy. These companies could also mobilize savings and stimulate the integration of small firms with their own property to form large entities capable of producing the economic results that will drive development forward.

Since joint-stock companies also have more job opportunities, citizens will be more motivated to complete their training to become more employable.

Local companies in Saudi Arabia are distributed among companies publicly listed in the Saudi financial market and those family businesses and companies that are not. More than 10 family companies that have become public joint-stock companies have achieved good success.

SAUDI INNOVATION TO EXTINGUISH OIL AND GAS WELL FIRES

Saudi inventor Ashwan bin Mardi Al-Dosari has invented the first device of its kind to extinguish oil and gas well fires. His ‘spontaneous compartment amortization’ device has been granted an industrial model certificate from King Abdulaziz City for Science and Technology, and a registration patent from the Patent Office of the Gulf Cooperation Council.

The self-extinguishing chamber works extinguishes fires by simultaneously eliminating the three basic elements of fire: oxygen, heat and fuel, which breaks the chemical reaction and suppresses fire in record time.

“The invention does not require the availability of water, which is especially advantageous in desert areas, but works by mixing fire-distinguishing materials pumped into the fire, reducing its energy below ignition point. This is the breaking of the chemical reaction chain in a closed space away from atmospheric oxygen – a process of asphyxiation” said Al-Dosari.

Al-Dosari is in constant contact with the National Fire Protection Association (NFPA) in order to have his invention adopted by international safety organizations.

Source: Al-Hayat
The Kuwait Oil Company (KOC) has signed a contract with Saudi Arabia’s Alkhorayef Company valued at USD275 million (SR 1 billion). Alkhorayef will supply, install, operate and maintain electrical submersible pumps (an ESP system) for use by KOC.

In a press statement published by a Kuwaiti news agency, KOC stated that its chief executive, Hashem Sayed Hashem, had signed the contract as its representative. The Alkhorayef Group was represented by the chairman of its board, Saad Alkhorayef. The contract is for five years, with the possibility of an optional year-long extension.

The chief executive of the Kuwait Oil Company, Hashem Hashem, said that the contract with Alkhorayef Group, which has cooperated with KOC for 13 years, includes operations at 450 oil wells. He explained that the contract will contribute in increasing the production of these wells.

Saad Alkhorayef expressed great pride in having the confidence of the Kuwait Oil Company and winning this contract. He pointed out that his company specializes in manufacturing this type of pump in the Kingdom of Saudi Arabia. He added that the group undertakes a broad range of activities in many other countries, including Latin America. Alkhorayef always strives to adhere to credible and exact specifications, so that it can compete with major international companies. He stated: “Even if the work of the group has spread to many countries of the world, the focus is still on local markets, the GCC countries and the Middle East.”

David Henderson, head of Alkhorayef Petroleum, stated that the company “is the only local company able to meet all the needs of national companies in the Middle East. As a Middle Eastern Saudi-based manufacturer, it does have the ability to provide highly competitive features with respect to speed delivery products, as well as longevity; since the products are designed according to the requirements of the environment of the region.”

Faisal Ayesh, head of Alkhorayef Company for the Sale, Maintenance and Repair of Oil Production Equipment in Kuwait, stated: “Since its inception in 1995, the company has provided services to the state-owned oil pump KOC and Wafra Joint Operations Company.”

He pointed out that his company – proudly awarded a gold medal for excellence in 2013 by the American Society of Safety Engineering in Kuwait for the best health, safety and environment policies – had fought off fierce competition to win the tender. It succeeded, thanks to God, due to the company’s experience in servicing oil fields and the quality of its products.

Alkhorayef Trading Inks Agreement With Arasco

Abdullah bin Ibrahim Alkhorayef, GM of Alkhorayef Trading, in April signed an agreement with Arasco to supply generators for poultry farms in Arasco’s basin and warehouses in Dammam.
Cairo was the setting for a regional conference at which the United Nations’ Economic and Social Commission for Western Asia (ESCWA) conference in Cairo, unveiled a fourfold plan to face water shortage in the Arab world. The strategy comprises building rainwater storage dams, injecting depleted underground reservoirs, treating agricultural, industrial and health wastewater for agriculture and irrigation use, and the desalination of sea water – a technology that is proving very successful in some countries.

At the conference – entitled ‘Adaptation to climate change in the water sector in the Middle East and North Africa’ – the ESCWA’s Tarek Sadek, said: “The ESCWA is working to take appropriate actions to adapt to climate change, which depends mainly on future expectations and meeting the needs of water resources of future generations.”

He also said that the ESCWA is cooperating with organizations including the Arab League, the Arab Water Council, and the German Agency for International Development to examine the impact of climate change on other water-related sectors such as the agricultural and livestock sectors.

The aim of the United Nations is to build the capacity in developing countries and train specialized staff in climate change impact on water resources, in coordination with universities and scientific centers, as well as developing university courses in the subject.

The Ministry of Agriculture has published a book about the evolution of modern irrigation methods and the efforts of the Ministry in the rationalization of water use in agriculture in response to Saudi Arabia’s water shortage.

In the foreword, Minister of Agriculture Dr Fahad bin Abdulrahman Balghunaim, said that water supply is one of the Kingdom’s greatest challenges – not only for agricultural development, but also for both economic and social development.

The results of the Ministry’s research reflect a significant increase in the use of modern irrigation systems which would reduce agricultural water consumption by up to about 90 percent, compared to using traditional irrigation methods and exposed open agriculture.

The study recommends encouraging farmers to produce crops with good economic returns and low water consumption, and improve the efficiency of irrigation systems.

Dr Abdulrahman Al-Zamil, chairman of Riyadh Chamber of Commerce and Industry, has called Saudi companies to favor products made in the Kingdom in order to boost the manufacturing sector, and to create up to 100,000 job opportunities for Saudi citizens.

Currently there are some 6,400 factories in Saudi Arabia across all sectors, with a total investment of over SR800 billion – but if companies followed the government stipulation to buy only local product, this would grow to 12,000 factories, and investments to SR2 billion Riyals, sales could reach SR800 billion, together with the creation of the additional direct jobs.

He accused some public sector engineering and procurement departments of ignoring the requirement to support national products, under the pretext of speed, pointing out that this supports the foreign products, which are already often favored by foreign consultants.

He also urged Minister of Finance and the General Auditing Bureau and Anti-Corruption Commission to follow up the implementation of projects, calling the Ministry of Finance to prepare clear stipulations in government procurement contracts.

Al-Zamil said two resolutions will have a significant impact in attracting foreign investment as well boosting domestic investment. “The first is the Economic Offset Program, and its role in the transfer of technology, and the second is the requirement that Government purchases only local products, both of which have had a great impact on the transfer of investment,” he said.

Al-Zamil also urged Chambers of Commerce and Industry to follow these resolutions to support the transfer of technology.
SR1.3 BILLION ALTERNATIVE ENERGY PROJECT FOR MAKKAH

The secretariat of Makkah has awarded a SR1.3 billion project for solar energy production to Wataniya corporation, the largest such project for municipal alternative energy supply.

Dr Osama Fadl Al-Bar, secretary to the municipal authority, said that the cost of the project – supplying solar energy to municipal users of greater than 100MW – would cost approximately SR2.4 billion, which would be paid in SR10 million monthly installments. The governorate is the first municipality worldwide to initiate such a project, which will cover the electricity needs of municipal services and businesses and save some SR2.2 billion riyals over the next 20 years.

The project, he said, would encourage other municipalities and government agencies to follow suit, which would lift huge burdens from the state, and reduce the use of petroleum resources. Studies estimate that by 2030 Saudi consumption of petrol will reach about eight million barrels, which could be reduced significantly by initiatives like this which take advantage of the abundance of solar energy in Saudi Arabia.

Source: Okaz

ALKHORAYEF ESTABLISHES A MARINA AT KHOR ABHAR IN JEDDAH

Abdullah bin Ibrahim Alkhorayef, general manager of the Alkhorayef Group, recently inked a contract with Dr Mahdi Al-Suleiman’s company for consultancy on the civil engineering and marine construction required in the design and management of the marina, which will be implemented for the benefit of the company in Khor Abhar, Jeddah. The marina will spread over a total area of 18,647 square meters, with space for yachts, boats and marine tanks. It will host shows and there will be restaurants and a modern high-specification marine workshop.

SAUDI 5.1 MILLION DAILY NEWSPAPERS GENERATE USD800 MILLION

The Kingdom’s printing and publishing market is worth up to USD800 on the back of its 5.1 daily newspapers and 2 million monthly magazines, by far the largest printing market in the Gulf region.

Speaking at the Saudi Printing and Packaging Exhibition in February, Zayed Al-Rakban, deputy director of Riyadh Exhibitions Company, said that Saudi economic growth, increased government spending, population growth, and the developing cultural, educational and retail sectors had contributed to the doubling of printing, advertising and marketing, which has subsequently led to increased demand for equipment and presses.

He said that most of government departments now have their own printing presses – the Ministry of Defense has 20 – as do many universities and colleges. The Saudi printing market is growing at eight 8 percent per annum.

The exhibition was a platform for companies from 27 countries to showcase the latest printing and packaging technologies.

Source: Al-Hayat
Sheikh Abdul Rahman Alkhorayef...
The successful economist

Mustafa Shihab

“I can now leave in peace, confident of what the founder Sheikh Abdullah Alkhorayef achieved and the path followed by his children and grandchildren.”
With these affecting words, the late Sheikh Abdul Rahman Alkhorayef - may God have mercy on him - described the successful development of the Alkhorayef Group over the past 50 years. He wrote words of praise for the workers and their dedication to the organization, concluding: “I hope that the development path will continue so someone else can write an article about the next 100 or 200 years; we are no less than the old family homes that came before us and have lasted for hundreds of years.”

LEARNING FROM MISTAKES
Sheikh Abdul Rahman Alkhorayef was a successful man, a person with a clear opinion and a big heart, who used to solve problems calmly. He learned from the mistakes he made and offered advice from his wealth of experience, and also from the mistakes of others.

We think of Sheikh Abdul Rahman as an example of a continuous learner because of his approach of trial and error, and because he was willing to criticize himself. Perhaps his project to import artesian wells excavators is the most obvious example.

A deal with his friend Sleiman Al-Araini to buy the company’s first digger proved unsuccessful because the excavator needed repair. However, his father - the founder of the Group, Sheikh Abdullah Alkhorayef - did not apportion blame, instead preferring that his son follows his example, and learned from this mistake. When ARAMCO subsequently offered equipment for sale, Sheikh Abdul Rahman was able to benefit from the earlier setback and make a successful deal - all at a pivotal stage in the Group’s history.

Sheikh Saad bin Abdullah Alkhorayef, Chairman of the Group, describes his brother Abdul Rahman’s efforts as: “were fruitful in every area of business performed by the group.”

“The late Sheikh was present in each and every stage of development, and his efforts and bright ideas were the main reason behind the achievements and the significant presence and success enjoyed by the company.”

Eng. Mohamed Alkhorayef, the Group’s President and Executive Director for manufacturing, described his brother as a leader and a father-figure to his wider family, adding that he enjoyed a balanced personality. Furthermore, he was creatively in contact with everyone, inspired their initiatives and new ideas, and was universally loved for his charisma and influential presence in any meeting or forum.

Describing the company after the death of Abu Abdullah, Eng. Alkhorayef said: “The business remained stable because it is built on a solid foundation. He was keen to know everything in detail, and welcomed all different views to reach a mature idea and a successful outcome, and gave space for everyone to express their own opinion - but he also had no problem reconsidering his decisions if they were wrong or unsuitable.”

CIRCULAR IRRIGATION
Sheikh Abdul Rahman’s progress was not challenge-free, such as the time Alkhorayef
won an early tender for drilling 21 wells in Jizan. At that time, the roads were unpaved and full of obstacles difficult to navigate without the help of local guides.

His tireless efforts to nationalize the industry of agricultural equipment are also worth recalling. In the 1970s there was little demand for agricultural equipment until the national decision to expand wheat production to cater for domestic consumption and achieve self-sufficiency, marking the agricultural renaissance in the Kingdom. Consequently, in 1979 the Group established the largest agricultural equipment manufacturer in the region.

Sheikh Abdul Rahman’s son, Abdullah Alkhorayef, describes the times, saying: “My father loved farming and wildlife, and while he was on a trip to the United States, he saw large green circles from the window of the plane, he realized that they were grain fields fed with pivotal irrigation systems and loved the idea so strongly that he started a company in the state of Tennessee, and became the first to introduce this type of equipment to the Kingdom.”

In a meeting with the Commission on Young Businessmen at the Chamber of Commerce in Riyadh, Sheikh Abdul Rahman Alkhorayef spoke about this experience, saying: “The axial irrigation technique was not known in the Kingdom. Initially declined by farmers, we pursued an adventurous policy based on selling the equipment to farms without an obligation to pay until making sure of its usefulness.”

This was a high-risk marketing strategy, but Sheikh Abdul Rahman’s convictions in the value of this equipment carried the day. The result was that everyone who took two units to trial came back to Alkhorayef asking to double their order, having been convinced of the practicality.

This was the start of something big: today the Alkhorayef Group owns the third largest manufacturer in the world for the production of circular irrigation units.

Dealing with crises
Sheikh Abdul Rahman Alkhorayef played a major role in the establishment of the agricultural sector in Saudi Arabia, and guided the Alkhorayef Group to safety when it faced difficulties that forced it to diversify its investments and expand in other areas, driven by the low demand for circular irrigation, for two reasons: The first reason stems from the financial crisis faced by the depressed Saudi economy in general, and the second is the decision to retreat from the cultivation of wheat within the Kingdom, and the focus on agricultural investment.

Believing that agricultural investment outside the Kingdom was fraught with risks, Sheikh Abdul Rahman called for investment in water purification and desalination plants, arguing that Saudi Arabia would suffer severely from the halting of wheat production, at the same time as realizing that wheat requires four times as much water as the cultivation of clover, used as animal fodder. He did, though, expect the nation to return to wheat cultivation someday.

At this important point in the history of the Group, Eng. Alkhorayef says that diversifying the company’s activities was a concern for all the family, because of the economic crisis in the Kingdom.

It was 1985 when Sheikh Abdul Rahman decided to hold a meeting at his home with the senior leaders and employees of the Group, explaining the challenges of the future and calling them to take responsibility. As a way of surviving the crisis he favored reducing wages rather than firing employees – an approach with which the majority agreed. The economic crisis necessitated other difficult decisions too, including the sale of some of the Group’s investments.

“Sheikh Abdul Rahman divided the international relations of the company into two. The first was importing technology and products needed by the local market and for development, where Alkhorayef had privileged partnerships with American
and European international companies. The second stemmed from the Sheikh’s faith in the correlation between markets, as he tabled a number of initiatives for international expansion by opening branches of the company. Ultimately Sheikh Abdul Rahman Alkhorayef decided to expand the group into three fields: maintenance and operations, oil, and export,” said Eng. Alkhorayef.

NEW AREAS OF WORK
Writing in an early issue of Alkhorayef magazine, Sheikh Abdul Rahman recalled the beginnings of the Group. His father Sheikh Abdullah Al -Ibrahim Al-Mohammad Alkhorayef initially worked in the food trade but with the passage of time expanded with two factories producing for tiles and ice, and then into rigs and agricultural land, given the agricultural renaissance that was taking place in the Kingdom. After this, the Group became involved in the import and sale of agricultural equipment such as pumps and machinery.

After the death of the founder of the Group, his sons continued what Abu Ibrahim had begun, working to diversify the Group so that it would include activities such as manufacturing agricultural equipment and oil pumping equipment.

Sheikh Abdul Rahman made the decision to begin a operations and maintenance division because it was not far away from the Group’s first specialty in equipment. Similarly, the Group entered the petroleum and energy sector thanks to its experience importing pumps and hot water transport, as well as its track record working with Aramco, the gateway to this sector. This period of diversification proved to be the turning point. For the Alkhorayef Group, had soon expanded further by establishing a specialized export system that connected Alkhorayef services with 40 countries throughout the world.

The expansion plan originally instigated by Sheikh Abdul Rahman Alkhorayef has resulted in the annexation of 12 companies of various activities. Of particular note are Alkhorayef Petroleum, one of the leading producers of submersible pumps with sales of SR3.8 billion (USD 1.01 billion; Castrol, a global leader in automotive lubrication oil; agricultural pump manufacturing; and the world’s third largest maker of pivotal agricultural irrigation systems.

BROTHER LOSS AND CONTINUOUS SUCCESS
Sheikh Abdul Rahman was a very affectionate person who was able to deliver and implement his ideas and had a strong entrepreneurial spirit. He always believed the best on people, was tactful and calm, brave in his conversations, full of dedication and hope for all, and considered work as his close friend. He was truly a worthy successor to his illustrious predecessor.

When Sheikh Abdullah Alkhorayef – God bless his soul – passed away after a short illness on the 2nd of Safar in 1395 H, he bequeathed his sons a brilliant reputation, having built a strong commercial entity. His eldest son Ibrahim – God bless his soul – took the leader in finance and accounting, while his son Abdul Rahman took responsibility for public relations and foreign affairs, as the two brothers working together for the good of the small family, and transforming the business into a much larger entity.

In 1986, after nearly 10 years of this filial leadership of the company, Ibrahim passed away, much to the sorrow of his brother. He, however, maintained the cohesion and continuity of the company, carrying the flag with the help of his brothers and the third generation of Sheikh Abdullah’s family, to reach the status it enjoys today.

As to the relationship between Ibrahim and Abdul Rahman after the death of their father, the former’s son, Bandar Ibrahim Alkhorayef says it “was dominated by respect and kindness, as if it were a bond between a father and son.
A dynamo in the business scene

Jehad Abu Hashem

“Before entering the world of business, young people should find a safe source of capital and financing, and choose their business area carefully after accurate study, and they should be honest and confident. Young people who rush to get wealthy by any means have no other choice but to steal, because legitimate wealth requires effort, patience and endurance.”

With these words the late Sheikh Abdulrahman Alkhorayef offered his advice to young Saudis entering the business world, illustrating his reputation for generosity in both word and deed. He never hesitated to advise young people aspiring to excellence, offering freely from the wisdom he acquired over half a century of rich experience.

ECONOMIC STATURE

It would take many pages to include all the achievements of a man as great as Sheikh Abdulrahman Alkhorayef. All who knew him speak of his humility and simplicity, his good deeds and the courtesy he showed in speech and dealings with others. His business acumen is also widely praised - he was one of the handful of entrepreneurs who have shaped the modern Saudi economy.

Sheikh Abdulrahman was educated at two great centers of learning. At King Saud University he studied trade sciences, but it was while accompanying his father, the late Sheikh Abdullah Alkhorayef, and brother, the late Ibrahim Alkhorayef, that really learned the secrets of his profession.

This knowledge he was keen to pass on to the next generation, urging the next generation of entrepreneurs to take advantage of their opportunities, describing them as a train that connects profit and success. He encouraged them
to use their abilities optimally, especially at the delicate and crucial start-up phase of a project, stressing the importance of investing in qualitative projects. He was also keen to encourage risk-taking – as he did in investing in agricultural equipment, which was a real adventure at the time, the government preferring to make its agricultural investment outside the country.

Sheikh Abdulrahman was an excellent model for Saudi businessmen who intend to invest their ideas and capital to serve their country, and are prepared to overcome huge challenges, and who prioritize local investment, thus achieving a successful economic experience, worth to be taught.

The late Sheikh is an excellent role-model for Saudi businessmen, as he put his ideas and capital to the service of his homeland.

**Business**

Those who were around him say that they learned a great deal from Sheikh Abdulrahman, saying he was known for his patience, creative leadership, his precision and time management.

**RIYADH CHAMBER OF COMMERCE**

Sheikh Abdulrahman Alkhorayef was very proud of his membership of the Chamber of Commerce and Industry in Riyadh, considering it as very important in the development of the Saudi economy. His contributions in particular to two of the organization’s sessions (the fifth of 1981–1985 and the ninth of 1990–1995) played an important role in realizing concrete achievements and in the organization of business in the Kingdom.

His son Engineer Abdullah Alkhorayef describes those episodes, saying his father had been chosen by the Riyadh Chamber not because he was ‘big’, but because he was ‘better’, adding that the Chamber of Commerce has benefited from his effort and wisdom. He also said that the Sheikh was known for his enthusiasm for social events and meetings, describing the occasion when his father had been invited by the Committee of Young Businessmen to a meeting to discuss the experience of the Alkhorayef Group. This he led with his brother, the late Sheikh Ibrahim, accompanied by other family members, offering participants a generous helping of his knowledge and advice.

While sharing his experience, Sheikh Abdulrahman was always keen to highlight Alkhorayef Group as a good example, both in terms of administration, and through its cohesion and success as a family business able to compete locally, regionally and globally, and to achieve profit above expectations.

His support for the Kingdom’s economy was not limited to the period he was a member of the Chamber of Commerce. He consistently made himself to offer his ideas and solutions to Saudi economic problems, such as youth unemployment. He also established a unique system to recruit young Saudis by developing their skills and abilities through training programs based on teaching self-reliance, and encouraging students to immerse themselves in the company’s projects, so that the
Alkhorayef Group became a major provider of training and employment opportunities.

MEMBER OF THE BOARD
Abdulrahman Alkhorayef was appointed a member of the Board of Riyadh for its fourth session by Royal Order. This appointment was the culmination of 40 years of work, and a source of great pride. At the same time, he also considered it a major responsibility for the service of the homeland.

His son Eng. Abdullah recalls how Prince Salman bin Abdulaziz, then Governor of Riyadh region, used to seek the Sheikh Abdulrahman's opinion, considering his views realistic and direct, whether social or economic.

Describing a debate between Prince Salman and his father, Eng. Abdullah said: "Sheikh Abdulrahman was a supporter of wheat cultivation, and also realized that water was crucial and should not be wasted, so he proposed the construction of water purification plants, investing his own wealth. He was also a staunch defender of agriculture, not because of his personal business interests, but because he believed that a state should achieve self-sufficiency in food and water, and not rely on other countries for food supplies. He also called for the cultivation of wheat instead of more water-intensive animal fodder crops."

OTHER BOARD MEMBERSHIPS
While Sheikh Abdulrahman Alkhorayef led the Group, the company became a paragon of Saudi economic excellence.

Through his tireless efforts to maintain cohesion and continuity and diversify its activities, Alkhorayef Group became a permanent fixture in the top 100 Saudi companies, celebrated for its localization of industry, for providing employment opportunities, contributing to the development of the Saudi economy and contributing to its prosperity.

Sheikh Abdulrahman Alkhorayef was a role-model, known for his business bravery, his passion to embrace change, his intelligence and awareness in reading events in order to seize opportunities, and his economic wisdom which lead to his presidency and membership of a number of corporate boards.

In addition to his presidency of the Alkhorayef Group, Sheikh Abdulrahman was also member or chairman of a number of other major Saudi companies, including:
CHAIRMAN OF:
Saudi Land Transport Co. - MUBARRAD
Arabian Agricultural Services Company (ARASCO).
Saudi Entertainment Centers.
Board member:
Saudi Steel Pipe Company
National Agricultural Development Co. (NADEC).
Arriyadh Development Co. (ADCO).
General Organization for Social Insurance (session 1417).

AWARDS
At the Janadriya Festival (1422 AH), Sheikh Abdulrahman Alkhorayef was honored by the Custodian of the Two Holy Mosques King Abdullah, with the highest honor in Saudi Arabia, the first class Medal of King Abdulaziz in recognition of his service to his country and community, and his contribution to the adoption of a successful strategy for Saudization.

The Sheikh considered the medal as honoring not just him, but the Alkhorayef Group and all its employees, preferring to attribute his awards to the collective action of the Group as a whole. He never differentiated between the company and his family because he believed that one was synonymous with the other.

Over the course of a distinguished career, Sheikh Abdulrahman was the recipient of numerous awards, both within the Kingdom and internationally. Most notably, he was honored by Swedish automotive group, Volvo, thanks to the strong ties between the two companies. In recognition of Alkhorayef’s outstanding results, and being named ‘Best Supplier’ Volvo, the Sheikh was invited to attend the Nobel Prize ceremony in Stockholm.

Alkhorayef also enjoyed excellent relations with the leadership of this and many other nations. He was in constant communication with the Custodian of the Two Holy Mosques King Abdullah and Crown Prince Salman – may Allah protect them – and enjoyed a close friendship with Prince Ahmed bin Abdulaziz as well as with many other members of the royal family, and with officials and businessmen from across the Kingdom. He was known for the thought and dedication he would invest in his many friendships, spending much time visiting each of them, whether young or old. His relations with officials were always remarkable for their cordiality – and were shaped by affection rather than business interests.

Beyond Saudi Arabia, he was well-connected with many world leaders, in particular the former Pakistani Prime Minister who briefed him on investment opportunities in Pakistan, and Turkish PM, Recep Tayyip Erdogan. The Sheikh also enjoyed good relations with leaders of several African nations, reflecting the Alkhorayef Group’s network which touched 40 different countries across the globe.

God bless Sheikh Abdulrahman Alkhorayef and may rest his soul in peace ... and bless his brothers and his descendants.

His membership of the Board of Riyadh for its fourth session was a culmination of 40 years of endeavour and was a source of great pride to him.

Business
A REMARKABLE LIFE

Yasmeen Hinnawi

IT IS NOT EASY TO BE A FATHER OR A LEADER, BUT IT IS EVEN MORE DIFFICULT TO BE A FATHER, BROTHER, FRIEND, PROFESSOR AND A LEADER ALL AT THE SAME TIME.
However, any such difficulties were certainly overcome by Sheikh Abdulrahman Alkhorayef—may God have mercy on him—who was both a successful business leader and a humanitarian who played an important role in Saudi society. That was the character of an extraordinary man who was able to excel in all these roles concurrently, being a great person at home, in business, with friends, and at all times.

“The first priorities of Sheikh Abdulrahman was the family... his principles linger in the hearts of his family and relatives and they will always remember him”

Bandar Alkhorayef

GATHERING A FAMILY UNDER HIS BANNER...
“It is absolutely wonderful to have had the inspiration of fatherliness, leadership, loving, communication and initiative from my brother Abdulrahman.”

Mohammed Alkhorayef

Hamad Alkhorayef

The first priorities of Sheikh Abdulrahman was the family... his principles linger in the hearts of his family and relatives and they will always remember him

Bandar Alkhorayef

The first priorities of Sheikh Abdulrahman was the family... his principles linger in the hearts of his family and relatives and they will always remember him

Bandar Alkhorayef

The first priorities of Sheikh Abdulrahman was the family... his principles linger in the hearts of his family and relatives and they will always remember him

Bandar Alkhorayef

However, any such difficulties were certainly overcome by Sheikh Abdulrahman Alkhorayef—may God have mercy on him—who was both a successful business leader and a humanitarian who played an important role in Saudi society. That was the character of an extraordinary man who was able to excel in all these roles concurrently, being a great person at home, in business, with friends, and at all times.

The first priorities of Sheikh Abdulrahman was the family... his principles linger in the hearts of his family and relatives and they will always remember him

Bandar Alkhorayef

However, any such difficulties were certainly overcome by Sheikh Abdulrahman Alkhorayef—may God have mercy on him—who was both a successful business leader and a humanitarian who played an important role in Saudi society. That was the character of an extraordinary man who was able to excel in all these roles concurrently, being a great person at home, in business, with friends, and at all times.
Uncle, because he now bears some of his uncle's responsibilities, and his schedule is always full.

Sheikh Abdulrahman's priority was his family. He truly was worthy of everyone's respect and his principles are still present in the lives of his relatives which is why he will always be remembered, not only by his family but also by everyone he knew or met him or even heard of him. He believed in reputation, good behavior and unity, and the biggest proof of that is the continuation of the family after the death of Sheikh Ibrahim; because Uncle Abdulrahman was like a father to all, even to his mother.

Hamad Alkhorayef reiterates the words of his brothers and nephews, pointing out that every time he faces troubles at work he remembers Sheikh Abdulrahman. “His education, experience and relationships benefitted us greatly; he was a man with great contacts, which provided us great relief in our relations with everyone.”

**Sheikh Mutlaq Al-Hanaki**

always successful.

As for their trips together Al-Arini says: “I traveled with him to all parts of the world; to America, France, Germany, Japan, Belgium, Chad, Mali and many other countries, and he considered me as a consultant, and he listened and understood me. I was an employee in the company and a friend outside its doors. He was comfortable around me and he gave me confidence in issues whether big or small, and I cannot remember one time he got into conflict of any kind.”

Sheikh Mutlaq Al-Hanaki says he was introduced to Sheikh Abdulrahman Alkhorayef, as he and his family owned the company Arasco which entered into partnership with Alkhorayef. Thus he got close to the Sheikh who became a brother and a friend, discussing ideas together with never a disagreement. If there ever was any difference of view, one of them would always compromise with utmost generosity. They subsequently worked together in several companies, one of which suffered a big loss in 1992, and ceased operating in 1994, but they were able to overcome the difficulties smoothly. Abdulrahman used to tell Sheikh Mutlaq that if those problems had happened with other people, it would have ended at court. In their case they managed to meet all their obligations to banks and merchants, and to pay all dues in full.

Speaking of the day of Sheikh Abdulrahman’s death, Sheikh Al-Hanaki says: “Knowing he was dead was the most difficult news I ever heard. I called him that morning and we planned that he would visit me at home, and at 5 o’clock my wife told me that Abu Abdallah had had an accident and was in the hospital so I told her that I will call Bandar and go see him, but then she said that he had passed away. I sat till eight-thirty without any word, and drove to his house, and then I was sure. I lost a lot of things with his departure, mainly our friendship. We had harmony for more than 30 years with the utmost understanding, and today Abdulrahman’s brothers are my brothers, and his children are my children, and I am still in touch with Abdullah and Bandar, and we have a company with them, and nothing will change, God willing.”

Sheikh Abdul Rahman Al-Jeraisy describes his relation with Sheikh Abdulrahman saying: “There is no better relationship than the one that continues from the father to the child, and I was first in contact with his father, Sheikh Abdullah - mercy of God - and it continued until

Since his youth, Sheikh Abdulrahman was characterized by honesty and sincerity, intelligence and helping everyone until he became beloved everywhere

Eng. Abdullah Alkhorayef
Sheikh Abdulrahman was a real model for success, nobility and ethics, and a man who was commended by everyone. I consider his death above all a loss to the nation, and personally a loss of a friend.

Sheikh Abdul Rahman Al-Jeraisy

today with his sons and brothers. The Alkhorayef family is a successful family in business and in relationships, and I consider them a model Saudi family. Sheikh Abdulrahman was a real example of success, nobility and ethics, and a man who is commended by everyone who talks about him, because he was respected and appreciated by us all. He comes from a family known for its good reputation and status, and I consider his death as a loss firstly for the nation, and then as a loss of a friend for me.”

Al-Jeraisy adds that all the Sheikh’s dealings, cooperation and communication was in the interest of both sides and served the Saudi economy. He was influential because of his good sense, honesty and high morals, and because of his ability to gain the appreciation of society as a whole; since he was considered an example to follow.

He says: “The death of Sheikh Abdulrahman was shocking to me personally because it came suddenly and painfully; especially since he did not suffer any health problems.

“We hope that Sheikh Abdulrahman’s sons follow the example of their father and that his brothers will complete the march. We are proud of Saudi families like the Alkhorayefs - there are many such fine families in Saudi society, and we wish them great success so that they can best represent the Kingdom beyond its borders. And we wish peace and God’s mercy to the souls of the founder Sheikh Abdullah, and Sheikhs Abdulrahman and Ibrahim.”

UNFORGETTABLE STORIES
Everyone who once met Sheikh Abdulrahman has an unforgettable story to tell. One such is by Sheikh Mohammed Alkhorayef who quotes a friend: “Sheikh Abdulrahman visited us, and I had a poor relative who I had invited, who wanted to give a present to Sheikh Abdulrahman. When he knew that the gift was a propeller, he told the Sheikh that he worked in propellants too! But then he knew that my relative meant a weapon, a propeller gun!”

He added: “After a while, my relative came to Riyadh and gave ammunition to Sheikh Abdulrahman, who asked his office to give him a gift, which was an amount of money a lot more than the cost of the gun. Days after, Sheikh Abdulrahman learned that the man was sick so he visited him at his home making him very joyful.”

Engineer Abdullah Alkhorayef and Bandar Alkhorayef say that Abdulrahman was known for his charitable initiatives. On one of his visits, he sensed the need of Al-Jawf residents for a dialysis center, and was very enthusiastic to build such a facility. This could not be accomplishment without God’s will and Sheikh Abdulrahman’s effort. He was also very sensitive to the condition of people with special needs, and he decided to support this segment of society by founding a school in Riyadh with the name of Ain Al-Faras School for Special Needs, and supporting it financially and morally. The school started and small has since grown into two-buildings embracing 70 children, receiving pupils with autism and Down’s syndrome and hyperactivity transferred from the Ministry and from the Prince Sultan Center. The school teaches families with such children to cope with normal life as much as possible, and collaborates with the Disabled Children’s Association, as their programs became internationally recognized.

Describing another humanitarian example, Bandar Alkhorayef tells a story about Sheikh Abdulrahman, saying: “I suffered a tough health condition couple of years ago and was at the hospital for several weeks. My uncle was very worried and believed that the cause was too much work and stress, and he visited me at home asking me to be honest and tell him if someone was the reason behind my sadness. He knew that I was dedicated to the family and the company, and I went for treatment in America, and stayed in touch with him on the phone. My brother was with me in America, so he called him and coordinated with to come and visit me in USA which was wonderful for me.”
Abdul Rahman Alkhorayef in the eyes of Media...

Said Al Hasanieh

The death of Sheikh Abdul Rahman Alkhorayef was shocking news, with the media reporting on the tragic accident that claimed his life, as well as describing his many qualities, achievements and wisdom.
The recent death of Sheikh Abdul Rahman bin Abdullah Al-Khorayef dominated the media because he was such a prominent figure, renowned for his self-made success, generosity, and wisdom. This made his tragic passing such shocking news, with all media rushing to report the accident that claimed his life, and to share the thoughts of those who knew him of their loss.

Newspapers listed his qualities and career highlights, his generosity and insightful intelligence. For example, Khalid bin Hamad Al-Malek, editor of Al-Jazirah newspaper, expressed his sorrow about the loss of a man who had such charisma and a huge social circle. In his article ‘Abu Abdullah: We Lost You’ he recalled the memorable times they spent together, emphasizing the ethics of Sheikh Abdul Rahman, who he described as: “a man of calm speech, and wide social circle, he was never too busy to fulfill his social commitments and obligations.”

In his article ‘Abdul Rahman Alkhorayef...the Morals of the Great’, Ali Al-Shaddi focused on the Sheikh’s virtues, praising his role and stature. He said: “We will always keep the memory of that man, who was focused on his work, careful in his decisions, and devoted to his family, his community, and his country. He was a humble man with the morals of the great. His memory and wisdom will remain the guiding light for his brothers and sons to guarantee the strength and coherence of the organization that he founded and which bears his name, God willing.”

Also in Al-Jazirah, Sheikh Abdulaziz bin Abdul Rahman Alkhorayef described his cousin’s many qualities, saying: “His death is a great loss to the country because he was a great person, a prominent figure and a role model known for his intelligence and experience in the world of business and finance. He was known for his close bonds with his relatives and the people of his community, and addressing the needs of the poor and the weak and anyone who would ask for his help.”

In the same newspaper, Hamad bin Abdullah Al-Kadi’s article ‘The exceptionally generous Sheikh Abdul Rahman Alkhorayef has left’ concentrated on the late Sheikh’s humanitarian work and discreet charity, saying: “One feels a huge loss for the departure of great people who have given all that God blessed upon them to contribute to the development of their homeland and to help the sick and the needy. The late Sheikh Abdul Rahman Alkhorayef was one of these generous people who gave quietly.”

A LOSS FOR THE HOMELAND
Dr Mohammed bin Abdulaziz Al-Sulaiman, said in his article ‘Abdul Rahman Alkhorayef...a loss for the homeland’ in Al-Riyadh newspaper called the Sheikh: “a man of morals who won the affection of everyone around him and earned a virtuous reputation, which shows the real worth of a person, in life and after their death. I cannot name all the qualities of the great man we have lost, because Abu Abdallah had so many good attributes and ethics known to everyone around him -- particularly his love of family and his contribution to charity and helping those in need. People who enjoy such qualities are blessed in life and after death.”

A LIFETIME OF GIVING
In his ‘Sheikh Abdul Rahman Alkhorayef... a journey of giving and success’, which was published in Al-Jazirah, Saleh bin Abdulrahman Al-Tawyan said: “He was a successful role model as a leader and a pioneer of social responsibility, even before this term was common in the Kingdom. He succeeded in refining social work and raising its scope from just donations to providing practical solutions to the problems of society, such as unemployment among youths. He established a progressive model of employing Saudi youths following the development of their skills and abilities through training programs that encouraged them to depend on their own potential and participate in the company’s projects.”
tweets expressing the loss

Social media and specifically Twitter broadcast many messages on the life of the late Sheikh Abdul Rahman Alkhorayef, including:

- Fahad Ibrahim Al-Degheither:
  God bless Mr. #Abdulrahman_Alkhorayef who was one of the most prominent businessmen in the Kingdom, known for his achievements and reputation. Our condolences to his sons, and daughters and wife.

- Salah bin Mohammed A. Zamil:
  #Abdulrahman_Alkhorayef was keen on his family more than trade, and keen to build love more than wealth. He was a special person who left a void.

- Majid Al-Othman:
  God have mercy on your servant #Abdulrahman_Alkhorayef and all those with him, and my father and all Muslims. He was a great brother and a loving man. God bless his soul.

- Issam Majed Al-Muhaidib:
  God give #Abdulrahman_Alkhorayef a better home and family, and accept him in your heavens and save him from the torture of the grave.

- Abdul ilah Al-Salem:
  #Abdulrahman_Alkhorayef was a friend of my father, and he was a man of great status who I will never forget. May God’s mercy be blessed upon you and may you be in heaven.
D. Saleh Al-Ayed:

#Abdulrahman_Alhorayef ... God forgive him, and forgive my parents and the believers, men and women. God grant consolation to his family and loved ones. God grant them serenity after the great loss of their loved one.

D. Khaled Al-Bader:

I always saw #Abdulrahman_Alhorayef, God’s mercy on his soul, with a large smile. God bless his soul and accept him in heaven and give his family the patience after his loss.

Abdullah Abu Eid:

May God have mercy on #Abdulrahman_Alhorayef and accept him in your heaven. I was honored to meet him years ago...a modest and generous man. Our condolences to his son M. Abdullah and all his sons.

Mohammed Al-Khesheil:

God forgive you and your companions Sheikh Abdul Rahman. I owe much to this generous man...God bless his soul.

We belong to Allah and to Him shall we return.
CUSTOMER RELATIONSHIP MANAGEMENT EXPLAINED

BECOMING MORE CUSTOMER FOCUSED LEADS TO IMPROVED PROFITABILITY
For many of the world’s most successful companies, a key part of their success can be attributed to increasing their focus on their customers, rather than purely absorbed with internal production processes.

Managing interactions with your customers - both current and future - is key to transforming a company into a more customer-centric organization. The bottom line is that becoming more customer-centric is a business strategy that, if managed correctly, will increase customer loyalty, reduce costs, make companies more nimble in the marketplace, and, ultimately, increase profitability.

This is exactly what customer relationship management (CRM) is all about – using technology to manage customer relationships by organizing, automating and synchronizing sales, marketing and customer service functions. By combining business processes and systems a company can make strategic use of the wealth of data that it already holds in an uncoordinated fashion, and by synchronizing its use, learn a great deal more about existing customers. This could include their buying habits and product preferences, for instance, information which if used intelligently helps shape product strategy, and optimizes a company’s marketing efforts by more accurate targeting.

For example, CRM systems for marketing track and measure campaigns over multiple channels such as e-mail, social media, telephone and direct mail, measuring clicks, calls and mail responses into an automated and coordinated piece of customer intelligence.

The company can increase their knowledge of their customers by reconciling between its business processes and regulations, which will lead to the strategic use of basic data.

Customer Relationship

CRM systems may be employed to create, assign and manage customer requests, with software directing customers to specific agents. This can be combined with field service management software, meaning CRM can be extended into the field, connecting employees, service agents and customers and enabling enhanced levels of customer service throughout the entire process.

Similarly, CRM systems can automatically schedule customer appointments via e-mail or the web, and synchronize with the sales team’s online calendar.

Another important function of CRM systems is to identify and reward loyal customers for repeat business.

For small businesses a CRM system’s functionality may simply integrate emails, documents, jobs, faxes, and scheduling for individual accounts.

A recent trend in CRM – the fundamental purpose of which is customer leverage - is CCRM, or customer-centric relationship management, which focuses on customer preferences by harnessing modern communications technology thereby managing critical relationships more effectively, and offering expanded and personalized services. It is worth noting that customer-centricity differs from client-centricity in that the latter almost exclusively refers to B2B models rather than customer-facing firms.

Customer and client-centric organizations help customers make better decisions by engaging them in individual, interactive relationships. This includes such things as tailored marketing, one-to-one customer service, and providing information individual clients request, all of which is designed to reduce churn and build brand loyalty.

It is no surprise that advances in technology have major implications on how companies approach CRM. This is not only because the discipline of CRM is systems-dependent, but also because technological advances have had so much impact on
consumers’ buying behavior. And this in itself offers new ways for companies to communicate with customers and to collect information about them. With each new advance in technology – especially the proliferation of self-service channels like the Web and smartphones – more customer relationships are being managed electronically.

Increasingly important also is the linkage of CRM and social media to build up customer relationships. Some CRM systems integrate social media sites like Twitter, LinkedIn and Facebook to track and communicate with customers sharing their opinions and experiences with a company, products and services, or by combining internal survey data with trends identified through social media to allow businesses to make more accurate decisions on which products to supply.

CRM has been around now for a considerable time and cumulatively, companies worldwide have invested huge amounts of money in it. A great deal of that investment, however, has been wasted. As far back as 2003, according to a report by renowned analyst firm Gartner, more than US$2 billion had been spent on CRM software than wasn’t being properly used, the research suggesting that many companies are only using systems they had installed partially or in a fragmented manner.

In a more recent survey from the UK in 2007, 80 per cent of senior executives said the main problem they faced was convincing their staff to use the systems that had been installed, with nearly half of respondents calculating that less than half the available functionality was used.

No doubt factors such as providing adequate training and communication can be cited as factors in this behavioral inertia, but it also hints at another issue. Because it is difficult to quantify exactly what tangible value CRM systems offer to a company, the motivation to use them to their full potential can be lacking.

According to a research paper in Journal of Interactive Marketing 27 by US academics Lehman, Zahay and Peltier, although the effectiveness of CRM can be judged in terms of customer satisfaction, evaluating its effectiveness is a much trickier question. They say that it is difficult to demonstrate monetary returns on the often extensive resources needed to plan, develop, implement and operate CRM systems.

Their report cites 2011 research by Grembergen and Amelinck which states: “The conventional financial/accounting methods of investment evaluation are currently the most widely used methods for marketing evaluation. Variants upon this theme include net present value (NPV), return on investment (ROI), and internal rate of return (IRR). These methods have the advantage of being investment evaluation settings. Their major drawback of evaluation is that they focus on the estimation of cash flows and accounting criteria. They are not suitable for evaluating investments that are expected to yield benefits that are primarily intangible, indirect, or strategic.”

Instead, they suggest a methodology of measuring the intangible benefits such as customer loyalty, value enhancement, effectiveness of processes, innovation of operations and service improvement in the form of a customer-oriented evaluation model for evaluating the effectiveness of CRM, balanced on what they call a ‘balanced scorecard’.

The balanced scorecard (BSC) is a performance management tool that helps organizations in evaluating the effectiveness of their CRM strategies. It consists of four perspectives:

1. **Financial Perspective**: This perspective includes financial metrics such as return on investment (ROI) and net present value (NPV).
2. **Customer Perspective**: This perspective focuses on customer satisfaction and loyalty. It includes metrics like customer satisfaction scores and customer retention rates.
3. **Internal Processes Perspective**: This perspective looks at how well the organization is able to deliver its products and services effectively. It includes metrics like operational efficiency and productivity measures.
4. **Learning and Growth Perspective**: This perspective emphasizes the importance of learning and growth. It includes metrics like employee training and development measures and the organization’s ability to adapt to changes in the market.

The balanced scorecard approach allows organizations to balance the short-term financial goals with the long-term strategic objectives of the company. It helps in aligning the efforts of different departments within the organization and ensures that everyone is working towards the same goals.
tool - a semi-standard structured report that can be used by managers to keep track of the activities by the staff within their control and to monitor the consequences arising from their actions. It is perhaps the best known of several such frameworks - it was the most widely adopted performance management framework reported in the 2010 annual survey of management tools undertaken by research group, Bain & Company. Since its original incarnation in the early 1990s as a performance measurement tool, the BSC has evolved to become an effective strategy execution framework.

The way of evaluating CRM suggested in the Journal of Interactive Marketing suggestion is a circular process that continually tests effectiveness to fine tune the overall CRM strategy. This starts by deciding the mission and goals of CRM, and then establish the strategy. From this come the principal strategic factors, and after figuring those out, to work out the interrelationships among CRM activities and business goals - the business goals being increased profits.

As the diagram below illustrates, by investigating those interrelationships, we can learn what should be done to achieve better outcomes and what perspectives are important towards achieving the outcomes. The outcome is evaluated to identify the effectiveness of CRM, which in turn enables the company to readjust the CRM strategy, this entire process being repeated until the current CRM activities become optimally effective.

Figure 2 shows the cause-and-effect relationship and related perspectives in the CRM evaluation process. This method of evaluating CRM can be understood as a cause-and-effect relationship, as shown in the diagram below.

To begin with, a company collects a great deal of data about its customers in order to build customer profiles. From this, the company can make use of data mining tools and techniques to discover more, hidden customer information.

Because CRM is designed to collect and store customer preferences, it can also make it possible to create new products and customize existing products in innovative ways.

The next step is integrating all the relevant information on each customer to enable more effective planning, marketing and services. The knowledge about customers helps to understand their needs when a company interacts with them. As customer requirements and expectations are met, loyal customers are created.

The value of the customer is added customizing products and services, providing additional information, and improving quality. Understanding and collecting customer needs are critical to conducting these value-adding activities.

CAUSE - AND -EFFECT RELATIONSHIPS

Figure 3. How CRM can benefit your business (from the Journal of Interactive Marketing 27)
NUMBER OF INDUSTRIES ACCORDING TO REGIONS IN 2013

The development of non-oil manufacturing industries

2013  9.4 %

INDUSTRIAL CITIES ADVANTAGES:

MODON, the Saudi Industrial Property Authority provides the following advantages for the plots: facilitated procedures - encouraging annual rent starting from SR1 per square meter - support infrastructure and facilities and logistic services - locations with economic and development dimensions - all types of energy (electricity, gas, diesel and fuel) - water at low prices - residential and commercial services at competitive price.
Dr Toufic Al Rabeah, Minister of Commerce and Industry launches the first vehicle made in Saudi Arabia by the Japanese company Isuzu.

YEAR

Production expectations of Isuzu: 25,000 trucks annually

Land Rover Jaguar car production and export:

2016

2017

WHAT ARE THE CRITERIA OF INDUSTRIAL DEVELOPMENT?

• growth of number of industries, employees and investments
• industry diversification and productivity growth
• expansion in all the Kingdom’s regions
• growth of industrial exports
• linking of industries with global modern technology
• Saudization of workforce
• increase of industry contribution to the GDP from 4.1% in 1975 to 13.3% at the end of 2011
• expectations of industry contribution rise to the GDP by 2020 to 24%.
Today’s oil sector needs smart solutions. With our sophisticated pumping systems, oil drilling operations are becoming more efficient and profitable. Our oil and lubricant strategic business unit consists of two major companies: Alkhorayef Petroleum and Alkhorayef Lubricants.