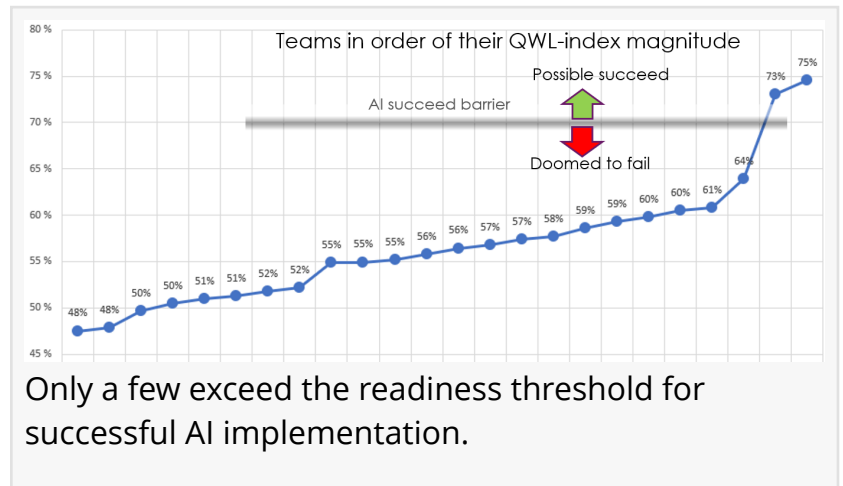


New Research Reveals Why 95% of AI Projects Fail — and What Organizations Can Do Differently

New research-backed platform tackles the root cause of AI failure: broken work culture and poor team readiness.

OULU, FINLAND, September 10, 2025 /EINPresswire.com/ -- A recent MIT study revealed a hard truth for the business world: 95% of generative AI projects fail to deliver meaningful business value. Despite the hype, most companies are wasting time and money on AI initiatives that don't scale or stick.



Now, Finnish leadership expert Dr. Marko Kesti unveils a research-based solution: Novogain AI — a digital platform designed to improve team-level readiness and organizational culture, enabling companies to finally realize the productivity potential of artificial intelligence.

“

Leaders often ask why their AI strategy isn't working. The answer is simple: AI cannot fix a broken team. But with Novogain AI, you can build team capability first — and then scale AI the smart way.”

Marko Kesti

The Problem: It's Not the AI — It's the People
“Technology is not the barrier,” says Kesti. “The real problem is that organizations try to implement AI without preparing their people and culture.”

His longitudinal research and field simulations show that AI adoption only succeeds in organizations where:

- Leadership culture supports psychological safety and trust
- Teams score above 75% on the Quality of Work Life (QWL) index

Figure 1: Typical distribution of QWL-index across teams. Only a few exceed the readiness threshold for successful AI implementation.

As this distribution shows, most organizations have the majority of their teams below the 75%

QWL threshold. This explains why so many AI projects fail despite technological investment — the human system is simply not ready.

The Formula for Success: Culture × QWL

Kesti's framework is simple and powerful:

AI Success = Leadership Culture × Team QWL

Dr. Kesti visualizes this using a Bayesian model, showing that only teams with high QWL and strong leadership culture fall into the top-right “success zone” — a group that accounts for only ~5% of organizations.

Figure 2: Bayesian Model of Successful GenAI Adoption. Success requires both strong leadership culture and high team QWL.

What Is Novogain AI?

Novogain AI is an intelligent development assistant that helps organizations:

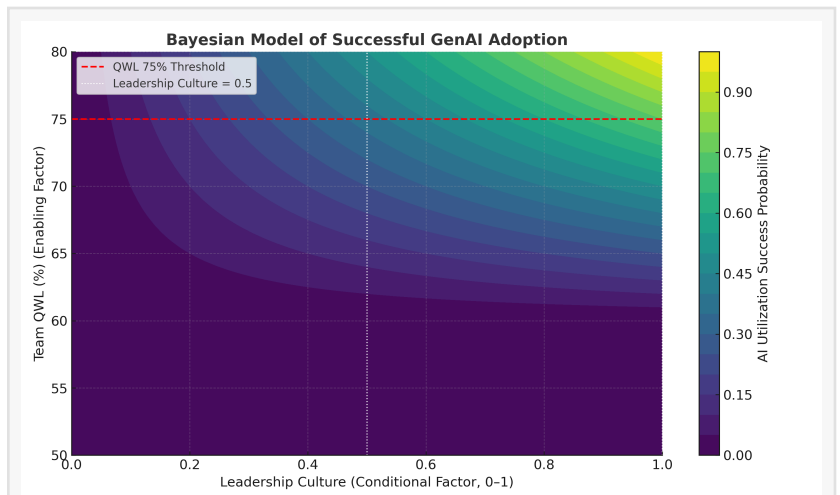
- Measure and improve team QWL
- Guide teams through a step-by-step readiness model
- Support leadership with real-time feedback and recommendations
- Simulate the return on investment of development actions
- Unlock the true power of AI once readiness is achieved

The platform is backed by over a decade of scientific research and real-world use cases across industries.

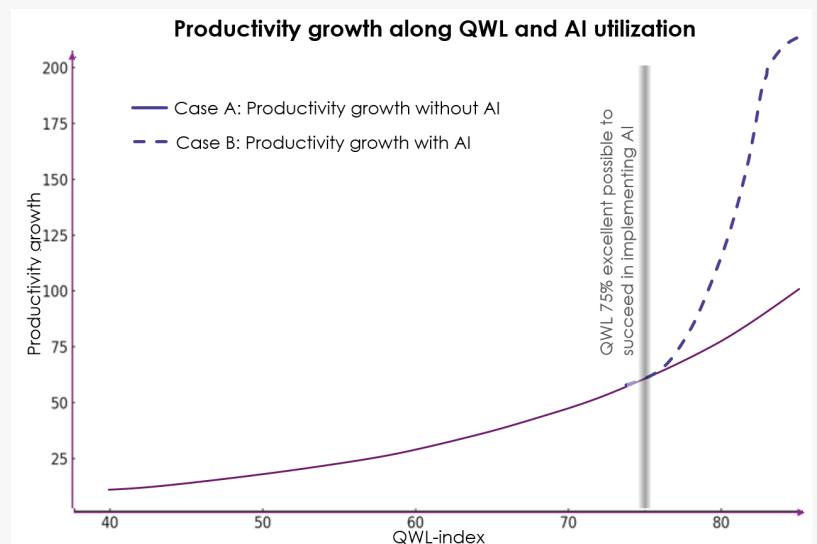
A Business Case for Sustainable AI

Kesti emphasizes that most AI failures happen because organizations focus on the tech, not the human system around it.

His Human Capital Production Function mathematically shows how QWL impacts productivity, and how AI can multiply that — but only if QWL is already high.



Success requires both strong leadership culture and high team QWL.



Exponential gains occur only above the 75% readiness threshold.

Figure 3: Productivity growth with and without AI, relative to QWL levels. Exponential gains occur only above the 75% readiness threshold.

The Human Capital Production Function explains how QWL and AI together unlock exponential gains:

$$\text{Customer Value} = K \times \text{HR} \times \text{TWh} \times (1 - \text{Ax}) \times \text{QWL}$$

- K = personal customer value coefficient
- HR = number of employees
- TWh = theoretical working hours
- Ax = auxiliary time (e.g., absences, onboarding, training)
- QWL = Quality of Work Life index

Generative AI amplifies the K-factor, turning incremental improvements into exponential growth, particularly in high-QWL environments.

About Novogain

Novogain AI is a SaaS platform developed by Finnish start-up, based on decades of research into leadership, productivity, and AI-assisted simulation. The company's mission is to enable human-centered AI adoption that delivers measurable ROI.

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