"*Saudi Vision 2030 Strategy as a Pathway to Becoming a Regional and Global Logistics Hub*"

1.0   INTRODUCTION

1.1   Background

In April 2016, the Crown Prince of the Kingdom of Saudi Arabia, His Royal Highness Mohammed bin Salman, launched an extensive national strategy to reduce dependence on oil, diversify its economy, and develop public service sectors such as health, education, infrastructure, recreation, and tourism. The strategic framework is commonly known as Saudi *Vision 2030*.

Motivated primarily by risks to economic stability caused by falling oil prices and global efforts to shift away from fossil fuels, the strategy recognises a raft of secondary deliverables to achieve demographic and social change, attract FDI and economic diversity, and regional leadership in trade, culture, and finance.

The *Vision 2030* Strategy seeks to inspire the nation's population, with three core pillars:

- A Vibrant Society: Improving quality of life through cultural, social, and entertainment reforms
- A Thriving Economy: Boosting entrepreneurship, privatisation, and foreign investment
- An Ambitious Nation: Government efficiency, transparency, and national identity preservation

A subset of *Vision 2030* is the *Saudi National Transport and Logistics Strategy*. *Vision 2030* aims to position Saudi Arabia amongst the top ten (10) global logistics hubs by leveraging its strategic location at the crossroads of Europe, Asia, and Africa. The logistics strategy focuses on infrastructure development, regulatory improvements, and technological advancements.

1.2   Aim and Significance of the Research

While strategy development focuses on planning and goal setting, strategy implementation involves the challenges of executing and adapting the plan in the real-world scenario.

It could be argued that Saudi Arabia, in generating such a rapid expansion of cultural and business development, has become a victim of its own success. Several economic, infrastructural, regulatory, and geopolitical challenges now confront the *National Transport and Logistics Strategy*, threatening to constrain its true potential.

This paper seeks to investigate, evaluate and address potential tactics that the Kingdom may employ to accelerate and enhance its *National Transport and Logistics Strategy*.

1.3   Methodology

This research adopts a qualitative, exploratory methodology designed to analyse and synthesise existing knowledge from academic, industry, and expert sources.

The objective is to generate practical, evidence-based recommendations to enhance the implementation of the *Vision 2030* strategy, with a focus on transport and logistics reforms as outlined in the *National Transport and Logistics Strategy*.

1.3.1   Research Design

The study is structured in two primary phases:

- Literature Review and Data Collection
- Application and Analysis in the Context of *Vision 2030*

This dual-phase design allows for both the gathering of theoretical and practical insights and their contextual application to a real-world framework.

1.3.2   Data Sources

The research draws on three main categories of sources:

- Academic Literature
- Industry Reports and Journals
- Expert Insights

Sources were selected based on relevance to Saudi Arabia's logistics strategy, publication date (2015–2025), and peer-reviewed or institutional credibility. Triangulation was used to compare academic, governmental, and private-sector perspectives to ensure balanced insights.

1.3.3   Analytical Framework

Thematic analysis was conducted following Braun & Clarke's (2006) six-phase process: data familiarisation, initial coding, theme identification, review, definition, and write-up. Both inductive and deductive approaches were used to capture emergent insights as well as to test alignment with existing strategy implementation frameworks.

Key themes include:

- Policy alignment and governance
- Infrastructure development and financing
- Private sector participation
- Performance metrics and benchmarking

The extracted themes were then mapped against the goals, pillars, and execution structure of *Vision 2030*, focusing particularly on the *National Transport and Logistics Strategy*.

1.3.4   Application to Vision 2030

The final phase involves applying the synthesised insights to assess current implementation practices under *Vision 2030*. Gaps, misalignments, and opportunities for optimisation were identified. From this, actionable recommendations are proposed for Saudi policymakers and practitioners, with consideration for the local context, institutional capacity, and international best practices.

1.3.5   Limitations

This study is limited by its reliance on secondary sources; no primary data was collected. As such, findings should be considered interpretive rather than definitive. Future research could incorporate stakeholder interviews or case-based field validation.

2.0   LITERATURE REVIEW

2.1.   Overview of Saudi Vision 2030 and National Transport and Logistics Strategy

Located between Asia and Europe, and bounded by the Red Sea through which 12% of international trade passes and the Arabian Gulf through which a third of global oil exports pass (Alanazi *et al,* 2021), the strategic logistical advantage of the Kingdoms geographical location is compelling.

Building upon this, Taylan & Demirbas (2016) observe that transportation and logistics plays a major role in the economic development of a country. Yousif (2023) adds that there is a strong relationship between expenditure on infrastructure and the growth of real GDP.

These promising features position the *National Transport and Logistics Strategy* as a cornerstone of the Kingdoms transformation. The strategy itself is grounded in the following key initiatives:

2.1.1   Leveraging the Kingdoms Strategic Geographic Location

As a natural logistics gateway, the Kingdom aims to capitalise on this by:

- o   Expanding ports, airports, roads and rail networks to facilitate trade
- o   Enhancing transit trade and re-exports, connecting global markets
- o   Developing multiple Free-Trade zones to attract and incubate value added services

2.1.2   Saudi Rail Landbridge

The Saudi Landbridge project is one of the largest infrastructure projects in Saudi Arabia, involving six main rail lines connecting seven logistics centres across the country and borders.

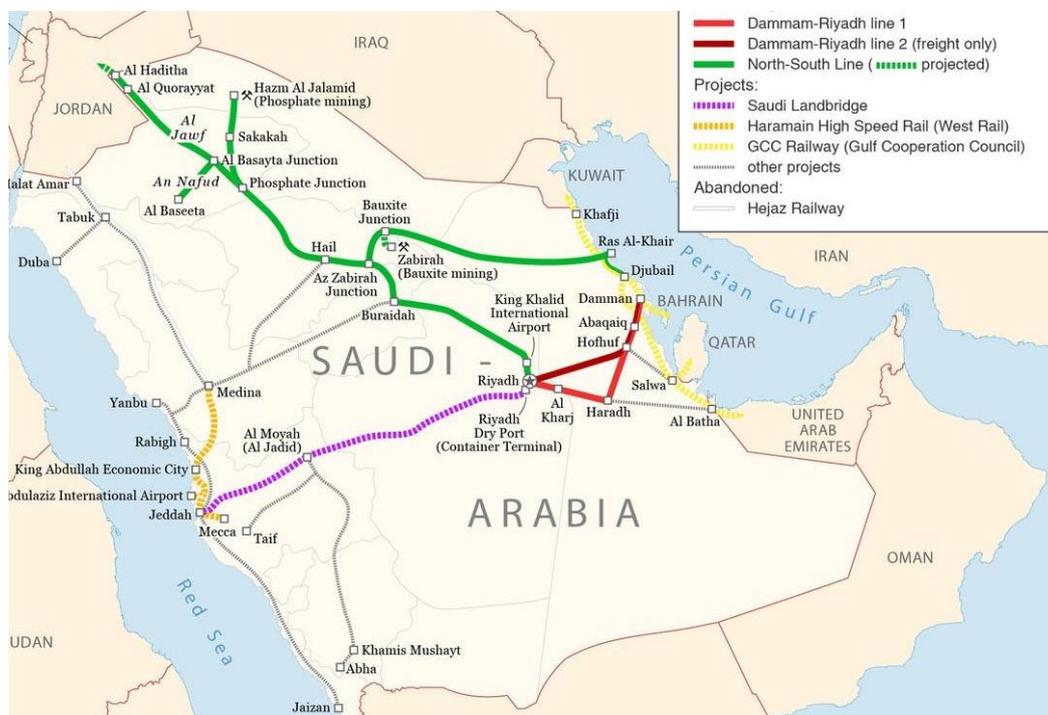Figure 2.1 below illustrates both the existing and planned network.

Figure 2.1 Railway Infrastructure of Saudi Arabia (Iqbal, 2024).

2.1.3   *Modernising Ports and Airports*

Jeddah Islamic Port and King Abdulaziz Port are being expanded to increase cargo capacity and efficiency, while Riyadh's King Khalid International Airport and Jeddah's King Abdulaziz International Airport are being developed as major cargo hubs.

The new Oxagon port, part of the NEOM project on the north-west coast, is operational and expanding rapidly.

New logistics zones within or adjacent to the ports and airports are underway to provide value-added services.

2.1.4   *Enhancing Digital and Smart Logistics*

Saudi Arabia is digitising customs and trade processes to improve efficiency, including Blockchain-based trade facilitation to reduce paperwork and to employ automated warehouses and AI-driven supply chain solutions.

2.1.5   *Regulatory and Economic Reforms*

The Kingdom is well known for its prohibitive bureaucracy of regulations; however, the government is now focused on simplifying customs procedures to speed up cargo movement and is introducing free economic zones to encourage businesses to set up logistics hubs.

Privatising logistics sectors to attract foreign investment is also a key part of the reform.

2.1.6   *Strengthening Ties with Global Partners*

Saudi Arabia is forming strategic partnerships with global logistics giants such as Maersk, DP World, and Amazon to enhance its supply chain capabilities.

2.2   Challenges to the Saudi Vision 2030 National Transport and Logistics Strategy

Saudi Arabia's *National Transport and Logistics Strategy* is faced with challenges that can be categorised into economic, operational, regulatory, geopolitical, and environmental factors.

2.2.1   *Economic & Financial Challenges*

Financing the massive investments in infrastructure such as railways, ports, and logistics hubs is regarded as the most difficult part in transport service provision. As a result, many countries have introduced PPPs to provide funding and technical expertise (Abdulaal *et al.,* 2023).

2.2.2   *Operational & Infrastructure Challenges*

The capacity & efficiency of airports, seaports, roads, and railways infrastructure is a limiting factor of progress. Skilled labour shortages constrain progress (Khan *et al.,* 2025), as does slow adoption of Industry 4.0 technologies by the logistics sector.

Pleasingly, the Kingdom is an active market for state-of-the-art innovations and technological solutions according to Rahman *et al*. (2022).

2.2.3   *Regulatory & Governance Issues*

Customs processes, cross-border constraints, and bureaucratic legacies must be addressed. Even as change is introduced, ensuring consistent policy interpretation and execution remains a challenge.

Sundarakani (2017) cites Policies and Regulations as a major inhibitor.

2.2.4   *Geopolitical & Security Threats*

Global Trade Disruptions such as trade wars, sanctions, or crises are ever-present, and the Red Sea and Arabian Gulf are locations historically subject to particular risk.

2.2.5   *Environmental & Sustainability Challenges*

Transitioning to eco-friendly transport in shipping, aviation, and trucking is a global challenge, and the Kingdoms desert climate conditions exacerbate the challenge.

2.3   National Strategies of GCC Countries

The Gulf Cooperation Council (GCC) countries; Saudi Arabia, United Arab Emirates, Qatar, Kuwait, Bahrain, and Oman, have each launched national vision strategies aimed at economic diversification, reducing oil dependency, and enhancing global competitiveness.

The GCC has become a central node in the worldwide circulation of commodities due to its strategic geographic location (Stojanović and Puška, 2021).

Despite this market growth, the numerous planned port developments within the region, which suggests future duplication and overcapacity, will create competitive tension over trade routes and international markets (Ziadah, 2018). For example, Oman Ports are undergoing massive expansions, but the current capacity of their ports is only 38% utilised (Hamed Al-Wahaibi, 2019).

Three key features emerge from an assessment of the GCC logistics landscape:

- There are contradictory and uneven developments in the logistics space, particularly duplication in port infrastructure across the GCC region
- There is a clear regional hierarchy among GCC nations that are resource rich and those dependent on public–private partnerships
- There is increasing competition among dominant port operators looking to penetrate and increase their share of the growing GCC port market

2.4   Global Logistics Hubs

Global logistics hubs are key centres for international trade, providing seamless and swift connectivity through efficient transportation, warehousing, transit, and value-addition services.

Saudi Arabia's logistics hub ambitions must not only successfully compete with its regional neighbours, but must also replicate, synergise with and compete with other global logistics hubs.

The top ten (10) of the world's logistics hubs are summarised in Figure 2.2 below:

Country	Key Features
Singapore	• One of the busiest ports in the world • Changi Airport is a leading air cargo hub • World-class customs efficiency and logistics infrastructure • Key strength is its strategic location between Australia, Asia, Europe, and Middle East
Hong Kong	• Major air cargo hub • Advanced port and logistics infrastructure • Strong connectivity to China and global markets • Key strengths are its free trade policies and world-class supply chain efficiency
UAE	• Jebel Ali Port is the largest port in the Middle East • Dubai is a major air cargo hub • Home to Dubai Logistics City, a major multimodal logistics hub • Key strength is its location as strategic gateway between Asia, Europe, and Africa
Rotterdam, Netherlands	• Rotterdam is Europe's largest port • Advanced rail, road, and waterway connections to the EU • Leader in smart logistics and automation • Key strength is its role as central hub for European trade
Shanghai, China	• World's busiest container port • Key hub in China's Belt and Road Initiative (BRI) • Advanced logistics zones and connectivity to inland China • Key strength is its role as central hub to adjacent manufacturing landscape
Los Angeles & Long Beach, USA	• The largest port complex in North America • Major gateway for trans-Pacific trade with Asia • Strong rail and highway connectivity for inland distribution • Key strength is volume, handling 40% of US imports
Frankfurt, Germany	• Frankfurt Airport is Europe's busiest air cargo hub • Strong rail and road network for EU-wide distribution • Home to some major logistics companies • Key strength is that it is a key gateway to Europe
Tokyo & Yokohama, Japan	• Major shipping and air freight hubs • Advanced high-tech logistics and automation • Efficient supply chain and customs clearance • Key strength is it is the key trading centre in East Asia
London, UK	• Heathrow Airport is one of the world's top air cargo hubs • Strong road, rail, and port connections across Europe • Home to global logistics firms and financial hubs • Key strength is its strategic location for trade between US, EU, and Asia
Istanbul, Turkey	• Bridge between Europe and Asia • Growing logistics infrastructure • Major hub in China's Belt and Road Initiative • Key strength is role as transcontinental trade gateway

Figure 2.2 Leading Global Logistics Hubs.

These Global Logistics Hubs share several common features, suggesting a relationship between these features and the success of the Hubs:

- Integration of policy, infrastructure, technology, and private sector involvement is key
- A single logistics authority ensures investment, planning, and technology are synchronised
- Public-private partnerships (PPPs) are pivotal in building flexible, scalable infrastructure
- Each hub invested heavily in digital logistics platforms

The combination of these advanced logistics hubs forms an efficient logistics network encompassing the globe. As global trade continues to grow and evolve, new opportunities to assimilate with this network will emerge.

2.5   Saudi Vision 2030 – Achievements

According to the recent Vision 2030 Annual Report (Vision 2030, 2025), many performance indicators already surpassed their 2030 targets, particularly in areas linked to economic diversification, social development, and institutional efficiency. The long list of achievements, although non-exhaustive, are current as at early 2025:

- Non-oil activities now represent over half of GDP
- Ranked 2nd among G20 countries in the Purchasing Managers Index (PMI)
- Ranked 20th globally in the Quality Infrastructure for Sustainable Development Index
- 85% of all initiatives completed
- 93% of KPI's achieved or exceeded
- Exceeded target of 100 million tourists
- Female labour market participation achieved 33.5% against target of 30%
- Unemployment rate of 7% achieved
- 7th place in E-Participation Index against 2030 target of reaching 10th.
- Household ownership reached 65%
- Public Investment Fund's total assets under management tripled to SAR 3.53tr
- 16th in IMD World Competitiveness Ranking Index
- 38th place in the Logistics Performance Index
- 34 new shipping lines added to Saudi ports
- Private sector share of economy reached 47%, towards the 2030 target of 65%

A remarkable set of achievements in a short space of time, considering the scale of the strategy.

It appears that the Saudi government has made significant progress on tasks that can be directly managed by the state, such as macroeconomic management, development of capital markets, improving the regulatory environment and the ease of doing business, and digitisation, as well as social reforms.

However, less progress is evident in areas that are less suitable to central management, such as a broader climate for entrepreneurship, attracting foreign direct investment, and developing the private sector (Grand and Wolff, 2020). The further cultivation of a diversified private sector remains a key pursuit.

3.0   Developing Strategy Versus Implementing Strategy

This chapter is dedicated to understanding the basis of strategy development, and subsequently how implementation is successfully achieved.

In contrast to commonly held beliefs in industry, Zagotta and Robinson (2002) contend that the ability to execute strategy is more important than the quality of the strategy itself.

There is no strategy without implementation according to Childress (2013), who views strategy and execution as inseparable, distinct, but intimately connected. When separated, they do not work. Indeed, De Oliveira *et al.* (2019) assert that strategy formulation and strategy execution are two intertwined albeit distinct constructs.

Strategy without execution is consequently non-existent, and execution is therefore the only competitive advantage; competitive advantage being the very purpose of strategy. Collins (2001) in his book *Good to Great* agrees, stating that what separates the good from the great organisations is not strategy, but rather execution.

According to Olivier and Schwella (2018), organisations realise only 40% of their strategic ambition, leaving the balance as the deficit between strategic planning and execution. Strategy execution is very dynamic and difficult, but also where the benefit is created and where competitive advantage is realised.

3.1   Developing Strategy

Developing a strategy is the process of setting long-term goals, identifying opportunities, and crafting a roadmap to achieve desired outcomes.

The literature reveals three theoretical frameworks relevant to the context of *Vision 2030*, being deliberate, emergent and resource-based:

- **Deliberate**: A top-down process where long-term objectives are clearly defined, market environment is analysed, and resources allocated to achieve competitive advantage. Rigid and therefore not suitable in dynamic or uncertain environments (Mintzberg and Waters, 1985).
- **Emergent**: Developed through experimentation, learning, and adaptation rather than deliberate top-down planning. Evolves incrementally where feedback loops and the ability to pivot are critical in dynamic real-world conditions (MacLennan, 2010).
- **Resource-Based**: Focuses on the internal resources and capabilities of an organisation as the primary source of sustainable competitive advantage. Success comes from identifying, developing, and protecting valuable, rare, inimitable, and non-substitutable resources (Furr and Eisenhardt, 2021; Alrashedi, 2024).

Saudi Arabia clearly understands that the rapidly increasing global trade is swiftly increasing commodity circulation, creating a market for globally networked infrastructure, logistics hubs and trade corridors (Alexander, 2016).

The World Bank has recently noted that logistics performance both in international trade and domestically is central to the economic growth and competitiveness of countries, and the logistics sector is now recognised as one of the core pillars of economic development (Ziadah, 2018).

In developing *Vision 2030* and the *National Transport and Logistics Strategy*, Saudi Arabia clearly leveraged these features as the foundation for its strategic business case. The approach appears to be

cognizant of both the current environment while exploiting the dynamic and swiftly changing marketplace.

3.2   Implementing Strategy

Strategy implementation is the process of executing the developed plan and ensuring that all stakeholders align with the strategic objectives.

If Strategy Development addresses the "where to?" of an organisation, then Strategy Implementation addresses the "how to?" conundrum.

Strategy Implementation often involves the key elements of:

- Action Plans: Break down strategy into specific, manageable tasks
- Leadership & Communication: Ensure top management supports and communicates the vision
- Resource Mobilisation: Allocate budgets, technology, and human capital
- Performance Monitoring: Track progress using Key Performance Indicators
- Adaptability & Problem-Solving: Adjust strategy based on market feedback

However, Strategy Implementation is commonly challenged by:

- Resistance to Change: Employees and stakeholders may resist new processes
- Poor Communication: Misalignment between teams can cause execution failures
- Lack of Accountability: Without clear responsibility, execution can stall
- Insufficient Resources: Budget cuts or talent shortages may delay implementation

Strategy implementation is the most complicated and time-consuming part of strategic management, states Bell *et al.* (2010). Slater *et al.* (2010) found that strategies most often fail because they are not executed well, and Ul Musawir *et al.* (2017) believe this is often the result of the lack of a strong governance framework.

This is clearly supported by Zook and Allen (2001), Kaplan and Norton (1996, 2001, 2008), Franken *et al.* (2009), Cook *et al.* (2019), and Dinsmore and Cabanis-Brewin (2011) who all report a 60-90% failure rate of well-formulated strategies.

According to Sabourin (2015), studies show that 90% of formulated strategies are not implemented on time and with the intended results. Agreeing with this, DeLisi (2001) argues that failure is often due to people, cultural and organisational causes as well as from pure strategy causes.

Understandably therefore, strategy execution is considered the number one challenge in business today according to Olivier and Schwella (2018), citing barriers to successful strategy execution as:

- Poor leadership
- Poor strategic planning
- Poor project management
- Poor alignment
- Lack of a performance management system
- Poor engagement

Sull *et al.* (2015) agree, citing execution as the number one challenge facing corporate leaders, heading a list of some 80 issues, including innovation, geopolitical instability, and top-line growth.

Lowy (2015) follows a similar theme, referring to six dilemmas of strategy execution as:

- Time & Resources
- Integration
- Leadership
- Confidence
- Morale
- Change

Mostafa *et al.* (2014) contend that there is a vast spectrum of interacting factors involved in a strategic success or failure ranging from human agent down to systems and mechanisms applied in strategy implementation.

Khadeem (2008) found that both alignment and integration are key steps in strategy execution. Srivastava (2017) agrees and emphasises that sound strategy is no guarantee of superior performance, adding that execution is as important as formulation, if not moreso.

Going further, Ndambiri (2015) found that transitioning strategies into action is a far more complex, difficult and challenging undertaking, and suggests successful strategy implementation requires:

- Right people with unique skills and abilities
- Resources, time and money
- Structure of management
- Management and technology systems in place

Srivastava and Sushil (2015) proposed a framework focusing on four major dimensions of strategy execution; align, automate, act, and adapt.

The popularly used McKinsey 7-S Framework shows how seven interconnected elements; Structure, Strategy, Skills, Staff, Style, Systems, and Shared values, can be aligned together to achieve effectiveness (Peters and Waterman, 1984).

In seeking to traverse the execution gap, Lepsinger (2011) suggests "Five Bridges" that enable organisations, being; change management, organisation structure, employee involvement, alignment, and coordination.

From the literature, seven key factors have been synthesised as critical topics to address in strategy implementation:

3.2.1 People & Organisational Resistance

Resistance can often be reduced, and in fact turned around into motivation, through clear communication upfront and regularly, strong leadership that builds trust and inspiration, and incentives that encourage buy-in.

3.2.2 Execution Requires Coordination Across Multiple Stakeholders

A strategy may look great on paper, but execution often requires cross-functional collaboration between teams.

By defining clear roles and responsibilities, regular communication and feedback, ensuring silo leaders are aligned, and performance tracking tools are used, resistance is often reduced, and orchestration becomes much more effective.

3.2.3   Unpredictable External Factors

External events such as economic downturns, geopolitical issues, market competition, and technological disruptions can make an initially strong strategy difficult to execute.

Therefore, flexibility should be built into strategy and contingency plans established.

3.2.4   Resource Constraints

Realistic resource planning, investment in training, and prioritisation of key initiatives will optimise the use of available resources.

3.2.5   Lack of Clear Performance Measurement

Srivastava and Sushil (2013) argue that many companies struggle to achieve strategic performance because each strategy is unique and requires different types of performance measures.

Defining clear Key Performance Indicators (KPIs) from the start, conducting regular progress reviews, and regularly adjusting or fine-tuning the plan are commonly regarded as critical success factors for strategy implementation.

3.2.6   Leadership & Communication Failures

Leaders should clearly communicate the strategy, align all levels of the organisation, and ensure two-way communication for feedback.

3.2.7   Adapting Strategy in Real Time

The real world is unpredictable, dynamic and constantly evolving.

It is therefore almost certain that an organisation will need to adjust its strategy mid-implementation, sometimes continuously.

The strategy execution challenge and solution are alignment. MacLennan (2010) agrees that alignment is essential for successful strategy execution, and Baker and Singh (2019) believe it is achieved as the result of top-down planning, communication, and control processes.

Hence, it is clear that to achieve a strong likelihood of success, strategy must ideally be developed & implemented in unison, while ensuring adherence to the commonly recognised "Critical Success Factors" of:

- Clear alignment between strategy and operation
- Strong leadership and communication
- Ongoing monitoring and adaptation

To sum up, the literature demonstrates that the ability to implement a strategy is considerably more important than strategy formulation, and that strategy implementation, rather than strategy formulation, is the key to superior organisational performance (Mostafa *et al.,* 2014).

4.0   ANALYSIS

Saudi *Vision 2030* strategy boldly intends to transform a society and build a new nation from the old. It cleverly balances gradual incremental social and economic transitions while leveraging the Kingdom's financial strength, although its ultimate success will hinge on sustaining momentum and ensuring confidence both internally and externally.

From a strategic development perspective, the Saudi *Vision 2030* is ambitious and forward-looking, identifying key areas for reform and investment while aligning national priorities with global trends in sustainability, innovation, and economic diversification. The plans structure around the three main themes of a vibrant society, a thriving economy, and an ambitious nation, and collectively provide a holistic blueprint for long-term national growth.

Implementation-wise, *Vision 2030* is characterised by a top-down approach, with strong central leadership and oversight through entities such as the Council of Economic and Development Affairs. It incorporates measurable targets, performance monitoring mechanisms, and various programs such as the National Transformation Program and the Public Investment Fund Program, which serve as tools to operationalise strategic goals. However, the success of implementation depends heavily on effective governance, institutional capacity, regulatory reforms, and societal buy-in.

While significant progress has been made in sectors such as entertainment, tourism, and digital infrastructure, challenges remain in achieving labour market reforms and the privatisation of key sectors.

4.1   Strategy Development Approach

Saudi *Vision 2030* reveals a highly structured and deliberate approach to national transformation. Incorporating elements from deliberate, emergent, and resource-based strategy frameworks, *Vision 2030* represents a hybrid strategic approach, drawing from and applying elements of each framework.

From a deliberate strategy perspective, *Vision 2030* is rooted in long-term planning, central coordination, and the pursuit of clearly defined objectives. The initiative sets out a formal vision and mission for the Kingdom, articulating strategic goals such as reducing oil dependency, increasing non-oil government revenue, and elevating the private sector's contribution to GDP.

In terms of resource-based theory, *Vision 2030* leverages the Kingdom's substantial assets of financial reserves, strategic geographic location, and young emerging population to create new forms of competitive advantage. The strategy seeks to convert static resources into dynamic capabilities, particularly through human capital development and technological innovation. By investing in education, digital infrastructure, and regulatory reform, the strategy aims to enhance the Kingdom's capacity to integrate and apply new knowledge and practices across multiple sectors. This reflects a shift from resource extraction to resource orchestration, emphasising sustainability and capability-building.

Strategy must anticipate change according to Hassert (2018). An organisations business model, customer base, and competitive position are at all times variable, volatile and exposed to disruption.

In anticipation of change, the *Vision 2030* also contains elements of emergent strategy. Although *Vision 2030* is largely top-down and planned, its implementation reveals adaptive behaviour in response to changing or emerging global and domestic vagaries. Adjustments to timelines, regulatory modifications, and the increasing role of public-private partnerships suggest a degree of strategic flexibility. The rapid social changes being introduced are understandably reactive to both internal social pressures and

external image-building objectives. These emergent features enable course correction and learning, essential for managing a change program of this magnitude.

Saudi *Vision 2030* strategy has wisely taken a hybrid approach using attributes from deliberate, resource-based and emergent strategic theory to adapt to the prevailing and future environment while recognising the need for flexibility.

4.2   Strategy Implementation Approach

From an implementation theory perspective, *Vision 2030* relies heavily on programmatic structures such as the National Transformation Program and Vision Realisation Programs, functioning as vehicles for delivering the strategy's objectives. These align with McKinsey's 7-S Framework by addressing both the "hard" elements of strategy, structure, and systems; and the "soft" elements of skills, style, staff, and shared values. The degree of centralisation and performance monitoring also suggests an attempt to control and steer implementation with precision.

Applying strategy implementation theory, Saudi *Vision 2030* presents a complex and ambitious case of national-level strategic transformation, requiring coordinated action across multiple institutions, sectors, and levels of society. Implementation theory emphasises the gap between strategy formulation and execution, where failure is most likely to occur, not due to poor planning, but because of the challenges in translating plans into consistent action. This makes the execution of *Vision 2030* a crucial point of analysis.

Vision 2030 relies on a highly centralised governance model with the Council of Economic and Development Affairs overseeing execution, and supporting systems, such as the Vision Realisation Programs and the National Transformation Program, providing robust performance monitoring mechanisms. While this top-down structure provides clarity and control, it can hinder agility, local ownership, and inter-agency collaboration which are common bottlenecks in hierarchical systems.

A successful implementation requires cultural and normative alignment. *Vision 2030* challenges long-standing social norms, especially around gender roles, work ethic, and openness to foreign investment and tourism. The leadership style under HRH Crown Prince Mohammed bin Salman is directive and reform-driven, but the reforms must be internalised by middle management and the broader civil service.

Human capital constraints are a significant barrier. The Kingdom's ambitious goals in technology, tourism, and services demand skill sets that are not yet widely available domestically. While Saudization policies aim to increase local employment, they risk reducing efficiency if not coupled with training and capability development. Attracting and retaining international talent remains a hurdle due to regulatory constraints, cultural factors, and reputational concerns.

Vision 2030's strategic implementation is a test of institutional resilience, adaptive capacity, and leadership coherence. The foundational elements are in place, but continued attention to the dynamics of execution, particularly in human capital, coordination, and cultural change, will determine whether the Vision completes its aspiration to reality.

The *Saudi National Transport and Logistics Strategy*, a key pillar of *Vision 2030*, faces several significant challenges in implementation, including infrastructure integration, regulatory harmonisation, intermodal inefficiencies, capacity constraints, and a fuller private sector participation.

While the strategy ambitiously aims to position Saudi Arabia as a global logistics hub linking three continents, the practical execution of this vision is constrained by legacy systems, siloed authorities, and inconsistent standards across modes of transport: air, sea, rail, and road.

Gaps in human capital, especially in supply chain management, logistics technology, and multimodal operations, limit the pace at which new services can scale. Private sector involvement, though encouraged, is often deterred by regulatory ambiguity and concerns over long-term return on infrastructure investment.

Strategy theory provides several approaches to help overcome these obstacles. The systems thinking model, often used in implementation theory, emphasises the importance of creating horizontal linkages across different transport modes and authorities to enable an integrated, end-to-end logistics ecosystem.

The resource-based view encourages the Kingdom to invest not just in physical assets such as ports and railroads, but in intangible capabilities, particularly talent development, data interoperability, and logistics innovation.

Employing the emergent strategy approach, the Kingdom should implement the *National Transport and Logistics Strategy* not as a fixed blueprint but as an evolving roadmap, adjusting priorities based on user feedback, shifting trade flows, and global disruptions.

According to Linderson *et al.* (2025), given that a company's resources are finite and operating environments are continually changing, sustaining a competitive edge necessitates the development of dynamic capabilities.

Supporting the emergent theory, Sull *et al.* (2015) states that agility is critical to execution, but it must fit within strategic boundaries.

The ability to pivot is essential but demands strict governance over strategic decisions to ensure the decisions are consistent with overall strategic objectives and stakeholder interests (ul Musawir *et al.,* 2020).

Implementation frameworks such as the Balanced Scorecard or 7-S model, although not exhaustive, can help align structure, leadership, and performance incentives across the complex array of public and private stakeholders.

From a systems thinking and value chain integration perspective, the *National Transport and Logistics Strategy* must be implemented not as a siloed infrastructure build-out, but as a synchronised ecosystem strategy. It requires aligning upstream functions such as port, rail, and air with downstream functions such as customs, warehousing, and last mile through platforms and shared KPIs.

The Balanced Scorecard provides a framework for managing the implementation of strategy while also allowing the strategy itself to evolve in response to changes in the organisations competitive market and technological environments (Atkinson, 2006).

From the Balanced Scorecard perspective, the *National Transport and Logistics Strategy* must be supported by aligned objectives across four levels: financial, customer service, internal processes, and learning/growth.

Emergent strategy theory would advocate piloting key logistics corridors and hubs to trial smart technologies, integrated customs procedures, and private investment models before scaling nationally.

Saudi Arabia's *National Transport and Logistics Strategy* is well-positioned to leverage the Kingdoms geographic advantage and financial resources but must learn from top-performing global logistics hubs by focusing on regulatory integration, institutional coherence, digital infrastructure, and real-time stakeholder alignment.

The use of strategic theory provides a practical, evidence-based analysis to highlight and enhance the implementation opportunities of the *Vision 2030* strategy and the *National Transport and Logistics Strategy.*

4.3   SWOT Analysis of Saudi Arabia's National Transport and Logistics Strategy (NTLS)

Internal Factors	
STRENGTHS	**WEAKNESSES**
1. Strategic Geographic Location • Natural logistics hub • Direct access to global shipping routes **2. Government Support & Vision 2030** • Strong backing from the government • The NTLS aligns with diversification goal **3. Massive Infrastructure Investments** • Free Trade Zones, Seaports, Airports, Rail • Expansion of King Salman Park, Neom, and other logistics mega-projects. **4. Strong Financial Backing** • Saudi government & PIF financially sound • PPPs and FDI inflows **5. Integration with Other Vision 2030 Projects** • Ties into projects like Neom, Oxagon, • Multimodal connectivity air, land, sea, rail	**1. Over-Reliance on Government Funding** • Heavily state-controlled, limiting private sector innovation and investment • Need for more private sector engagement **2. Regulatory and Bureaucratic Challenges** • Customs clearance slow and complex • Old bureaucracies may hinder policy change **3. Skills Gap & Workforce Shortage** • Limited local talent in specialized fields • Reliance on foreign expertise **4. Dependence on Oil Revenue** • Budget subject to prevailing oil prices **5. Lack of Integrated Digital Logistics Ecosystem** • Lacks automated and AI-driven solutions • Lacks a centralized logistics platform
External Factors	
OPPORTUNITIES	**THREATS**
1. Growing Global Trade & E-Commerce • e-commerce and global supply chains • Position as a regional fulfilment center **2. Expansion of Public-Private Partnerships (PPP)** • Attracting foreign investors • Partnering with global players **3. Integration with Belt & Road Initiative (BRI)** • Strengthen ties with China and Asia • Developing joint infrastructure • Plug into the freight volumes **4. Sustainable & Green Logistics** • Investments in eco-friendly logistics • Global demand for carbon-neutral logistics **5. Regional Collaboration with GCC & Africa** • Integrated regional supply chain with UAE, Bahrain, and Oman • African trade partnerships for port transits	**1. Competition from Regional Logistics Hubs** • UAE and Qatar are established hubs • Differentiation through innovation & efficiency **2. Economic Uncertainty & Global Recession** • Global economic downturn risk • Fluctuating oil prices **3. Supply Chain Disruptions & Geopolitical Risks** • Red Sea and Persian Gulf tensions • Global supply chain crises **4. Cybersecurity & Digital Threats** • Increased reliance on digital logistics • Cyberattacks on smart ports and logistics **5. Environmental & Climate Risks** • Extreme weather events • Pressure to reduce carbon emissions

Figure 4.2 SWOT Analysis of Saudi Vision 2030.

The SWOT Analysis suggests Saudi Arabia should continue to pursue global trade growth, public-private partnerships, and regional collaboration, while mitigating regional competition and geopolitical risk. It suggests that success depends on improving governance, embracing technology, and fostering private sector engagement.

5.0   RECOMMENDATIONS: THE WAY FORWARD

Saudi Arabia has demonstrated remarkable capacity in successfully executing Saudi *Vision 2030* to date but much remains to be done. Its successful complete execution, and indeed the leveraging of arising opportunities, requires overcoming further challenges and adopting practical solutions.

To overcome these challenges, it is recommended that the Kingdom accelerate infrastructure projects, simplify regulations, invest in digital logistics, and enhance skills growth in its workforce.

Below are five key recommendations, synthesised from the available data grounded in the context of strategic theory.

5.1   Accelerate Infrastructure Development

Improving the logistics infrastructure of a country is the most important factor that leads to improve the country's international LPI rank (Almalki and Alkahtani, 2022).

Infrastructure development should be accelerated, and its operational efficacy proved, with particular focus on:

- Special Economic Zones to develop clear Value Propositions and incentives
- Ports and Industrial Zones to be connected via virtual corridors
- Attract public-private partnerships (PPP) with generous concessions and risk mitigations
- Acquisition of port operators and a global 3PL to provide further reach and network capability
- Secure ample energy supply, telecommunications, internet that are reliable and inexpensive

5.2   Strengthen Governance & Coordination and Improve Trade Facilitation & Customs Efficiency

The evidence is clear that governance and coordination is one of the key features of successful strategic execution, particularly in large scale projects.

Considering this, the Saudi government should consider strengthening the centralisation and coordination of authority to oversee the *National Transport and Logistics Strategy* execution.

A focused pursuit of criteria to increase the LPI rating (Customs, Infrastructure, Services, Timeliness, Track & Trace, International Shipments) will fulfil both the intent of the strategy and act as an impartial, globally recognised KPI of its successful implementation.

Improving trade facilitation and customs efficiency via a "single trade window" portal to automate and streamline processes will herald significant benefits.

5.3   Expand Multimodal Transport & Connectivity

The success of the *National Transport and Logistics Strategy* relies heavily on the success of multimodal networking and connectivity. It is recommended to prioritise the following initiatives:

- Develop, promote and ensure effective execution of a seamless multimodal transport system
- Europe's multimodal transport network allows for seamless freight movement across countries. Saudi Arabia must build efficient intermodal hubs to match this with trade corridors linking Saudi Arabia to GCC, Africa, and Asia
- Similarly, enhance connectivity to Levant, Southern EU, and east Coast of Africa and Egypt
- Reduce diesel subsidies, divert the funds to technology infrastructure and collaborative R&D

**5.4	Train & Upskill the Workforce**

Human capital will be the most important long-term asset for the Saudi reform plan (Grand and Wolff, 2020). Investment in human capital is not only critical but promises the greatest returns on investment for the Kingdom.

- Develop logistics academies and universities to train professionals in logistics management
- Fund supply chain research centres at universities and supply chain trade groups
- Increase incentives for Saudi youth to enter the logistics sector
- Develop, sponsor, subsidise, incubate supply chain and logistics industry associations for learning, networking, and developing the sector in the Kingdom

**5.5	Strengthen Connection to China's Belt & Road Initiative (BRI)**

Geographically, Saudi Arabia is well positioned to take advantage of China's Belt & Road Initiative (Fulton, 2020).

- China is Saudi Arabia's top global trade partner, and the Kingdom is China's largest Middle East trade partner
- Saudi Arabia should leverage BRI investments by connecting with the sea routes and offering sea shipment transit and sea-land and sea-air multi-modal services
- As a transit port, connect Oxagon Port via rail to Yanbu to the south and Al Basseta to the east, ultimately connecting to Jordan and Istanbul and directly into the global BRI
- Taking a longer-term view beyond 2030, the physical internet presents a next generation opportunity enabled by this network when established (Jaziri and Alanazi, 2019)
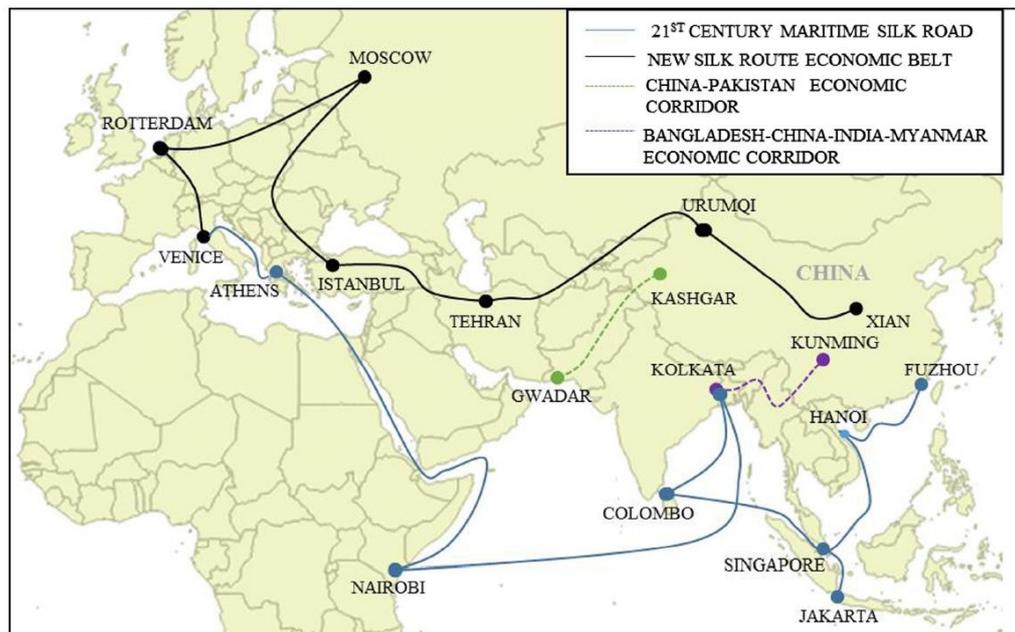

Figure 5.1 Belt and Road Initiative Sea and Land Routes (Sheu and Kundu 2018).

By focusing on execution, investment, and innovation, Saudi Arabia will become a global logistics powerhouse and achieve its *Vision 2030* ambitions.

6. CONCLUSION

Saudi Arabia's *National Transport and Logistics Strategy* reflects a bold and forward-looking vision aligned with *Vision 2030*. Through targeted investments in infrastructure, policy reform, and digital transformation, the Kingdom is rapidly evolving into a global logistics hub.

Strategic initiatives such as the expansion of multimodal networks, and integration of advanced technologies are collectively enhancing operational efficiency, boosting economic diversification, and strengthening international trade connectivity.

As implementation progresses, continued focus on regulatory coherence, public-private collaboration, and workforce development will be essential to sustain momentum and overcome existing bottlenecks.

To this end, it is recommended that the Kingdom accelerate infrastructure projects, simplify regulations, invest in digital logistics, and enhance skills growth in its workforce.

By prioritising innovation and sustainability, Saudi Arabia will not only compete globally but will also set a regional and global benchmark for logistics excellence. The transformative potential of the logistics sector underscores its critical role in the Kingdom's long-term economic growth and global competitiveness.

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