

### The Journey to

# **PRODUCT** WELLBEING

Turn Your Business into a Market-Driven Value Monster

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Nextage Advisory Services

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# PRODUCT WELLBEING<sup>™</sup>

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Cover Design: Markku Vierimaa Typesetting: Hannu Hannila

Language editing and proofreading have involved the use of AI-based tools.

Publisher: BoD · Books on Demand, Mannerheimintie 12 B, 00100 Helsinki, bod@bod.fi Printer: Libri Plureos GmbH, Friedensallee 273, 22763 Hampuri, Saksa

ISBN: 978-952-80-9718-1

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#### 1. INTRODUCTION TO PRODUCT WELLBEING™

**Genesis: Why this book, and why now**? In an era filled with buzzwords, such as "digital transformation," "Industry 4.0," "Agile," and others, organizations are eager to adapt, but often struggle to translate vision into real, enduring value. Yet, despite the enthusiasm, research by McKinsey consistently shows that about 70% of large-scale change initiatives fail to achieve their goals<sup>1</sup>. This startling statistic raises a crucial question: Why do so many well-intentioned transformations still fall short, even with unprecedented access to tools and information?

We were motivated to write this book in response to the challenge we faced in our business and careers. Each co-author has witnessed ambitious projects, from new product launches to organization-wide transformations, hampered by siloed data, leadership misalignment, or conflicting departmental goals. For example, in a 2019 Harvard Business Review article, researchers noted that competing priorities and unclear communication ranked among the leading causes of failed transformations<sup>2</sup>. We observed similar patterns repeatedly: promising beginnings, scattered mid-phase confusion, and outcomes that disappointed stakeholders.

In that context, we recognized that no business aspect, technology, organizational culture, process design, or data strategy could fully explain the ongoing breakdowns. Instead, transformations thrived when organizations viewed people, processes, data, and technology (PPDT) as equally vital and interconnected under a common strategic

<sup>&</sup>lt;sup>1</sup> McKinsey & Company. "Why 70% of Large-Scale Change Initiatives Fail." McKinsey & Company, 2015. www.mckinsey.com.

<sup>&</sup>lt;sup>2</sup> Harvard Business Review. Harvard Business Review, 2019. www.hbr.org.

purpose. Therefore, this book aims to fill a gap: while many titles focus on specific parts of the puzzle, initiatives such as Product Lifecycle Management (PLM), Enterprise Resource Planning (ERP), Master Data Management (MDM), organizational restructuring, change leadership, or agile frameworks, few integrate them into a cohesive system we refer to as **Product Wellbeing**<sup>™</sup>.

In the chapters ahead, we present the argument that Product Wellbeing is not merely a new methodology but a lens through which to view the interconnection of products, teams, and user outcomes across the entire lifecycle, from ideation to retirement. By integrating autonomy in decision-making, mastery in skill development, relatedness among cross-functional teams, and purpose in the product's greater mission, organizations can significantly exceed the typical 30% success rate observed in their transformations.<sup>3</sup> We hope that by the end of this book, you will possess both the practical tools and the inspirational clarity required to guide your product journeys toward genuine, long-lasting success.

**Product Wellbeing**<sup>™</sup> is the market-driven journey to a product's sustained health, resilience, value-creation capacity, and ecosystem support. This ecosystem includes four essential pillars: People, Process, Data, and Technology (PPDT). Product Wellbeing spans the entire product lifecycle, from the initial idea to the product's retirement.

When these four pillars are aligned and balanced, organizations can significantly increase their products' vitality, sustainability, and overall impact today and in the future. Product Wellbeing<sup>™</sup> offers a common

<sup>&</sup>lt;sup>3</sup> Kotter, J. P. Leading Change. Harvard Business Review Press, 1996.

language, a practical framework, and a clear set of metrics to evaluate, improve, and lead the wellbeing of a product and its ecosystem.

#### Why does this matter?

- Business impact: Product Wellbeing<sup>™</sup> improves the success rate of transformation programs and change initiatives beyond 30 percent by ensuring that People, Processes, Data, and Technology work together as one integrated system.
- **User impact**: It helps deliver long-lasting, high-quality value through autonomy, excellence, meaningful connections, and a clear sense of purpose. This leads to stronger engagement and user satisfaction.
- **Societal impact**: It focuses on sustainability by incorporating four key dimensions into product leadership and strategy: People, Planet, Productivity, and Profit. Together, they support responsible innovation and long-term value creation.

Our motivation for writing this book arose from the daily challenges encountered in various industries, including manufacturing, software, consumer products, and especially project-based sectors. Each coauthor has weathered these storms:

**Hannu Hannila** transitioned from Manufacturing Execution Systems to Product Lifecycle Management (PLM) in 2007. Initially, it seemed that PLM was merely another isolated solution. However, Hannu quickly recognized that integrating sales, engineering, manufacturing, and after-sales data is crucial for maintaining a consistent product narrative. Over the years, he observed numerous organizations struggling to unify their data and processes. This ultimately led him to focus his doctoral research on systematically aligning product management with strategic business objectives. He examined the strategic value and profitability of products in his doctoral dissertation, defining a data-driven model to support this alignment. His work also emphasized the importance of carefully evaluating each new product variant to ensure it delivers business value rather than simply adding complexity across the entire value chain.

**Markku Vierimaa** is a technically grounded professional who transitioned from electronics and software design to people and project management. With a strong foundation in engineering, he brings a deep understanding of systems and tools, complemented by a human-centered leadership approach. Over time, he has recognized that advanced tools or well-defined processes do not solely drive successful organizational change; rather, it is people, specifically their motivation, trust, and confidence in adopting new ways of working. He is passionate about cultivating positive team dynamics and enabling impactful change through empathetic leadership.

**Niko Salonen**, transitioning from a long career in a large technology company to a fresh startup, witnessed two extremes: on the one hand, a massive global operation with advanced R&D resources but often slow-moving bureaucracy; on the other hand, a nimble startup capable of quick innovation yet typically lacking structure and strong governance. The underlying issues, strategy misalignment, data silos, and patchwork processes, were strikingly similar despite the difference in scale and maturity.

We have discovered that organizations often fail to regard data, processes, technology, and the human element as equally important. The tendency may be to invest in a sophisticated new system (e.g., ERP or PLM), concentrate on a culture shift (such as embracing "agile

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mindsets"), or reinvent a new organizational structure for changing market demands. However, these fragmented approaches stagnate if not incorporated into a comprehensive framework.

A pivotal moment in shaping Product Wellbeing emerged from readings of The Core: Better Life, Better Performance<sup>4</sup> (Hintsa and Saari 2020), Principles<sup>5</sup> (Dalio 2017), and Drive<sup>6</sup> (Pink 2018). All three works examine how discipline, clarity, and selfless leadership can inspire profound change, whether in personal performance, organizational culture, or large-scale initiatives, by focusing on core human motivators like autonomy, mastery, and purpose. Inspired by these insights, we identified a striking parallel in how companies and their products function: like individuals and teams, organizations center around shared values, trust, and purposeful action.

At first glance, one might think that "product" is merely a functional output, a tangible item on a shelf, or a digital service in an app store. Yet, when we examine modern products, they increasingly reflect the same drivers that motivate people. These drivers, autonomy, mastery, relatedness, and purpose, are now embedded in product features and evolution. Self-driving cars demonstrate autonomy as they learn and improve over time; products utilize continuous learning to deliver more excellent user value and excel in their fields (mastery); IoT devices connect seamlessly with each other and the cloud, enabling richer contexts and interactions (relatedness); and many products aspire to broader societal goals like sustainability and safety, embodying a sense

<sup>&</sup>lt;sup>4</sup> Hintsa, A., and Saari, O. *The Core: Better Life, Better Performance*. Tammi, 2020.

<sup>&</sup>lt;sup>5</sup> Dalio, R. *Principles*. Simon & Schuster, 2017.

<sup>&</sup>lt;sup>6</sup> Pink, D. H. *Drive: The Surprising Truth About What Motivates Us.* Riverhead Books, 2018.

of higher purpose. A closer look reveals how products function as touchpoints linking cross-functional teams, broader corporate strategy, and the external marketplace. From ideation and design through manufacturing, launch, service, and even disposal, every stage of a product's lifecycle demands collaboration and trust among diverse stakeholders. When a product journey goes smoothly, it often signals robust communication and selfless leadership. When it stumbles, deeper organizational or cultural misalignments typically lie beneath the surface.

Product Wellbeing, thus crystallized as a holistic lens, is a way to examine whether a product and its supporting ecosystem embody unselfish principles, mutual support, and continuous growth. We realized that trust is paramount: without genuine servant leadership<sup>7</sup> (Greenleaf 1977) and accountability, even well-structured processes or advanced technologies falter amid hidden agendas or top-down dictates. Conversely, when leaders prioritize team empowerment, open data sharing, and a steadfast commitment to user well-being, products flourish, and teams develop a shared purpose (Harvard Business Review, 2020).

By integrating lessons from The Core, which emphasizes personal discipline and health, and Principles, which highlight transparency, radical honesty, and meaningful relationships, we discovered how these elements could merge into a cohesive organizational and product vitality framework. In the chapters, we will demonstrate how Product Wellbeing interlaces selfless leadership and trust throughout every stage of a product's lifecycle, supporting corporate resilience and genuine societal impact.

<sup>&</sup>lt;sup>7</sup> Greenleaf, R. K. *Servant Leadership: A Journey into the Nature of Legitimate Power and Greatness.* Paulist Press, 1977.



## Product Wellbeing<sup>™</sup>

A new lens on transformation, where products thrive and organizations flourish.

**Product Wellbeing™** offers a holistic approach supporting every product journey phase in accelerating complexity. Grounded in the interconnected pillars of **People**, **Process**, **Data**, and **Technology**, this framework empowers organizations to deliver sustained **Productivity**, **Profitability**, **Scalability**, and **Quality** across the entire value chain.

This book is about practical transformation. You will learn how to turn fragmented systems into cohesive, value-driving ecosystems through real-life case examples, Value Stream Modeling insights, and an evidence-based method. You will explore the Product Journey Maturity Stages, a roadmap for evolving from essential data control to optimized product wellbeing.

Whether in leadership, product management, operations, IT, service, or working at any point along the product journey—**Product Wellbeing™** equips you to lead with clarity and impact.

Finally, "Hot Potatoes" moves beyond theory to reveal hard-earned lessons from real organizations. It exposes how minor, unresolved issues —tossed between teams—can escalate into costly failures. More importantly, it shows how well-informed leadership can turn these into meaningful and measurable progress.

